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# MAVEN INCOME AND GROWTH VCT PLC

Annual Report for the  
year ended 29 February 2020

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# CORPORATE SUMMARY

## The Company

Maven Income and Growth VCT PLC (the Company) is a public limited company limited by shares. It was incorporated in England and Wales on 12 January 2000 with company registration number 3908220. Its registered office is at Fifth Floor, 1-2 Royal Exchange Buildings, London EC3V 3LF.

The Company is a venture capital trust (VCT) and its shares are listed on the Premium segment of the official list and traded on the main market of the London Stock Exchange.

## Management

The Company is a small registered, internally managed alternative investment fund under the Alternative Investment Fund Managers Directive (AIFMD).

## Investment Objective

The Company aims to achieve long-term capital appreciation and generate income for Shareholders.

## Continuation Date

The Articles of Association (Articles) require the Directors to put a proposal for the continuation of the Company, in its then form, to Shareholders at the Company's Annual General Meeting to be held in 2024 or, if later, at the AGM following the fifth anniversary of the latest allotment of new shares.

## Share Dealing

Shares in the Company can be purchased and sold in the market through a stockbroker. For qualifying investors buying shares on the open market:

- dividends are free of income tax;
- no capital gains tax is payable on a disposal of shares;
- there is no minimum holding period;
- the value of shares, and income from them, can fall as well as rise;
- tax regulations and rates of tax may be subject to change;
- VCTs tend to be invested in smaller, unlisted companies with a higher risk profile; and
- the market for VCT shares can be illiquid.

The Stockbroker to the Company is Shore Capital Stockbrokers (020 7647 8132).

## Recommendation of Non-mainstream Investment Products

The Company currently conducts its affairs so that the shares issued by it can be recommended by financial advisers to ordinary retail investors in accordance with the rules of the Financial Conduct Authority (FCA) in relation to non-mainstream investment products, and intends to continue to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions that apply to non-mainstream investment products because they are shares in a VCT and the returns to investors are predominantly based on investments in private companies or publicly quoted securities.

## Unsolicited Offers for Shares (Boiler Room Scams)

Shareholders in a number of UK registered companies have received unsolicited calls from organisations, usually based overseas or using false UK addresses or phone lines routed abroad, offering to buy shares at prices much higher than their current market values or to sell non-tradeable, overpriced, high-risk or even non-existent securities. Whilst the callers may sound credible and professional, Shareholders should be aware that their intentions are often fraudulent and high pressure sales techniques may be applied, often involving a request for an indemnity or a payment to be provided in advance.

If you receive such a call, you should exercise caution and, based on advice from the FCA, the following precautions are suggested:

- obtain the name of the individual or organisation calling;
- check the FCA register to confirm if the caller is authorised;
- call back using the details on the FCA register to verify the caller's identity;
- discontinue the call if you are in any doubt about the intentions of the caller, or if calls persist; and
- report any individual or organisation that makes unsolicited calls with an offer to buy or sell shares to the FCA and the City of London Police.

## Useful contact details:

Action Fraud

Telephone: 0300 123 2040

Website: [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

FCA

Telephone: 0800 111 6768 (freephone)

E-mail: [consumer.queries@fca.org.uk](mailto:consumer.queries@fca.org.uk)

Website: [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)



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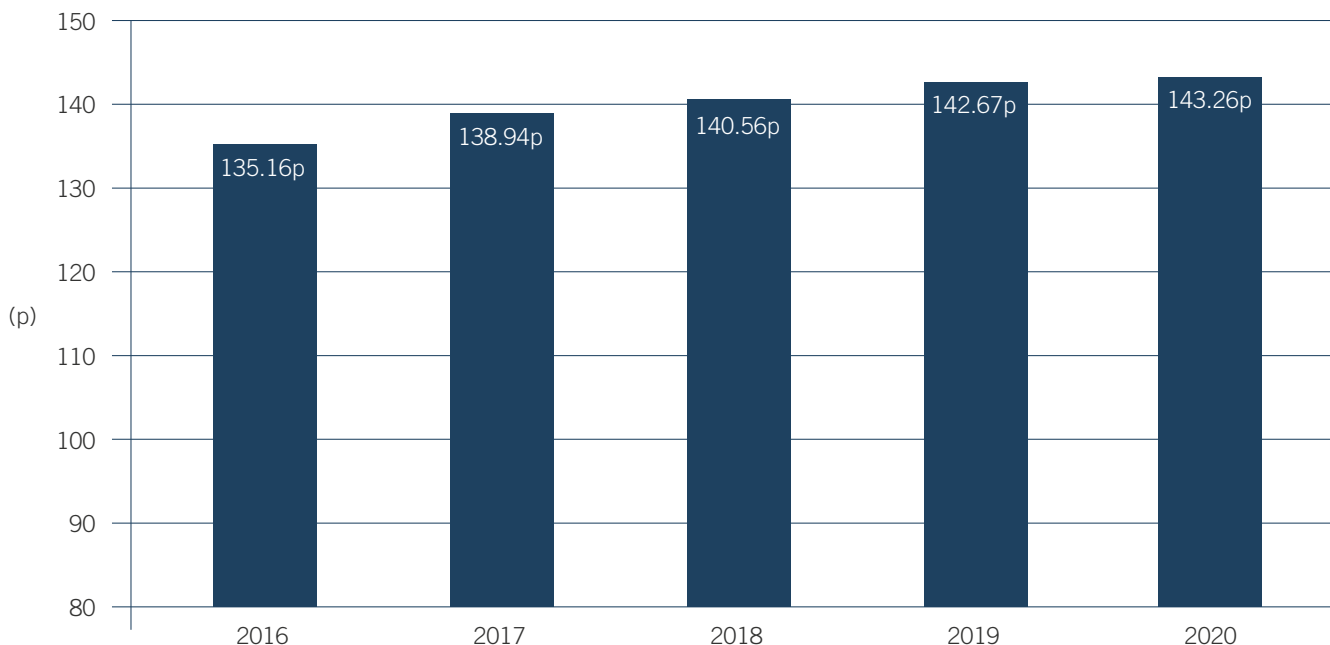
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# FINANCIAL HIGHLIGHTS

As at 29 February 2020

<b>Net asset value (NAV)</b>	<b>NAV</b> per Ordinary Share	<b>NAV total return<sup>1*</sup></b> per Ordinary Share
£43.1m	46.35p	143.26p
<b>Proposed final dividend</b> per Ordinary Share	<b>Dividends paid to date*</b> per Ordinary Share	<b>Annual yield<sup>2*</sup></b>
2.00p	96.91p	9.17%

## NAV Total Return Performance



The above chart shows the NAV total return per Ordinary Share as at the end of February in each year. Dividends that have been declared but not yet paid are included in the NAV at the balance sheet date. The policy for valuing investments is disclosed in Note 1 to the Financial Statements.

## Financial History

	29 February 2020	28 February 2019	28 February 2018
NAV	£43,100,000	£25,250,000	£31,172,000
NAV per Ordinary Share	46.35p	47.76p	58.20p
Dividends paid (or proposed) per Ordinary Share for year	4.00p	12.55p	5.66p
Dividends paid per Ordinary Share to date*	96.91p	94.91p	82.36p
<b>NAV total return per Ordinary Share<sup>1*</sup></b>	<b>143.26p</b>	<b>142.67p</b>	<b>140.56p</b>
Share price <sup>3</sup>	43.60p	43.00p	54.00p
Discount to NAV*	5.93%	9.97%	7.22%
Annual yield <sup>2*</sup>	9.17%	29.19%	10.48%
Ordinary Shares in issue	92,988,133	52,863,884	53,563,884

<sup>1</sup> Sum of current NAV per Ordinary Share and dividends paid per Ordinary Share to date (excluding initial tax relief).

<sup>2</sup> Based on dividends paid or proposed for the year and the closing mid-market share price at the year end.

<sup>3</sup> Closing mid-market price at the year end (Source: IRESS).

\*Definitions of these Alternative Performance Measures (APMs) can be found in the Glossary on page 93 of this Annual Report. The principal Key Performance Indicators (KPIs) can be found in the Business Report on page 16.

## Dividends

Year ended 28/29 February	Payment date	Interim/final	Payment (p)	Annual payment (p)
2001 - 2015			64.70	
2016	27 November 2015	First interim	2.40	
	27 May 2016	Second interim	2.40	
	15 July 2016	Final	1.20	6.00
2017	25 November 2016	First interim	2.40	
	26 May 2017	Second interim	3.60	6.00
2018	14 July 2017	First interim	2.96	
	30 November 2017	Second interim	2.70	5.66
2019	13 April 2018	First interim	7.45	
	22 June 2018	Second interim	5.10	12.55
2020	22 November 2019	Interim	2.00	
<b>Total dividends paid since inception</b>			<b>96.91</b>	
	31 July 2020	Proposed final	2.00	4.00
<b>Total dividends paid or proposed since inception</b>			<b>98.91</b>	

## Summary of Investment Changes

For the year ended 29 February 2020

	Valuation 28 February 2019		Net investment/ (disinvestment) £'000	Appreciation/ (depreciation) £'000	Valuation 29 February 2020	
	£'000	%			£'000	%
<b>Unlisted investments</b>						
Equities	12,241	48.5	509	1,000	13,750	31.9
Preference shares	1	-	-	(1)	-	-
Loan stock	9,381	37.2	(843)	(597)	7,941	18.4
	<b>21,623</b>	<b>85.7</b>	<b>(334)</b>	<b>402</b>	<b>21,691</b>	<b>50.3</b>
<b>AIM/NEX investments</b>						
Equities	725	2.9	199	126	1,050	2.4
<b>Listed investments</b>						
Investment trusts	230	0.9	1,160	41	1,431	3.3
Unit trusts	-	-	2,000	10	2,010	4.7
<b>Total investments</b>	<b>22,578</b>	<b>89.5</b>	<b>3,025</b>	<b>579</b>	<b>26,182</b>	<b>60.7</b>
Net current assets	2,672	10.5	14,246	-	16,918	39.3
<b>Net assets</b>	<b>25,250</b>	<b>100.0</b>	<b>17,271</b>	<b>579</b>	<b>43,100</b>	<b>100.0</b>

## YOUR BOARD

**The Board of four Directors, all of whom are non-executive and considered by the Board to be independent of the Manager, supervises the management of Maven Income and Growth VCT PLC and looks after the interests of its Shareholders. The Board is responsible for setting and monitoring the Company's strategy, and the biographies set out below indicate the Directors' range of investment, commercial and professional experience. Further details are provided in the Directors' Report and in the Statement of Corporate Governance in this Annual Report.**



**John Pocock**  
Chairman and Independent  
Non-executive Director

**Relevant experience and other directorships:** John has extensive experience in the information technology and financial sectors and was formerly a director and chief executive of Druid Group plc, a FTSE 250 company that was acquired by Xansa plc in March 2000. Currently non-executive chairman of CognitoIQ Limited, as well as a non-executive director of Electric & General Investment Fund Limited, he is also the founder of Young British Entrepreneur Limited and a director of Synergie Global Limited and Lightsong Media Group Limited.

**Length of service:** He was appointed as a Director on 1 March 2007 and as Chairman on 8 July 2010.

**Last re-elected to the Board:** 4 July 2019

**Committee membership:** Audit, Management Engagement (Chairman), Nomination (Chairman), Remuneration and Risk.

**Employment by the Manager:** None

**Shared directorships with other Directors:** None

**Shareholding in Company:** 77,955 Ordinary Shares



**Alison Fielding**  
Independent  
Non-executive Director

**Relevant experience and other directorships:** Alison is an experienced entrepreneur and non-executive director, with significant expertise in strategy development and implementation for both large and small organisations. She is currently a non-executive director and chair of the remuneration committee at Zotefoams PLC and Nanoco Group PLC, and non-executive director and chair of the audit committee at Getech Group PLC. Alison also serves as a non-executive director at Queen Mary Innovation Limited and as a Trustee at the Carnegie Trust for the Universities of Scotland.

**Length of service:** She was appointed as a Director on 1 January 2019.

**Elected to the Board:** 4 July 2019

**Committee membership:** Audit, Management Engagement, Nomination, Remuneration (Chairman) and Risk.

**Employment by the Manager:** None

**Shared directorships with other Directors:** None

**Shareholding in Company:** 54,597 Ordinary Shares



**Andrew Harrington**  
Independent  
Non-executive Director

**Relevant experience and other directorships:** Andrew is co-owner of AHV Associates LLP, which was formed in 2001 and works alongside management teams and shareholders across many sectors to advise on transactions, such as the purchase or sale of companies and capital raising. He was previously founder and chief executive of Nextcall Telecom, a business backed by venture and private investor capital, before which he was managing director at Salomon Brothers, where he advised on investment, initial public offerings, secondary public market offerings and mergers & acquisitions.

**Length of service:** He was appointed as a Director on 1 January 2019.

**Elected to the Board:** 4 July 2019

**Committee membership:** Audit, Management Engagement, Nomination, Remuneration and Risk.

**Employment by the Manager:** None

**Shared directorships with other Directors:** None

**Shareholding in Company:** 29,555 Ordinary Shares

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**Arthur MacMillan**  
Independent  
Non-executive Director

**Relevant experience and other directorships:** For over ten years to December 2005, Arthur was chief executive of Clyde Marine plc, which manufactures deck equipment for sail and power boats under the Lewmar and Navtec brands. Prior to that, he was a corporate financier with West Merchant Bank and Samuel Montagu & Co Limited in London. He is also an investor in, and an adviser to, a number of smaller businesses. Arthur is an ACA qualified chartered accountant and member of the Institute of Chartered Accountants in England and Wales.

**Length of service:** He was appointed as a Director on 19 January 2000.

**Last re-elected to the Board:** 4 July 2019

**Committee membership:** Audit (Chairman), Management Engagement, Nomination, Remuneration and Risk (Chairman).

**Employment by the Manager:** None

**Shared directorships with other Directors:** None

**Shareholding in Company:** 117,547 Ordinary Shares



# CHAIRMAN'S STATEMENT

## HIGHLIGHTS

NAV total return at the year end of 143.26p per share (2019: 142.67p)

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NAV at the year end of 46.35p per share (2019: 47.76p), after payment of the interim dividend of 2.00p per share

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Final dividend of 2.00p per share proposed

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Offer for Subscription fully subscribed, raising £20 million

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Deployment of £5.3 million in total, including 18 new private company and AIM quoted investments

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Five profitable private company realisations completed during the year

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Post the period end, updated NAV announced of 43.49p per share as at 20 March 2020

**Since the end of your Company's financial year, the global economy and financial markets have been impacted significantly by the coronavirus (COVID-19) pandemic. These are unprecedented times that have disrupted personal and working life for most people. On behalf of the Board, I wish to reassure Shareholders that, since the emergence of the virus in the UK, the Manager has been actively working with portfolio companies to protect Shareholder value whilst, at the same time, complying with Government guidelines. However, it is important to note that nearly 50% of your portfolio by value is invested in young and dynamic growth companies, which typically operate with a flexible cost base and many of which are focused on the software and technology space, which may be less affected by the current economic conditions. Where possible, portfolio companies have also availed themselves of Government led support, including the Coronavirus Job Retention Scheme and the Coronavirus Business Interruption Loan Scheme (CBILS). Further information is provided in the Investment Manager's Review on pages 21 to 31 and in Note 17 to the Financial Statements on page 84. The Board and the Manager remain in regular contact regarding this evolving situation and will continue to provide updates to Shareholders as appropriate.**

Turning to the performance in the financial year, your Company reported a further annual increase in NAV total return, supported by the realisation of five private company holdings. The Directors recognise the importance of tax-free distributions to Shareholders and remain committed to making dividend payments whenever possible. In recognition of this positive performance, the Directors are pleased to propose a final dividend of 2.00p per share. This takes full year distributions to 4.00p per share which, based on the share price at the year end, represents a yield of 9.17%.

During the financial year, your Company also made encouraging progress in line with its long term growth strategy. A key component of this was the completion of the £20 million fundraising, which closed early, fully subscribed in March 2019. This additional capital has enabled your Company to continue to invest in carefully researched growth orientated businesses operating across a wide range of sectors, whilst also continuing to support investee companies that are gaining commercial traction and require additional capital to deliver their business plan. It is encouraging to report that, during the year, £5.3 million was invested in a range of private and AIM quoted companies that have the potential to achieve further growth in Shareholder value as they reach maturity.

As the portfolio continues to evolve, the proportion of holdings in early stage companies will increase in line with the requirements of the VCT regulations. The ability to provide follow-on funding will become an important element of the investment strategy, as many of these new portfolio companies will require several rounds of funding before they reach maturity and their value is optimised. The Manager has, therefore, taken the cautious approach of making smaller initial investments, where possible, often as part of a syndicate with other VCT houses or co-investment partners, as a means of managing portfolio risk. Whilst early stage companies can offer the opportunity to generate significant capital gains, this has to be balanced against their stage of development and inherently different risk profile. Investing through a phased or tranching approach provides the opportunity to monitor commercial progress closely and continually assess the merits of investment before committing further financial support.

The political and economic uncertainty surrounding the UK's departure from the EU continued to dominate the domestic macro-economic outlook throughout the financial year. Whilst the full extent of future global trading relationships is still to be determined, the portfolio has not been materially affected as at the date of this Annual Report. The majority of the investee companies have limited direct exposure to the EU, and those that do have been implementing contingency plans to mitigate any potential impact. Assessing the medium to long term impact of COVID-19 on the portfolio is ongoing. The Manager is working closely with each investee company to support them as they take appropriate protective action. The Board is being regularly appraised of the situation and will continue to keep Shareholders updated as required.

The Investment Manager's Review on pages 21 to 31 of this Annual Report contains details of key portfolio developments during the financial year, including a summary of the new investments and realisations completed. It is pleasing to report that a number of the more established private companies within the portfolio continued to trade well, which enabled the valuations of certain assets to be increased. Those companies that are at an earlier stage of development generally performed in line with expectations, with most achieving growth in revenue over the previous year, which has, in a small number of cases, warranted uplifts to valuations. Aside from the specific provisions that were taken by your Company in response to the outbreak of COVID-19, reflected in the revised NAV at 20 March 2020 announced on 26 March 2020, there were also a small number of investments that had been operating behind plan or experienced a market adjustment that had influenced performance and, as a result, the valuations of these assets were reduced. During the year, two early stage portfolio companies failed to scale their businesses in line with plan and the values of the holdings were fully written down, with one of those companies being placed into administration.

This was also a highly active period for realisations, with the completion of five exits from private companies which each generated a total return in excess of current carrying value. In June 2019, the holdings in **Just Trays**, the UK's leading designer and manufacturer of shower trays and accessories, and wind turbine maintenance specialist **GEV**, were realised for total returns of 2.0 times and 2.7 times cost respectively over their holding periods. In September 2019, the exit from **ELE Advanced Technologies**, a manufacturer of precision engineering components, was completed, generating a total return of 4.4 times cost over the life of the investment. In December 2019, your Company completed its first exit from the portfolio of earlier stage assets, with the realisation of fibre network provider **ITS Technology** for a total return of just above 1.0 times cost over the investment period. In February 2020, the holding in **Attraction World**, a provider of worldwide theme park and attraction tickets, was realised at a value in line with revised carrying value and generated a total return of 1.9 times cost over the life of the investment. Whilst the Board is aware that discussions are underway regarding potential exits from other portfolio companies, it is likely that, in light of the COVID-19 outbreak, a number of these sale processes will be put on hold until there is a greater degree of economic certainty.

### **Dividends and Distributable Reserves**

As Shareholders will be aware from recent Interim and Annual Reports, decisions on distributions take into consideration the availability of surplus revenue, the realisation of capital gains, the adequacy of distributable reserves and the VCT qualifying level, all of which are kept under close and regular review by the Board and the Manager. During the previous financial year, your Company paid an enhanced level of interim dividends, which occurred outwith the normal dividend payment cycle and was the result of a build-up of distributable reserves and the requirement to maintain ongoing compliance with the VCT regulations.

Whilst your Company does not have a specific dividend target, the Board and the Manager recognise the importance of tax-free distributions to Shareholders and, following recent realisation activity, are pleased to propose a final dividend of 2.00p per Ordinary Share in respect of the year ended 29 February 2020. The final dividend will be paid on 31 July 2020 to Shareholders on the register at 3 July 2020 and will bring total distributions for the year to 4.00p per Ordinary Share, representing a yield of 9.17% on the year end closing mid-market share price of 43.60p. Since the Company's launch, and after receipt of the proposed final dividend, Shareholders will have received 98.91p per share in tax-free distributions. It should be noted that the effect of paying dividends is to reduce the NAV of the Company by the total cost of the distribution.

At a General Meeting of the Company held on 2 November 2018, Shareholders approved the resolutions to cancel the Company's Share Premium Account and the Capital Redemption Reserve, pursuant to the Companies Act 2006, to create a further pool of distributable reserves that could be used for future dividends or any other applicable purpose. On 4 December 2019, the Directors confirmed that the cancellation had been approved by the Court and registered with the Registrar of Companies on 19 November 2019, at which point the cancellation became effective.

Whilst the level of distributable reserves has increased, the Directors would like to remind Shareholders that, as the portfolio evolves and a greater proportion of holdings are invested in young companies with growth capital requirements, there will continue to be fluctuations in the quantum and timing of dividend payments. Distributions will be more closely linked to realisation activity and, if larger distributions are required as a consequence of exits, this could result in a commensurate reduction in NAV per share. However, the Board considers this to be a tax-efficient means of returning value to Shareholders, whilst ensuring ongoing compliance with the requirements of the VCT legislation.

## Suspension of the Dividend Investment Scheme (DIS)

On 26 March 2020, the Board announced that, in light of the volatility in financial markets caused by the COVID-19 pandemic, it had deemed it appropriate to suspend the DIS with immediate effect. As a result, the proposed final dividend of 2.00p per share for the financial year to 29 February 2020, and all subsequent dividends until further notice, will be paid to Shareholders either by cheque or bank transfer using existing mandate instructions. Written confirmation of the suspension in the operation of the DIS will be issued to those Shareholders who had elected to participate.

If a Shareholder has a specific query with respect to the DIS suspension, they should contact **The Company Secretary, Maven Income and Growth VCT PLC, c/o Maven Capital Partners UK LLP, First Floor, Kintyre House, 205 West George Street, Glasgow G2 2LW** or email: **CoSec@mavencp.com**.

## Fund Raising

On 7 March 2019, the Directors were pleased to announce that your Company's Offer for Subscription, which launched on 26 September 2018 as part of a joint Offer with Maven Income and Growth VCT 5 PLC, was fully subscribed, including full utilisation of the over-allotment facility, raising £20 million. The allotment of 38,112,053 new Ordinary Shares in respect of the 2018/19 tax year took place on 6 March 2019, with the allotment of 3,049,148 new Ordinary Shares in respect of the 2019/20 tax year completing on 24 April 2019.

The funds raised have enabled your Company to continue to expand its portfolio by making new investments in growth focused private and AIM quoted companies that operate across a range of market sectors and are capable of generating capital gains, as well as ensuring that existing portfolio companies can continue to be supported through follow-on funding where there is an ongoing business case and commercial traction that merits support. The additional capital will allow your Company to continue its share buy-back policy, whilst spreading costs over a wider asset base in line with the objective of maintaining a competitive total expense ratio for the benefit of all Shareholders.

Further details regarding the new Ordinary Shares issued under the Offer can be found in Note 12 to the Financial Statements.

## Share Buy-backs

Shareholders will be aware that a primary objective for the Board is to ensure that the Company retains sufficient liquidity to make investments in line with its stated policy, and for the continued payment of dividends. However, the Directors also acknowledge the need to maintain an orderly market in the Company's shares and have, therefore, delegated authority to the Manager to buy back shares in the market for cancellation or to be held in treasury, subject always to such transactions being in the best interests of Shareholders. The Board maintains the view that, despite the market volatility in relation to COVID-19, it currently remains appropriate to operate the buy-back policy as this is an important mechanism for ensuring an orderly market in the Company's shares.

It is intended that, subject to market conditions, available liquidity and the maintenance of the Company's VCT status, Ordinary Shares will be bought back at prices representing a discount of between 5% and 10% of the prevailing NAV per share.

## Regulatory Developments

Whilst the 2019 Budget did not introduce further amendments to the rules governing VCTs, a key focus for the financial year has been satisfying the requirement of the Finance Act 2018, which increased the threshold level of qualifying investments that a VCT must hold from 70% to 80%. The Directors are pleased to confirm that this was achieved ahead of 1 March 2020, being the date of compliance for your Company. The qualifying position will continue to be closely monitored by the Manager and reviewed by the Board on a regular basis.

In February 2019, the Association of Investment Companies (AIC) issued an updated version of the AIC Corporate Governance Code (the AIC Code), reflecting the revised UK Corporate Governance Code (the UK Code), which was published in July 2018. Having considered the implications and reporting obligations under the revised Codes, and consistent with maintaining high standards of corporate governance, the Board has adopted the AIC Code. Shareholders will note the inclusion of a number of additional disclosures in this Annual Report, reflecting application of the AIC Code, and the notable changes to the revised AIC Code are highlighted in the Statement of Corporate Governance on page 52 of this Annual Report.

During the year, the Manager has been working towards the implementation of the Senior Managers and Certification Regime (SMCR) which, for solo regulated firms such as Maven, came into effect on 9 December 2019. The SMCR replaces the FCA's approved persons regime and seeks to increase transparency and accountability of processes and structures within FCA regulated entities, including Maven. The Board is pleased to note that all relevant requirements of the SMCR were achieved by Maven ahead of the implementation date.

### **Annual General Meeting (AGM)**

The 2020 AGM will be held in the Glasgow office of Maven Capital Partners UK LLP on 22 July 2020 commencing at 12.00 noon. The Notice of Annual General Meeting can be found on pages 85 to 90 of this Annual Report.

The Directors are aware that the AGM is a good opportunity for Shareholders to meet the Board and the Manager but also consider the well-being of its Shareholders and other AGM attendees to be their priority. Therefore, in light of the current Government advice against all non-essential travel and maintaining social distancing, Shareholders will not be allowed to attend the AGM in person and should instead vote using the Proxy Form, which can be submitted to the Company. Proxy Forms should be completed and returned in accordance with the instructions thereon and the latest time for the receipt of Proxy Forms is 12.00 noon on 20 July 2020. Proxy votes can also be submitted by CREST or online using the Registrar's Share Portal Service at **[www.signalshares.com](http://www.signalshares.com)**.

The Board would also encourage Shareholders to submit any questions for the Board and Manager by email or by letter in advance of the AGM. A summary of responses will be published after the AGM on the Company's website at: **[www.mavencp.com/migvct](http://www.mavencp.com/migvct)**.

Shareholders wishing to submit a question should write to: **The Company Secretary, Maven Income and Growth VCT PLC, c/o Maven Capital Partners UK LLP, First Floor, Kintyre House, 205 West George Street, Glasgow G2 2LW** or email to: **[CoSec@mavencp.com](mailto:CoSec@mavencp.com)**

### **The Future**

Whilst the COVID-19 pandemic has presented a number of significant unforeseen economic and social challenges for the UK and global economy, your Board remains committed to continuing to build a large and broadly based portfolio of carefully selected private and AIM quoted companies that are capable of generating value as they mature. Following the success of the 2019 fundraising, your Company has the liquidity to support this strategy, whilst also maintaining the capability to continue to support existing portfolio companies that are making measurable progress. However, in light of the current market uncertainty, the Manager is likely to be more circumspect in terms of new investment activity until the economic effects of the pandemic become clearer.

**John Pocock**  
**Chairman**

**29 May 2020**

# BUSINESS REPORT

**This Business Report is intended to provide an overview of the strategy and business model of the Company, as well as the key measures used by the Directors in overseeing its management. The Company is a venture capital trust and invests in accordance with the investment objective set out in this Business Report. The Board holds at least one meeting per annum at which strategic matters are discussed.**

## **Investment Objective**

Under an investment policy approved by the Directors, the Company aims to achieve long-term capital appreciation and generate income for Shareholders.

## **Business Model and Investment Policy**

Under an investment policy approved by the Directors, the Company intends to achieve its objective by:

- investing the majority of its funds in a diversified portfolio of shares and securities in smaller, unquoted UK companies and AIM/NEX quoted companies that meet the criteria for VCT qualifying investments and have strong growth potential;
- investing no more than £1.25 million in any company in one year and no more than 15% of the Company's assets by cost in one business at any time; and
- borrowing up to 15% of net asset value, if required and only on a selective basis, in pursuit of its investment strategy.

The Company had no borrowings as at 29 February 2020 and, as at the date of this Report, the Board has no intention of utilising the borrowing facility.

## **Principal and Emerging Risks and Uncertainties**

The Board and the Risk Committee have an ongoing process for identifying, evaluating and monitoring the principal and emerging risks and uncertainties facing the Company. The risk register and dashboard form key parts of the Company's risk management framework used to carry out a robust assessment of the risks, including a significant focus on the controls in place to mitigate them. The principal and emerging risks and uncertainties facing the Company are as follows:

### ***Investment Risk***

The majority of the Company's investments are in small and medium sized unquoted UK companies and AIM/NEX quoted companies which, by their nature, carry a higher level of risk and lower liquidity relative to investments in large quoted companies. The Board aims to limit the risk attached to the investment portfolio as a whole by ensuring that a robust and structured selection, monitoring and realisation process is applied by the Manager. The Board reviews the investment portfolio with the Manager on a regular basis.

The Company manages and minimises investment risk by:

- diversifying across a large number of companies;
- diversifying across a range of economic sectors;
- actively and closely monitoring the progress of investee companies;
- co-investing with other clients of the Manager;
- ensuring valuations of underlying investments are made fairly and reasonably (see Notes 1(e), 1(f) and 16 to the Financial Statements for further detail);
- taking steps to ensure that the share price discount is managed appropriately; and
- choosing and appointing an FCA authorised investment manager with the appropriate skills, experience and resources required to achieve the Investment Objective, with ongoing monitoring to ensure the Manager is performing in line with expectations.

**Internal Control Risk**

The Board reviews regularly the system of internal controls, both financial and non-financial, operated by the Company, Maven and other key third party outsourcers such as the Custodian and Registrar. These include controls designed to ensure that the Company's assets are safeguarded, that all records are complete and accurate and that the third parties have adequate controls in place to prevent data protection and cyber security failings.

**VCT Qualifying Status Risk**

The Company operates in a complex regulatory environment and faces a number of related risks, including:

- becoming subject to capital gains tax on the sale of its investments as a result of a breach of Section 274 of the Income Tax Act 2007;
- loss of VCT status and consequent loss of tax reliefs available to Shareholders as a result of a breach of the VCT Regulations;
- loss of VCT status and reputational damage as a result of a serious breach of other regulations such as the FCA Listing Rules and the Companies Act 2006; and
- increased investment restrictions resulting from EU State Aid Rules, incorporated by the Finance (No. 2) Act 2015 and the Finance Act 2018.

The Board works closely with the Manager to ensure compliance with all applicable and upcoming legislation, such that VCT qualifying status is maintained. Further information on the management of this risk is detailed under other headings in this Business Report.

**Legislative and Regulatory Risk**

The Directors strive to maintain a good understanding of the changing regulatory agenda and consider emerging issues so that appropriate changes can be implemented and developed in good time. In order to maintain its approval as a VCT, the Company is required to comply with VCT legislation in the UK as well as the EU State Aid Rules. Changes in either legislation could have an adverse impact on Shareholder investment returns whilst maintaining the Company's VCT status. The Board and the Manager continue to make representations where appropriate, either directly or through relevant industry bodies such as the AIC and the British Private Equity and Venture Capital Association (BVCA).

The Company has retained Philip Hare & Associates LLP as VCT adviser and also uses a number of other VCT advisers on a transactional basis.

Breaches of other regulations including, but not limited to, the Companies Act 2006, the FCA Listing Rules, the FCA Disclosure Guidance and Transparency Rules, the GDPR, or the Alternative Investment Fund Managers Directive (AIFMD), could lead to a number of detrimental outcomes and reputational damage. Breaches of controls by service providers to the Company could also lead to reputational damage or loss.

The AIFMD, which regulates the management of alternative investment funds, including VCTs, introduced a new authorisation and supervisory regime for all investment companies in the EU. The Company is a small registered and internally managed alternative investment fund under the AIFMD. The Company is also required to comply with tax legislation under the Foreign Account Tax Compliance Act and the Common Reporting Standard. The Company has appointed Link Market Services to act on its behalf to report annually to HMRC and to ensure compliance with this legislation.

**Political Risk**

The full political, economic and legal consequences of the UK leaving the EU are not yet known. It is possible that investments in the UK may be more difficult to assess for suitability of risk, harder to buy or sell and, therefore, there will be a greater level of subjectivity in their valuations. In the longer term, there is likely to be a period of uncertainty as the UK seeks to negotiate its ongoing relationship with the EU and other global trade partners.

In future, the UK's laws and regulations, including those relating to investment companies and AIFMs may diverge from those of the EU. This may lead to changes in the operation of the Company, the rights of investors, or the territories in which the shares of the Company may be promoted and sold.

The Board reviews the political situation on a regular basis, together with any associated changes to the economic, regulatory and legislative environment, in order to ensure that any risks arising are mitigated as effectively as possible.

**Climate Change and Social Responsibility Risk**

The Board recognises that climate change is an important emerging risk that all companies should take into consideration within their strategic planning. As referred to elsewhere in this Strategic Report and in the Statement of Corporate Governance, the Company has little direct impact on environmental issues. However, the Company has introduced measures to reduce the cost and environmental impact of the production and circulation of Shareholder documentation such as the annual and interim reports. This has resulted in a significant reduction in the number of copies being printed and posted, with fewer than 35% of Shareholders now receiving paper reports.

The Board is also aware that the Manager continues to take into account environmental, social and governance matters when considering investment proposals. VCTs in general are regarded as supporting small and medium sized enterprises, investment in which helps to create local employment across a range of UK geographical regions.

**Other Key Risks****Governance Risk**

The Directors are aware that an ineffective Board could have a negative impact on the Company and its Shareholders. The Board recognises the importance of effective leadership and board composition and this is ensured by completing an annual evaluation process, with action taken if required.

**Management Risk**

The Directors are aware of the risk that investment opportunities could fail, or the management of the VCT could breach the Management and Administration Deed or regulatory parameters, due to lack of knowledge and/or experience of the investment professionals acting on behalf of the Company. To manage this risk, the Board has appointed Maven as investment manager, as it employs skilled professionals with the required VCT knowledge and experience. In addition, the Board takes comfort that the Manager's controls have been updated to ensure compliance with the SMCR.

The Directors are also mindful of the impact that the loss of the Manager's key employees could have on both investment opportunities that may be lost or existing investments that may fail. The Board is reassured by the Manager's approach to incentivising staff and ensuring that adequate notice periods are included in all contracts of employment.

**Financial and Liquidity Risk**

As most of the investments require a mid to long term commitment and are relatively illiquid, the Company retains a portion of the portfolio in cash or cash equivalents in order to finance any new unlisted investment opportunities. The Company has no direct exposure to currency risk and does not enter into any derivative transactions.

**Economic Risk**

The valuation of investment companies may be affected by underlying economic conditions, such as fluctuating interest rates and the availability of bank finance. The economic and market environment is kept under constant review and the investment strategy of the Company adapted, so far as is possible, to mitigate emerging risks.

**Credit Risk**

The Company may hold financial instruments and cash deposits and is dependent on counterparties discharging their agreed responsibilities. The Directors consider the creditworthiness of the counterparties to such instruments and seek to ensure that there is no undue concentration of exposure to any one party.

An explanation of certain economic and financial risks and how they are managed is also contained in Note 16 to the Financial Statements.

**Other Emerging Risks**

The Directors are cognisant of the potential impact of the COVID-19 outbreak and its implications for the activities of the Manager and on the performance of investee companies. This is covered in more detail in the Chairman's Statement on pages 9 to 12, the Investment Manager's Review on pages 21 to 31 and Note 17 to the Financial Statements on page 84.

**Statement of Compliance with Investment Policy**

The Company is adhering to its stated investment policy and managing the risks arising from it. This can be seen in various tables and charts throughout this Annual Report, and from information provided in the Chairman's Statement and in the Investment Manager's Review. A review of the Company's business, its position as at 29 February 2020 and its performance during the year then ended is included in the Chairman's Statement, which also includes an overview of its strategy and business model.

The management of the investment portfolio has been delegated to Maven, which also provides company secretarial, administrative and financial management services to the Company. The Board is satisfied with the depth and breadth of the Manager's resources and its network of offices, which supply new deals and enable it to monitor the geographically widespread portfolio of companies effectively.

The Investment Portfolio Summary on pages 38 to 41 of this Annual Report discloses the investments in the portfolio and the degree of co-investment with other clients of the Manager. The tabular analysis of the unlisted and quoted portfolio on pages 19 and 20 shows that the portfolio is diversified across a variety of industry sectors and transaction types. The level of VCT qualifying investment is monitored by the Manager on a daily basis and reported to the Risk Committee quarterly, or as otherwise required.

### **Key Performance Indicators**

During the year, the net return on ordinary activities before taxation was £548,000 (2019: £1,099,000); gains on investments were £579,000 (2019: £1,292,000); and earnings per share were 0.59p (2019: 2.06p).

The Directors also consider a number of APMs to assess the Company's success in achieving its objective and enable Shareholders and prospective investors to gain an understanding of the Company's business. These APMs are shown in the Financial Highlights on pages 4 and 5.

In addition, the Board considers the following to be KPIs:

- NAV total return;
- annual yield;
- share price discount to NAV;
- investment income; and
- operational expenses.

The NAV total return is considered to be a more appropriate long-term measure of Shareholder value as it includes both the current NAV per share and total dividends paid to date. The annual yield is the total dividends paid per share for the financial year, expressed as a percentage of the share price at the year-end date. The Directors seek to pay dividends to provide a yield and comply with the VCT rules, taking account of the level of distributable reserves, profitable realisations in each accounting period and the Company's future cash flow projections. The share price discount to NAV is the percentage by which the mid-market price of an investment is lower than its net asset value per share.

Definitions of the APMs can be found in the Glossary on page 93. A historical record of these measures is shown in the Financial Highlights on pages 4 and 5 and the change in the profile of the portfolio is reflected in the Summary of Investment Changes on page 6. The Board reviews the Company's investment income and operational expenses on a quarterly basis, as the Directors consider that these are both important components in the generation of Shareholder returns. Further information can be found in Notes 2 and 4 to the Financial Statements on page 76.

There is no VCT index against which to compare the financial performance of the Company. However, for reporting to the Board and Shareholders, the Manager uses comparisons with the most appropriate index, being the FTSE AIM All-share Index. The Directors also consider non-financial performance measures such as the flow of investment proposals and the Company's ranking within the VCT sector by independent analysts. In addition, the Directors consider economic, regulatory and political trends and features that may impact on the Company's future development and performance.

### **Valuation Process**

Investments held by the Company in unquoted companies are valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Investments quoted or traded on a recognised stock exchange, including AIM, are valued at their bid prices.

### **Share Buy-backs**

At the forthcoming AGM, the Board will seek the necessary Shareholder authority to continue to conduct a share buy-back programme under appropriate circumstances.



## The Board's Duty and Stakeholder Engagement

The Directors recognise the importance of an effective Board and its ability to discuss, review and make decisions to promote the long-term success of the Company and protect the interests of its key stakeholders. As required by provision 5 of the AIC Code (and in line with the UK Code), the Board has discussed the Directors' duty under Section 172 of the Companies Act and how the interests of key stakeholders have been considered in Board discussions and decision making during the year. This has been summarised in the table below:

Stakeholder	Form of engagement	Influence on Board/Committee decision making
<b>Shareholders</b>	<p>Annual General Meeting - Shareholders are normally encouraged to attend the AGM and are provided with the opportunity to ask questions and engage with the Directors and the Manager. Shareholders are also encouraged to exercise their right to vote on the Resolutions proposed at the AGM (please refer to Chairman's Statement on page 12).</p> <p>Shareholder documents – the Company reports formally to Shareholders by publishing Annual and Interim Reports, normally in May and October each year. In the instance of a corporate action taking place, the Board will communicate with Shareholders through the issue of a Circular and, if required, a Prospectus.</p> <p>Other significant matters, including those in relation to reporting obligations, are disseminated to Shareholders by way of announcements to the London Stock Exchange.</p> <p>The Company Secretary acts as a key point of contact for the Board and communications received from Shareholders are circulated to the whole Board.</p>	<p>Dividend declarations – the Board recognises the importance of tax-free dividends to Shareholders and takes this into consideration when making decisions to pay interim and propose final dividends for each year. Further details regarding dividends for the year under review can be found in the Chairman's Statement on pages 9 and 10.</p> <p>Share buy-back policy – the Directors recognise the importance to Shareholders of the Company maintaining an active buy-back programme and considered this when establishing the current policy. Further details can be found in the Chairman's Statement on page 11 and the Directors' Report on page 46.</p> <p>Offer for Subscription – in making a decision to launch any such Offer, the Directors have to consider that it would be in the interest of Shareholders to continue to expand the portfolio and make further investments across a diverse range of sectors. By growing the Company, costs are spread over a wider asset base to promote a competitive total expense ratio, which is in the interests of Shareholders. In addition, the increased liquidity helps support the buy-back policy referred to above. Further details regarding the latest Offer for Subscription can be found in the Chairman's Statement on page 11.</p> <p>Liquidity management – as a result of the success of the recent Offer for Subscription, the Company has a strong liquidity position. In order to generate income and add value for Shareholders during the period while the Manager is deploying the funds raised, the Board has an active liquidity management policy, which has the objective of generating income from the cash held prior to investment. Further details regarding the liquidity management policy can be found in the Investment Manager's Report on page 24.</p>

Stakeholder	Form of engagement	Influence on Board/Committee decision making
<b>Portfolio Companies</b>	Quarterly Board Meetings – the Manager reports to the Board on the portfolio companies and the Directors challenge the Manager where they feel it is appropriate. The Manager then communicates directly with each portfolio company, normally through the Maven representative who sits on the board of the portfolio company.	<p>The Directors are aware that the exercise of voting rights is key to promoting good corporate governance and, through the Manager, ensures that the portfolio companies are encouraged to adopt best practice in corporate governance. The Board has delegated the responsibility for monitoring the portfolio companies to the Manager and has given it discretion to vote in respect of the Company's holdings in the investment portfolio, in a way that reflects the concerns and key governance matters discussed by the Board. From time to time, the management teams of investee companies give presentations to the Board.</p> <p>The Board is also mindful that, as the portfolio expands and the proportion of early stage investments increases, follow-on funding will represent an important part of the Company's investment strategy and this forms a key part of the Directors' discussions on valuations and risk management.</p>
<b>Manager</b>	Quarterly Board Meetings – the Manager attends every Board Meeting and presents a detailed portfolio analysis and reports on key issues such as VCT compliance, investment pipeline and utilisation of any new monies raised. Ad hoc meetings are convened to address specific circumstances, such as the COVID-19 pandemic.	The Manager is responsible for implementing the investment objective and the strategy agreed by the Board. In making a decision to launch any Offer for Subscription, the Board needs to consider that the Company requires sufficient liquidity in order to continue to expand and broaden the investment portfolio in line with the strategy, including the provision of follow-on funding.
<b>Registrar</b>	Annual review meetings and control reports.	The Directors review the performance of all third party service providers on an annual basis, including ensuring compliance with GDPR.
<b>Custodian</b>	Regular statements and control reports received, with all holdings and balances reconciled.	The Directors review the performance of all third party providers on an annual basis, including oversight of securing the Company's assets.

### Employee, Environmental and Human Rights Policy

As a VCT, the Company has no direct employee or environmental responsibilities, nor is it responsible directly for the emission of greenhouse gases. The Board's principal responsibility to Shareholders is to ensure that the investment portfolio is managed and invested properly. As the Company has no employees, it has no requirement to report separately on employment matters. The management of the Company's assets is undertaken by the Manager through members of its portfolio management team.

The Manager engages with the Company's underlying investee companies in relation to their corporate governance practices and in developing their policies on social, community and environmental matters. Further information may be found in the Statement of Corporate Governance. In light of the nature of the Company's business, there are no relevant human rights issues and, therefore, the Company does not have a human rights policy.

### Independent Auditor

The Company's Independent Auditor is required to report if there are any material inconsistencies between the content of the Strategic Report and the Financial Statements. The Independent Auditor's Report can be found on pages 63 to 69.

### Future Strategy

The Board and Manager intend to maintain the policies set out above for the year ending 28 February 2021, as it is believed that these are in the best interests of Shareholders.

### Approval

The Business Report, and the Strategic Report as a whole, was approved by the Board of Directors and signed on its behalf by:

**John Pocock**  
**Director**  
**29 May 2020**

# ANALYSIS OF UNLISTED AND QUOTED PORTFOLIO

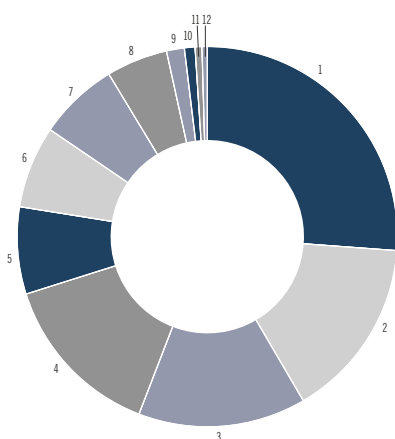
As at 29 February 2020

Industry sector	Unlisted valuation £'000	%	Quoted valuation £'000	%	Total valuation £'000	%
Software & computer services <sup>1</sup>	8,460	32.3	302	1.2	8,762	33.5
Investment companies <sup>2</sup>	269	1.1	3,441	13.1	3,710	14.2
Support services <sup>1</sup>	3,483	13.3	106	0.4	3,589	13.7
Energy services	2,806	10.7	-	-	2,806	10.7
Electronic & electrical equipment	1,968	7.5	-	-	1,968	7.5
Insurance	1,189	4.5	-	-	1,189	4.5
Telecommunication services	1,024	3.9	-	-	1,024	3.9
Pharmaceuticals & biotechnology	580	2.2	186	0.7	766	2.9
Health	730	2.8	-	-	730	2.8
Technology	676	2.6	-	-	676	2.6
Media & entertainment	-	-	387	1.5	387	1.5
Automobiles & parts	293	1.1	-	-	293	1.1
Diversified industrials	213	0.8	-	-	213	0.8
Engineering & machinery	-	-	69	0.3	69	0.3
<b>Total</b>	<b>21,691</b>	<b>82.8</b>	<b>4,491</b>	<b>17.2</b>	<b>26,182</b>	<b>100.0</b>

<sup>1</sup> The charts below show the breakdown by end-user market.

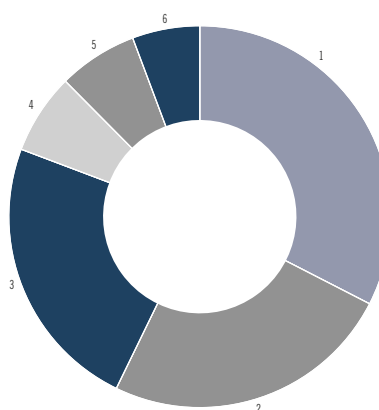
<sup>2</sup> Quoted holdings are in investment trusts and unit trusts held as part of liquidity management strategy.

## Breakdown of Software & Computer Services



1. Financial services - 26%
2. Automotive - 15%
3. Employment services - 14%
4. Marketing - 14%
5. Education - 8%
6. Hospitality - 7%
7. Communications - 6%
8. Consumer services - 5%
9. Media - 2%
10. Healthcare - 1%
11. Cyber security - 1%
12. Technology hardware - 1%

## Breakdown of Support Services



1. Industrial products and services - 32%
2. Leisure - 24%
3. Consumer services - 24%
4. Education - 7%
5. Marketing - 7%
6. Energy services - 6%

# ANALYSIS OF UNLISTED AND QUOTED PORTFOLIO (CONTINUED)

As at 29 February 2020

Transaction type	Number	Valuation £'000	%
<b>Unlisted</b>			
Growth capital - post 2015 <sup>1</sup>	33	11,562	44.1
Investments completed - pre 2015 <sup>2</sup>	22	10,129	38.7
<b>Total unlisted</b>	<b>55</b>	<b>21,691</b>	<b>82.8</b>
<b>Quoted</b>			
Listed <sup>3</sup>	11	3,441	13.1
AIM/NEX	11	1,050	4.1
<b>Total quoted</b>	<b>22</b>	<b>4,491</b>	<b>17.2</b>
<b>Total unlisted and quoted<sup>4</sup></b>	<b>77</b>	<b>26,182</b>	<b>100.0</b>

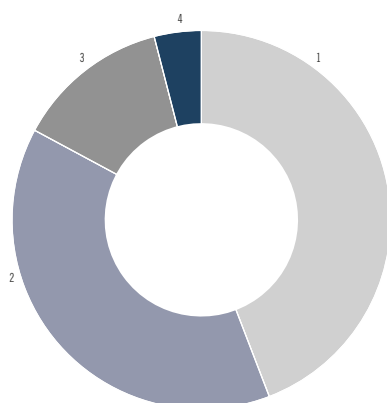
<sup>1</sup> The Finance (No. 2) Act 2015 introduced new qualifying rules governing the types of investments VCTs can make.

<sup>2</sup> Includes all investments completed prior to the enactment of The Finance (No. 2) Act 2015.

<sup>3</sup> Holdings in investment trusts and unit trusts held as part of liquidity management strategy.

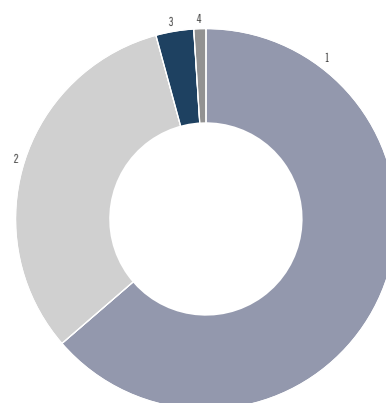
<sup>4</sup> Excludes cash balances.

Valuation by Transaction Type - February 2020



1. Growth capital - post 2015 - 44%
2. Pre 2015 investments - 39%
3. Listed - 13%
4. AIM/NEX - 4%

Valuation by Transaction Type - February 2019



1. Pre 2015 investments - 64%
2. Growth capital - post 2015 - 32%
3. AIM/NEX - 3%
4. Listed - 1%

# INVESTMENT MANAGER'S REVIEW

## HIGHLIGHTS

18 new private and AIM quoted company holdings added to the portfolio, with a further eight completed after the period end

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Follow-on funding provided to nine portfolio companies

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Realisation of Attraction World for a total return of 1.9 times cost

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Realisation of ELE Advanced Technologies for a total return of 4.4 times cost

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Realisation of GEV for a total return of 2.7 times cost

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Realisation of ITS Technology for a total return in excess of 1.0 times cost

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Realisation of Just Trays for a total return of 2.0 times cost

**During the reporting period, 18 new private company and AIM quoted investments were completed, continuing the strategy of increasing the absolute number of investee company holdings and improving exposure to a wide range of sectors. The Manager believes that a carefully constructed and broadly based portfolio of private company and AIM quoted investments, which may offer different liquidity characteristics, helps to diversify risk and optimise the potential for positive Shareholder returns. Follow-on funding was also provided to certain existing portfolio companies that were able to demonstrate positive commercial traction and the achievement of defined operational or trading milestones. It was also a very busy period for realisations, with the completion of five profitable exits, including the realisation of ITS Technology, which is the first sale from the early stage portfolio. The proceeds from these exits helped to underpin the annual dividend.**

Since the period end, the COVID-19 outbreak has created a more challenging operating environment for portfolio companies. Maven has responded quickly to the situation and is adhering to Government guidance in terms of avoiding non-essential travel and social distancing measures. Maven staff are all working remotely and the investment team is in regular dialogue with portfolio companies to offer advice and assistance as appropriate, including around Government measures to support businesses and employees. New investment activity is continuing cautiously, although meetings are taking place remotely until the lockdown restrictions are eased. It is encouraging to note that five new private company and three AIM quoted investments have completed post the period end. These were transactions that had been in process for some time, and where the underlying trade was relatively unaffected by the impact of COVID-19.

Following the completion of the fundraising in March 2019, a key objective for the financial year was to achieve a healthy rate of new investment. Over the past few years, Maven has expanded its nationwide team, through the appointment of a number of experienced early stage investment executives, and has also extended its regional presence by opening new offices in key corporate finance regions. It is pleasing to note that this strategy is delivering tangible results, with a large number of new investments completed during the reporting period. These new portfolio companies operate across a wide range of sectors and have typically developed a valuable proprietary technology, or have a business model that is capable of scalable growth. Full details of the new portfolio additions can be found on pages 24 to 26 of this Annual Report. Your Company has also invested alongside other VCT houses or co-investment partners in certain transactions. This approach aims to mitigate the risks associated with growth capital investment and, in some cases, reflects the likely requirement for follow-on funding.

Maven takes a highly selective approach to new investment and will only support companies where investment can be secured at an attractive entry price that offers potential upside commensurate with both the stage of the company's development and the risk associated with early stage investment. Maven strives to build a strong working relationship with each management team post investment, including taking a position on the board. This allows Maven to maintain close and regular contact with the business, which is particularly important through an extended growth phase where strategic issues need to be considered and actions implemented, such as securing further funding, moving into new markets, or pivoting the business model.

Whilst the majority of the portfolio comprises private company holdings, during the year your Company also added a small number of new AIM quoted investments. Maven has several dedicated AIM executives with many years' experience in that market, who have developed long standing relationships across the London broking community. The Manager believes that a hybrid model, offering the ability to invest across both private equity and AIM, is an important differentiator and helps to build a portfolio with complementary liquidity and return characteristics, as it provides Shareholders with access to a wider range of companies with scope to realise profits at different times. Private company investments are generally held for the medium term, and may require several rounds of equity finance before reaching their maximum potential. However, AIM is a more liquid market, which may allow the Manager to trade out gains at an earlier stage, subject at all times to maintaining the VCT qualifying level of your Company.

During the year, five private company realisations were completed. In most cases, a formal sales process was conducted by specialist corporate finance advisers with competing bids received from interested parties. The exits from the holdings in **GEV** and **Just Trays** both completed in June 2019, achieving total exit multiples of 2.7 times and 2.0 times respectively over the life of the investment. In September 2019, the exit from **ELE Advanced Technologies** completed, generating a total return of 4.4 times cost over the life of the investment. In December 2019, the holding in **ITS Technology** was realised achieving a total return slightly in excess of 1.0 times cost over the life of the investment. In February 2020 the realisation of the holding in **Attraction World** completed, generating a total return of 1.9 times cost over the life of the investment. The Maven team works closely with each portfolio company that is considering, or is actively engaged in, an exit process, helping to identify the most suitable adviser and potential acquirers that may be willing to pay a premium or strategic price for the business. The current economic uncertainty is, however, likely to result in fewer near term exits, with some sales processes temporarily put on hold. The Manager is monitoring the situation and remains in close contact with advisers to ensure that the most appropriate course of action is progressed in order to maximise Shareholder value.

### Portfolio Developments

The majority of companies in the portfolio have continued to trade in line with expectations over the reporting period. For the established and more mature holdings, performance is measured by a company's ability to meet standard financial and operational targets, in comparison to budget and strategic plan, which are presented and discussed at monthly board meetings. For the early stage portfolio companies, financial performance does not necessarily give a true reflection of the commercial progress that has been achieved. As such, performance measurement has been adapted to reflect their respective stages of development, taking into consideration a wide range of metrics to help evaluate progress and the achievement of milestones. These measures vary case by case, but can include securing contracts, successfully launching new products or services, opening a new facility or attaining regulatory approval. Growth in monthly recurring revenue, which is regarded as an important measure of customer traction, is also a key element of valuation. Maven maintains a conservative approach to valuing holdings in private companies and only in cases where there has been sustained positive performance may an uplift in valuation be warranted.

Your Company invested in drug discovery services provider **BioAscent Discovery** in June 2018, supporting a highly experienced team of former pharmaceutical executives. Since investment, the business has made encouraging progress across all aspects of the strategic plan, achieving impressive revenue growth and notably securing a second five-year contract as part of the European ESCulab project, to provide storage and management of chemical compounds for clients. The business has built an international customer base, and recently expanded into the US market. The outlook for the current financial year projects further revenue growth as the business extends its market presence and increases its customer base.

In July 2018, your Company provided growth capital to **Bright Network**, a media technology platform that connects high quality graduates and young professionals with leading employers. Since investment, the business has made steady progress and now supports a diverse network of over 200,000 student and graduate members, alongside partnerships with more than 300 graduate employers including Aldi, Bloomberg, Clifford Chance, Deloitte, Goldman Sachs, M&S, Skyscanner and Vodafone. The business is currently trading ahead of budget and the outlook for the remainder of the year is positive.

International catalyst handling specialist **CatTech International** has experienced strong trading during the past 12 months and is expected to exceed the full year forecast. This positive performance is partially attributed to the success of the US division, which was launched in 2018 and has achieved early success by securing a number of multi-year contracts with high-profile clients.

Specialist electronics manufacturer **CB Technology** has made considerable progress over the past year, adding a number of notable new clients. Following a period of operational investment, the business is well positioned to deliver growth and is focused on further expanding its customer base, with a healthy order book providing good visibility on the outturn for the current financial year.

In 2013, your Company invested in **Global Risk Partners**, participating in a syndicate to back a highly experienced management team to pursue a buy & build strategy in the speciality insurance and reinsurance markets. Since launch, the business has achieved considerable scale, having completed and successfully integrated over 50 acquisitions, with the enlarged business now achieving annual gross written premium in excess of £750 million. Global Risk Partners is now within the top ten insurance brokers in the UK market and its second largest independent insurance broker. Given the scale achieved, the management team, together with the support of institutional investors, engaged with a specialist corporate finance adviser to market the business for sale. Following a competitive process, an offer for the business was received from a US private equity buyer, with a partial exit completing conditionally in February 2020, subject to regulatory approval.

Within the oil & gas portfolio, **RMEC**, a provider of managed solutions for the well intervention and decommissioning sectors, continues to experience strong demand and is trading comfortably ahead of budget and the prior year. Over the past year, the business has made further progress in internationalising and expanding its customer base, the benefits of which are feeding through to the underlying performance.

In 2016, your Company invested in **The GP Service**, which provides a secure end-to-end system that allows patients to consult with a doctor online and to have a prescription dispensed to a local pharmacy that is registered with the service. The “on-demand” sector for medical consultations has experienced significant growth over recent years and GPS remains at the forefront of this market, having secured Care Quality Commission accreditation, using only General Medical Council registered doctors and being the sole supplier to have access to NHS Summary Care Records, which enhances the service offering. The management team continue to progress a number of significant commercial agreements, which could be transformational for GPS, and in the meantime costs are being well controlled in line with platform development work requirements.

Visual asset management services group **Whiterock** continues to make good progress in line with the core objectives identified at the time of original investment in December 2016. Whiterock’s *ZynQ360* software solution enable clients to navigate areas of hard to access assets such as offshore platforms, refineries or government buildings, using 360° photography and video to create a high-definition digital view. The business has developed its technology platform and secured a number of material contracts with international blue-chip clients in the oil & gas and mining sectors, providing a positive endorsement of the product and its capabilities.

As well as reflecting the good trading performance highlighted above, your Board has also reduced the valuations of a small number of holdings where specific issues have arisen that have impacted performance. In the case of **Fathom Systems**, the valuation was reduced following a period of disappointing trading, with a trade sale completing shortly after the period end at a headline price in line with the revised valuation. The valuation of the holding in **Attraction World** was also reduced to reflect the partial exposure to customer Thomas Cook, which went into administration during the period, although a profitable realisation of the holding was completed in February 2020 at a multiple of 1.9 times cost. In addition, full provisions were taken against the value of the holdings in **Cognitive Geology** and **Motokiki**. In the case of Cognitive Geology, the business encountered difficulties in the commercialisation of its petroleum and geoscience software. Motokiki was unable to sufficiently scale its vehicle tyre price comparison website platform and was subsequently placed into administration.

Post the period end, in response to the developing COVID-19 crisis, a number of additional provisions were taken across the portfolio of unlisted companies, specifically against those assets with exposure to the consumer sector (including leisure, retail and hospitality) where the initial impact of the social distancing measures would be most immediately felt. Maven continues to work closely with investee companies, taking corrective actions as quickly as possible on a case-by-case basis. The Manager will continue to monitor the situation and the Company will report any further material adjustments to valuations in line with its regulatory obligations.

### Liquidity Management

The Board and the Manager operate an active policy with respect to liquidity management, with the objective of generating income from cash resources held prior to investment. While the Finance Bill 2016 introduced the restriction on holding investments in instruments, such as treasury bills or other government securities for liquidity management purposes, it does permit holding certain other listed securities. Based on the Manager's recommendation, the Board has authorised the Manager to invest in a small portfolio of listed investment trusts that offer attractive income characteristics. The Manager will continue to consider any other permitted liquidity management investment options that have the potential to generate income alongside the prospect of capital appreciation.

The value of the investment trust holdings has been impacted by the market volatility arising from the COVID-19 outbreak, which has resulted in a reduction in value across this part of the portfolio. However, the Board and the Manager believe that this increased volatility is largely related to market sentiment and, given the quality of the underlying assets, continue to hold a positive view on these holdings.

### New Investments

This has been a very active period for new investment with the addition of 11 new private company holdings to the portfolio. These companies are active in some of the UK's most dynamic market sectors.



**Altra Consultants** is building an international Lloyd's of London insurance broking firm that operates across a variety of insurance disciplines, and currently has five specialist teams. The business was founded in 2017 by two industry executives with an established track record in the sector, having previously worked together growing a successful insurance brokerage from inception through to profitable exit. The VCT funding is being used to support the growth strategy as Altra expands to become a multi-line broker by adding further new teams in complementary insurance disciplines.



**Coniq** has developed a market leading customer engagement platform that is used by shopping malls and destination retail villages to support customer loyalty programmes, which are ultimately designed to increase customer spend. The business has a global presence, with key customers in Europe and the Middle East, where there is a high prevalence of large scale retail malls. The VCT funding is being used to accelerate technical development of the software platform including Artificial Intelligence (AI) driven capabilities to automate customer loyalty activities, to support the hiring of sales and marketing personnel, and to facilitate international expansion with offices in Chicago, Warsaw and Barcelona scheduled to open in the near term.



**Delio** designs and builds digital private asset systems that help financial institutions such as banks, wealth managers, family offices, angel networks and investment funds to improve client reporting processes. Delio helps clients to build customised white-label platforms that allow them to provide a secure and compliant process whilst optimising the distribution, transacting and reporting of client investment opportunities. Since launch in 2015, Delio has secured an impressive blue-chip customer base that includes Barclays, Coutts and ING. The VCT funding is being used to support the growth of the business as it expands into international markets.



**DigitalBridge** has developed an easy to use visualisation tool that helps customers to design a new kitchen or bathroom. The virtual design assistant uses computer vision and AI to guide consumers through the entire design process from concept to completion. DigitalBridge's solution is integrated into the retailer's website and simplifies the design and decision making process for consumers, whilst also offering considerable "up-selling" opportunities for the retailer. The white-label software has been operational within B&Q since 2017 and was rolled out to Castorama, a French company that is also part of the Kingfisher Group, in early 2018. The VCT funding is being used to increase headcount, establish an office in the US and add further functionality to the product.





**e.fundamentals** has developed a B2B insight platform to provide e-commerce analytics, which help brand owners to improve sales. The platform collates customer and competitor sales data from multiple sources and consolidates it into a user-friendly framework that can help clients to deliver e-commerce solutions and create more cost effective online sales strategies designed to aid brand awareness and deliver growth. The business has a strong core client base, including well-known brands such as BirdsEye, McCain, Weetabix and Wilkinson Sword. The VCT funding is being used to support the further development of the technology as part of the growth strategy.



**Filtered Technologies** has developed an AI driven learning and development software solution for corporate and retail clients. The core product, *magpie*, uses a proprietary intelligent learning algorithm to seamlessly integrate a client's internal training tools with selective external resources, providing a tailored training programme that can be accessed by all employees and integrated into relevant work flows. Filtered has a varied client list which includes household names such as Royal Mail, Procter & Gamble, Sainsbury's, Shell, Siemens and the NHS. The VCT funding is being used to support the further development of the technology and product, as well as enhancing the sales and marketing function to help drive future sales and increase the customer base.



**GradTouch** is a technology platform that offers a complementary range of recruitment services to graduates, designed to streamline the recruitment and hiring process for both applicants and employers. The platform is targeted at the 50,000 SME employers in the UK that hire up to 30 graduates annually, and currently has a database of over 250,000 student and graduate users. GradTouch has a growing client list, including Barclays, Bloomberg, Virgin Media and a number of other Guardian UK 300 Employers (the top 300 graduate employers in the UK). The VCT funding is being used to support the recent investment in sales and marketing resource in order to help grow graduate users, as well as providing working capital to support the business as it expands.



**HiveHR** has developed an employee engagement Software as a Service (SaaS) platform that provides real time, responsive and automated employee feedback surveys to enable organisations to better understand their employees. The company has an existing strong customer base including Accenture, Hermes, River Island, Shop Direct, Tarmac, Travelodge and various NHS and public sector organisations, allowing it to retain a high level of recurring revenue. The VCT funding is being used to support the growth of the business as it expands its client base.



**Honcho Markets** is an insurance market disrupter that has developed an innovative app-based platform which aims to redefine the consumer purchasing process, by providing a cost-effective way of buying car, home, contents, travel or pet insurance. The *honcho* app uses a reverse auction marketplace that gives insurance companies the opportunity to bid for business in real-time, ensuring a competitive quote that puts the customers' interests first and reduces premiums. The platform has been launched initially in the motor insurance market, and the VCT funding is being used to support the business as it progresses through this initial growth phase.



**Relative Insight** has developed an advanced linguistic analysis platform that interprets the way in which a client company's target audience communicates, primarily through social media and online platforms. The platform analyses large quantities of data to provide powerful language-based insight into how the client can best interact with, and appeal to, their target market, and to help clients create more effective sales, marketing and influencing campaigns. The company has a high-quality client base, including Disney, John Lewis and Unilever, as well as a number of creative and media agencies such as Pearson, R/GA and Weber Shandwick. The VCT funding is being used to scale the business in the UK and to build a presence in the US.



**Symphonic Software** has developed context-aware authorisation software for the identity and access management market, which enables organisations to share sensitive and time-critical information in a secure and compliant manner. The software platform enables businesses to set rules and controls for complex administrative requirements, helping them respond to the emerging requirement for sharing data both inside and outwith an organisation, while remaining compliant with internal policies and external regulations. The VCT funding is being used to support the sales and marketing resource, as well as helping the team to improve client service levels.

During the period, seven AIM quoted investments were added to the portfolio.

- **Avacta** is the developer of proprietary Affimer technology, which is a novel engineered alternative to antibodies. Affimer proteins can be developed as therapeutic molecules for use in a wide range of other life sciences applications in research and diagnostics. Your Company participated in the £9.0 million fundraising which completed in October 2019, with the proceeds being used to support the business as it continues clinical trials to deliver commercial progress for therapeutics and diagnostics. On 8 April 2020, Avacta announced a collaboration with Cytiva to develop and manufacture an Affimer-based point-of-care rapid test to diagnose COVID-19, with the intention to screen large populations. On 1 May 2020, the company announced a second partnership to exploit its Affimer binders in a high throughput COVID-19 antigen test, with the parties aiming to have the test ready for June 2020.
- **C4X Discovery** is a drug discovery company that aims to exploit innovative technologies to create best-in-class small molecule candidates, targeting a range of high-value therapeutic areas. Your Company participated in the £7.0 million fundraising which completed in October 2019, with the proceeds being used to strengthen the balance sheet, as near-term licensing discussions progress, and support working capital as commercial capabilities advance.
- **Entertainment AI** is a machine learning specialist operating in the media sector. The company has two key operations, one in AI and the other a YouTube multi-channel network called GT Channel, which has a significant global audience attracting over 10 billion video views and 10,000 content creators. Your Company participated in the £8.6 million fundraising which completed in September 2019. The funding is being used to help the company deliver its strategy of becoming a first mover in the video-first world for mobile and interactive content.
- **Hardide** is a developer and manufacturer of advanced technology tungsten carbide coatings for a range of engineering applications. Your Company participated in the £2.5 million placing which completed in January 2020. The funding is being used to acquire replacement and additional equipment, and to facilitate a premises move, which will enhance operational efficiency and environmental performance.
- **Intelligent Ultrasound** is a global leader in ultrasound training through simulation, which has expanded into the development of AI software to support doctors and sonographers in clinical and ultrasound scanning. Your Company participated in the £6.3 million fundraising, completed in August 2019, to support existing and new product development as well as providing general working capital.
- **LightwaveRF** is the UK's only fully integrated home automation company, having developed a proprietary platform offering Internet of Things (IOT) capability to allow applications and devices to provide customers with remote control of light, heat, power and security. Your Company participated in the £1.1 million fundraising which completed in August 2019. The funding will be used to help scale the business, expand sales and marketing activities, and support working capital requirements.
- **Osirium Technologies** is a UK cyber security specialist that provides a SaaS solution for protecting IT assets, infrastructure and devices against targeted cyber-attacks that can directly access privileged accounts. Your Company participated in the £4.8 million fundraising which completed in September 2019. The proceeds will enable Osirium to progress its targeted growth strategy.

The table below shows the investments that have been completed during the period:

Investments	Date	Sector	Investment cost £'000	Website
<b>New unlisted</b>				
Altra Consultants Limited	August 2019	Insurance	100	www.parkernorfolk.com
CODILINK UK Limited (trading as Coniq)	December 2019	Software & computer services (marketing)	450	www.coniq.com
Delio Limited	July 2019	Software & computer services (financial services)	533	www.deliowealth.com
e.fundamentals (Group) Limited	October 2019	Software & computer services (marketing)	200	www.efundamentals.uk.com
Filtered Technologies Limited	July 2019	Software & computer services (education)	400	learn.filtered.com
GradTouch Limited	November 2019	Software & computer services (employment services)	400	www.gradtouch.com
HiveHR Limited	February 2020	Software & computer services (employment services)	300	www.hivehr.com
Honcho Markets Limited	June 2019	Software & computer services (financial services)	65	www.gethoncho.com
Relative Insight Limited	August 2019	Software & computer services (marketing)	600	www.relativeinsight.com
Shortbite Limited (trading as DigitalBridge) <sup>1</sup>	June 2019 and January 2020	Software & computer services (consumer services)	257	www.digitalbridge.com
Symphonic Software Limited	March 2019	Software & computer services (financial services/healthcare)	185	www.symphonicsoft.com
<b>Total new unlisted</b>			<b>3,490</b>	
<b>Follow-on unlisted</b>				
ADC Biotechnology Limited <sup>2</sup>	June and November 2019	Pharmaceuticals & biotechnology	221	www.adcbio.com
AVID Technology Group Limited <sup>2</sup>	November 2019 and February 2020	Automobiles & parts	81	www.avidtp.com
Cognitive Geology Limited	April 2019	Software & computer services (energy services)	45	www.cognitivegeology.com
Contego Solutions Limited (trading as NorthRow)	March 2019	Software & computer services (financial services)	200	www.northrow.com
Lending Works Limited <sup>2</sup>	May 2019 and February 2020	Software & computer services (financial services)	58	www.lendingworks.co.uk
Life's Great Group Limited (trading as Mojo Mortgages)	September 2019	Software & computer services (financial services)	300	www.mojomortgages.com
Rockar 2016 Limited (trading as Rockar)	April 2019	Software & computer services (automotive)	29	www.rockar.digital
QikServe Limited <sup>3</sup>	May, October and December 2019	Software & computer services (hospitality)	95	www.qikserve.com
WaterBear Education Limited	May 2019	Support services (education)	125	www.waterbear.org.uk
<b>Total follow-on unlisted</b>			<b>1,154</b>	
<b>Total unlisted</b>			<b>4,644</b>	

Investments	Date	Sector	Investment cost £'000	Website
<b>Quoted</b>				
Avacta Group PLC	October 2019	Pharmaceuticals & biotechnology	125	www.avacta.com
C4X Discovery Holdings PLC	October 2019	Pharmaceuticals & biotechnology	33	www.c4xdiscovery.com
Entertainment AI PLC	September 2019	Software & computer services (media)	150	www.entertainment.ai.com
Hardide PLC	January 2020	Manufacturing	80	www.hardide.com
Intelligent Ultrasound Group PLC	August 2019	Software & computer services (healthcare)	83	www.intelligentultrasound.com
LightwaveRF PLC <sup>4</sup>	August 2019	Electronic & electrical equipment	75	www.lightwaverf.com
Osirium Technologies PLC	October 2019	Software & computer services (cyber security)	100	www.osirium.com
<b>Total quoted</b>			<b>646</b>	
<b>Unit trusts<sup>5</sup></b>				
Royal London Cash Plus Fund (Class Y Accumulation)	September 2019	Unit trusts	1,000	www.rlam.co.uk
Royal London Short Duration Credit Fund (Class M Income)	September 2019	Unit trusts	1,000	www.rlam.co.uk
<b>Total unit trusts</b>			<b>2,000</b>	
<b>Private equity investment trusts<sup>5</sup></b>				
Apax Global Alpha Limited	April 2019	Investment companies	58	www.apaxglobalalpha.com
BMO Private Equity Trust PLC (formerly F&C Private Equity Trust PLC)	April 2019	Investment companies	83	www.bmoprivateequitytrust.com
HarbourVest Global Private Equity Limited	April 2019	Investment companies	250	www.hvpe.com
HgCapital Trust PLC	April 2019	Investment companies	63	www.hgcapital.com
ICG Enterprise Trust PLC	April 2019	Investment companies	153	www.icg-enterprise.co.uk
Pantheon International PLC	April 2019	Investment companies	176	www.piplc.com
Princess Private Equity Holding Limited	April 2019	Investment companies	158	www.princess-privateequity.net
Standard Life Private Equity Trust PLC	April 2019	Investment companies	209	www.slpet.co.uk
<b>Total private equity investment trusts</b>			<b>1,150</b>	
<b>Real estate investment trusts<sup>5</sup></b>				
Regional REIT Limited	July 2019	Investment companies	10	www.regionalreit.com
<b>Total real estate investment trusts</b>			<b>10</b>	
<b>Total investments</b>			<b>8,450</b>	

<sup>1</sup> Investments made in two stages.

<sup>2</sup> Follow-on investment made in two stages.

<sup>3</sup> Follow-on investment made in three stages.

<sup>4</sup> Originally purchased as an AIM stock, which subsequently delisted in the same year.

<sup>5</sup> Part of liquidity management strategy.

Your Company has co-invested in some or all of the above transactions with the other Maven VCTs. At the period end, the portfolio stood at 77 unlisted and quoted investments, at a total cost of £27.18 million.

## Realisations

In December 2019, your Company realised its holding in **ELE Advanced Technologies (ELE)**, the provider of highly specialised precision metal cutting processes for turbine blades and supplier of turbo charger components to the automotive sector. During the investment period, ELE experienced good growth, relocating to a purpose built state-of-the art greenfield manufacturing facility in Lancashire before opening a low-cost specialist machining facility in Slovakia. The business attained a high calibre client base including Rolls-Royce, Siemens, GE Avio, GE Power and MAN Diesel & Turbo. Following a competitive process, an offer was accepted from private equity investor Lloyds Development Capital, with the transaction delivering a 4.4x total return for investors over the holding period. The sale of ELE enables the business to accelerate its growth plans.

Renewable energy services group **GEV**, which specialises in wind turbine blade maintenance, achieved significant growth following Maven's investment in December 2014. In particular, new contracts were secured in the US market with Eon, Invenergy, MHI Vestas and Siemens, as well as key projects in the UK and Europe. Given the positive performance, the management team, with the support of Maven, engaged with a specialist corporate finance adviser and initiated a process to market the business for sale. Following a competitive process, an offer was accepted from Bridges Fund Management, a private equity buyer, with the transaction completing in June 2019 and realising a total return of 2.7 times cost over the holding period.

In June 2019, your Company also realised its holding in **Just Trays**, the UK's leading designer and manufacturer of shower trays and accessories. Since the original investment in 2014, Just Trays continued to deliver growth in line with its strategic objective. Following a formal sales process, led by a specialist corporate finance adviser, an offer to buy the business was accepted from Kartell UK Limited, a trade acquirer. The realisation generated a total return of 2.0 times cost over the holding period, including a deferred element.

The exit from **ITS Technology** completed in December 2019, representing the first realisation from the early stage portfolio. The initial investment completed in June 2017 and, within a relatively short space of time, it became apparent that, in order to achieve commercial scale, the business would require an investor that was not constrained by the VCT rules. As a result, a specialist corporate finance adviser was appointed in early 2019, to lead a process to help secure a sale of the business and identify an investor who could support its long-term funding requirements. It is pleasing to report that the exit completed shortly before the period end through a sale to Aviva Investors, the global asset management business of Aviva, which has committed £45 million to support the roll-out of the full fibre broadband network across the country. The exit generated a total return slightly in excess of cost over the holding period which, under the circumstances, is a positive outcome for the business and its long-term future.

In February 2020 your Company realised its holding in **Attraction World**, one of the UK's largest theme park and attraction ticket specialists. Since Maven originally backed the MBO of the business in December 2010, Attraction World has enabled millions of customers to pre-book tickets for 5,000 experiences in over 50 countries, including amusement parks, sightseeing tours, theatre shows and experience days. In 2016 the company made the strategic acquisition of Day Out With The Kids, the UK's biggest website and online community for family attractions and children's activities. The realisation, via a secondary buyout led by the CEO, generated a total return of 1.9 times cost for Maven clients.

The table below gives details of all the realisations completed during the reporting period:

Sales	Year first invested	Complete/partial exit	Cost of shares disposed of £'000	Value at 28 February 2019 £'000	Sales proceeds £'000	Realised gain/(loss) £'000	Gain/(loss) over 28 February 2019 value £'000
<b>Unlisted</b>							
Attraction World Holdings Limited	2010	Complete	21	316	245	224	(71)
ELE Advanced Technologies Limited	2000	Complete	192	1,629	1,707	1,515	78
GEV Holdings Limited <sup>1</sup>	2014	Complete	728	1,489	1,715	987	226
ITS Technology Group Limited <sup>1</sup>	2017	Complete	696	696	603	(93)	(93)
JT Holdings (UK) Limited (trading as Just Trays) <sup>1</sup>	2014	Complete	522	942	759	237	(183)
Lambert Contracts Holdings Limited <sup>2</sup>	2013	Complete	838	-	25	(813)	25
Other unlisted investments			15	-	24	9	24
<b>Total unlisted</b>			<b>3,012</b>	<b>5,072</b>	<b>5,078</b>	<b>2,066</b>	<b>6</b>
<b>Quoted</b>							
Avacta Group PLC	2018	Partial	17	46	22	5	(24)
Synnovia PLC (formerly Plastic Capital PLC)	2007	Complete	259	260	324	65	64
Other quoted investments			1	1	1	-	-
<b>Total quoted</b>			<b>277</b>	<b>307</b>	<b>347</b>	<b>70</b>	<b>40</b>
<b>Total sales</b>			<b>3,289</b>	<b>5,379</b>	<b>5,425</b>	<b>2,136</b>	<b>46</b>

<sup>1</sup> Proceeds exclude yield and redemption premiums received, which are disclosed as revenue for financial reporting purposes.

<sup>2</sup> Final realisation proceeds. This had no material impact on the NAV as a full provision had been taken in a previous period.

During the year, two private companies were struck off the Register of Companies, resulting in a realised loss of £1.365 million (cost £1.365 million). This had no effect on the NAV of the Company as a full provision had been made against the value of the holdings in an earlier period.

### Material Developments Since the Period End

Since 29 February 2020, five new private company assets have been added to the portfolio.

- **Intilery** is a developer and provider of a digital customer engagement platform that provides a holistic view of a client's marketing activities, as well as using real-time data about their customers' behaviour to identify opportunities for enhancing multi-channel marketing campaigns. Personalised interactions and real time reminders are used to create a better customer experience, to help improve levels of engagement, enhance customer loyalty and ultimately increase revenues. The VCT funding will be used to expand the sales and marketing team as well as further develop the technology.

- **Nano Interactive** is an advertising technology business, which uses online search activity to identify relevant individuals that corporate clients and media agencies should target with their advertising. Nano then places these advertisements in real time, or shortly afterwards, on behalf of clients. The company has a strong blue-chip client base of advertisers including Microsoft and agency groups like Publicis and Omnicom. The VCT funding will be used for further product development and to establish a presence in the US.
- **Precursive** is a B2B provider of an easy to use SaaS platform to allow technology and service-based businesses to automate their client onboarding and workforce capacity management. The platform bridges the gap between customer relationship management (CRM) sales systems and customer success platforms, in order to improve operational efficiency and reduce client churn. Precursive has built a strong market position on the back of a number of high quality relationships with customers such as DPD, GoCardless, Google and SES, which also provides excellent levels of forward revenue visibility. The VCT funding will be used to hire additional development staff, to grow outbound and channel sales and to invest in product development.
- **Push Technology** is an established technology business which provides client solutions to improve the speed, security and efficiency of real-time data transfers. Push has built a strong blue-chip customer base across financial services (including CME and ICAP), e-gaming companies and IOT, where real-time data is of particularly high importance and value. Push engages with customers through long-term software licenses, which also provide valuable annual recurring maintenance and support income. The VCT funding will be used to develop the business internationally and to enhance the technology offering.
- **The Algorithm People (TAP)** has developed a SaaS platform for the transport and logistics sectors that enables operators to reduce costs by helping them plan the most efficient route and job schedule for their vehicle fleet (including electric vehicles). The application is delivered through a web browser (My Transport Planner) thereby reducing any implementation costs or complications. The VCT funding will be used to progress new partnerships and increase market presence.

In addition, three AIM quoted companies were also added:

- **Diurnal** is a speciality pharmaceutical company developing high quality products for the global market for the life-long treatment of rare and chronic endocrine conditions, including congenital adrenal hyperplasia and adrenal insufficiency. Your Company participated in the £11.2 million fundraising, which completed in March 2020, and the proceeds are being used to support the development and commercialisation of Diurnal's products.
- **Eden Research** develops and supplies innovative biopesticide products and natural micro-capsulation technologies to the global crop protection, animal health and consumer products industries. Your Company participated in the £10.1 million fundraising, which completed in March 2020. The proceeds will enable the company to develop, register and commercialise key new products in categories such as insecticides, formulations and seed treatment, taking a leading position in the rapidly growing sustainable agriculture market.
- **Trackwise Designs** is a leading provider of specialist interconnector products, using printed circuit technology for use across multiple sectors and applications. Your Company participated in the £5.9 million fundraising, which completed in March 2020 and provides important growth capital to enable the business to further develop its proprietary technology.

As well as the above new investments, follow-on funding was provided to ten existing portfolio companies.

## Outlook

Notwithstanding the unforeseen difficulties presented by the COVID-19 pandemic, the strategy for the new financial year will remain focused on expanding and developing the portfolio through an active programme of acquiring carefully selected new private company and AIM quoted investments, alongside the provision of follow-on funding to existing portfolio companies that are making good commercial progress and require further capital to continue their growth plan. Whilst the macro-economic outlook is likely to remain uncertain, Maven remains optimistic that its presence across the key UK regions will ensure that it is capable of sourcing some of the most attractive VCT investment opportunities available in the market.

**Maven Capital Partners UK LLP**  
**Manager**

**29 May 2020**

# LARGEST INVESTMENTS BY VALUATION

As at 29 February 2020



## CatTech International Limited

Scunthorpe

Cost (£'000)	627	
Valuation (£'000)	1,169	
Basis of valuation	Earnings	
Equity held	6.0%	
Income received (£'000)	463	
First invested	March 2012	
Year end	31 December	
	2018 (£'000)	2017 (£'000)
Sales	9,510	8,259
EBITDA <sup>1</sup>	895	1,258
Net assets	97	47

CatTech provides niche industrial services to oil refineries and petrochemical plants across the major international markets, with offices in the UK, US, China, Singapore and Thailand. The business has developed a range of proprietary products for servicing essential equipment and improving catalyst handling, in sectors where health & safety and the ability to maintain operational efficiency are critical. There are only a limited number of specialists worldwide with the skilled personnel and equipment to undertake catalyst handling projects.

[www.cat-tech.com](http://www.cat-tech.com)

### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



## Martel Instruments Holdings Limited

Durham

Cost (£'000)	1,234	
Valuation (£'000)	1,104	
Basis of valuation	Earnings	
Equity held	14.9%	
Income received (£'000)	601	
First invested	January 2007	
Year end	31 December	
	2018 (£'000)	2017 (£'000)
Sales	3,663	2,984
EBITDA <sup>1</sup>	868	690
Net liabilities	(3,313)	(3,084)

Martel is one of the leading UK manufacturers of custom built compact printer and display units, offering in-house software and tooling design expertise, as well as injection moulding and surface mount capabilities. Martel's global customer base includes companies in the automotive, medical, transport and retail sectors. The business differentiates itself from other printer suppliers by offering a complete design and build service for low volume/high customisation printer solutions.

[www.martelinstruments.com](http://www.martelinstruments.com)

### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC





### Maven Co-invest Endeavour Limited Partnership

London

(invested in Global Risk Partners)

Cost (£'000)	436	
Valuation (£'000)	1,089	
Basis of valuation	Earnings	
Equity held	9.3%	
Income received (£'000)	36	
First invested	November 2013	
Year end	31 March	
	2018 (£'000)	2017 (£'000)
Sales	75,931	41,191
EBITDA <sup>1</sup>	(3,430)	894
Net assets	219,410	93,210

Global Risk Partners (GRP) is a buy-and-build acquisition vehicle targeting the global specialty insurance, reinsurance markets and regional commercial insurance markets. GRP is run by a highly experienced management team, including Peter Cullum, the founder of Towergate, which became the UK's largest independently owned insurance broker. The business is focused on the Lloyd's market, with the aim of acquiring a broad mix of accredited brokers and managing general agents in order to offer an unrivalled concentration of specialist underwriting expertise and knowledge.

[www.grpgroup.co.uk](http://www.grpgroup.co.uk)

#### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



### Vodat Communications Group Limited

Stockport

Cost (£'000)	567	
Valuation (£'000)	1,024	
Basis of valuation	Earnings	
Equity held	4.2%	
Income received (£'000)	311	
First invested	March 2012	
Year end	31 March	
	2019 (£'000)	2018 (£'000)
Sales	24,053	13,269
EBITDA <sup>1</sup>	1,802	1,600
Net assets	2,723	3,246

Vodat provides managed network and communications solutions to business customers and serves over 7,000 retail sites, offering a range of products and services including secure real-time data networks, telephone/VOIP services, card payment solutions, mobile marketing campaigns and disaster recovery. Vodat's products enable retailers to reduce costs, boost store productivity and increase sales. Its established customer base includes Beaverbrooks, Fat Face, Oasis and Welcome Break. In 2017, the company completed the acquisition of Axonex, a complementary specialist IT solutions provider, which has increased headline turnover and created cross-selling opportunities.

[www.vodat-int.com](http://www.vodat-int.com)

#### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



**Rockar.**

**Rockar 2016 Limited**  
(trading as Rockar)

Hull

Cost (£'000)	580	
Valuation (£'000)	896	
Basis of valuation	Earnings	
Equity held	3.0%	
Income received (£'000)	19	
First invested	July 2016	
Year end	31 December	
	2018 (£'000)	2017 (£'000)
Sales	47,855	46,631
EBITDA <sup>1</sup>	553	(1,304)
Net assets	830	1,510

Rockar has developed a disruptive digital car-buying proposition that aims to revolutionise the retail market by giving customers access to all the services of a traditional dealership online. The white label solution helps car manufacturers digitalise their traditional route to market and enables consumers to complete their purchase online, including options for part-exchange and finance.

[www.rockar.digital](http://www.rockar.digital)

**Other Maven clients invested<sup>2</sup>:**

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC



**Enesco 969 Limited**  
(trading as DPP)

Southampton

Cost (£'000)	733	
Valuation (£'000)	885	
Basis of valuation	Earnings	
Equity held	4.9%	
Income received (£'000)	361	
First invested	March 2013	
Year end	31 October	
	2018 (£'000)	2017 (£'000)
Sales	10,007	10,402
EBITDA <sup>1</sup>	789	1,310
Net assets	2,143	2,355

DPP provides planned and reactive maintenance to businesses in the leisure, hospitality and retail sectors across the south of England and Wales. DPP has grown from being a heating contractor into a service provider across the mechanical, electrical, HVAC and ventilation sectors, providing maintenance services under medium term contracts alongside project work for minor and major refurbishment programmes.

[www.dpp.ltd.uk](http://www.dpp.ltd.uk)

**Other Maven clients invested<sup>2</sup>:**

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



### HCS Control Systems Group Limited

Glenrothes

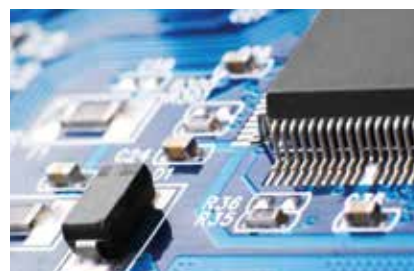
Cost (£'000)	846	
Valuation (£'000)	846	
Basis of valuation	Earnings	
Equity held	6.9%	
Income received (£'000)	140	
First invested	December 2012	
Year end	31 December	
	2018 (£'000)	2017 (£'000)
Sales	10,711	5,045
EBITDA <sup>1</sup>	685	(546)
Net liabilities	(9,706)	(8,218)

HCS is a specialist manufacturer of engineered mechanical, hydraulic and electrical systems to service companies, as well as umbilical and project businesses, in the subsea oil & gas sector. HCS undertakes the majority of work in house from a high-tech manufacturing facility. The company has built a strong working relationship with its clients, based on the ability to deliver fast track design, manufacture and testing of high quality topside and subsea control systems to a global blue-chip customer base that includes TechnipFMC, Oceaneering and OneSubsea.

[www.hcs-control-systems.com](http://www.hcs-control-systems.com)

#### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



### CB Technology Group Limited

Livingston

Cost (£'000)	579	
Valuation (£'000)	843	
Basis of valuation	Earnings	
Equity held	11.8%	
Income received (£'000)	234	
First invested	December 2014	
Year end	31 March	
	2019 (£'000)	2018 (£'000)
Sales	8,162	5,260
EBITDA <sup>1</sup>	832	409
Net liabilities	(334)	(320)

CB Technology is an established contract electronics manufacturer with a focus on complex manufacturing and testing for deployment in harsh environments. CB predominantly assembles and tests high-end printed circuit boards for use in the industrial and semiconductor sectors, supplying a range of blue-chip customers with complex electronics that must function reliably under extremes of temperature, pressure and vibration.

[www.cbtechnology.co.uk](http://www.cbtechnology.co.uk)

#### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



### The GP Service (UK) Limited

London

Cost (£'000)	698	
Valuation (£'000)	730	
Basis of valuation	Revenue	
Equity held	9.7%	
Income received (£'000)	30	
First invested	April 2016	
Year end	31 January	
	2020 (£'000)	2019 (£'000)
Net liabilities	(1,894)	(597)

*This company produces abbreviated accounts as permitted under the Companies Act 2006 relating to small companies.*

The GP Service (GPS) provides innovative services for general medical consultations and prescriptions and is expanding into new geographical locations, whilst also enhancing its range of services. The online pharmacy and prescription market is a growth sector, driven by widespread increases in average GP waiting times and inflexible surgery opening times. The GPS platform enables customers to tailor healthcare needs around work and family commitments, by facilitating live GP consultations over video link, with prescriptions issued to a local pharmacy.

[www.thegpservice.co.uk](http://www.thegpservice.co.uk)

#### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC

<sup>1</sup> Earnings before interest, tax, depreciation and amortisation.

<sup>2</sup> Maven Income and Growth VCT 6 PLC merged with Maven Income and Growth VCT 4 PLC on 18 December 2019.



### Glacier Energy Services Holdings Limited

Aberdeen

Cost (£'000)	688	
Valuation (£'000)	688	
Basis of valuation	Earnings	
Equity held	2.7%	
Income received (£'000)	165	
First invested	March 2011	
Year end	31 March	
	2019 (£'000)	2018 (£'000)
Sales	24,727	24,986
EBITDA <sup>1</sup>	2,139	1,900
Net liabilities	(10,496)	(10,184)

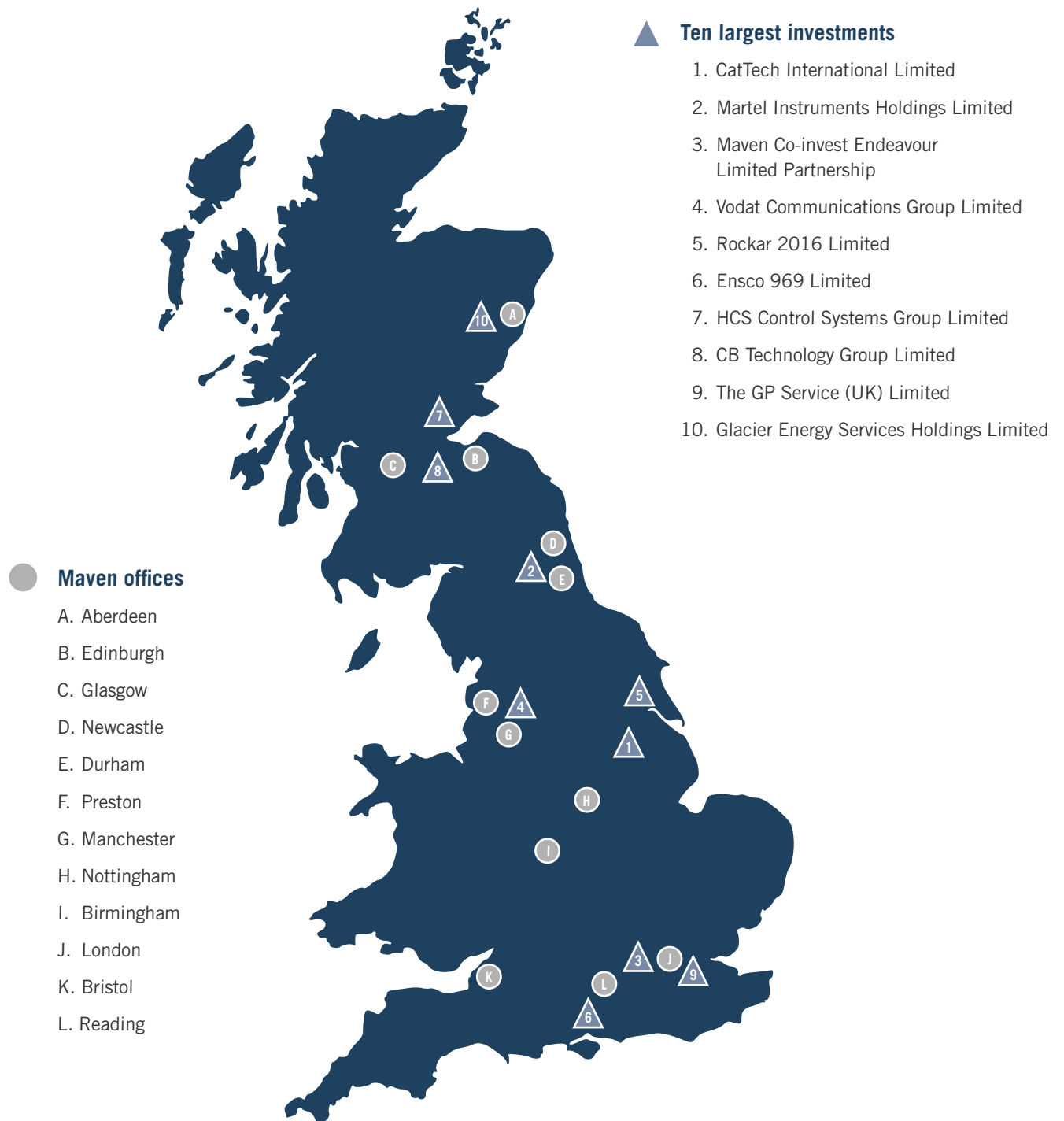
Glacier provides specialist services for energy infrastructure including on-site machining, weld overlay for pressure control equipment, non-destructive testing and the repair or refurbishment of heat transfer equipment. Glacier has a strong international presence in key energy markets, including the North Sea, the Middle East and West Africa, and focuses on developing products for use in production and processing equipment, intervention and pipeline components.

[www.glacier.co.uk](http://www.glacier.co.uk)

#### Other Maven clients invested<sup>2</sup>:

Maven Income and Growth VCT 3 PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners

# NATIONAL PRESENCE | REGIONAL FOCUS



# INVESTMENT PORTFOLIO SUMMARY

As at 29 February 2020

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Unlisted</b>					
CatTech International Limited	1,169	627	2.6	6.0	24.0
Martel Instruments Holdings Limited	1,104	1,234	2.5	14.9	29.3
Maven Co-invest Endeavour Limited Partnership (invested in Global Risk Partners)	1,089	436	2.4	9.3	90.7
Vodat Communications Group Limited	1,024	567	2.4	4.2	22.6
Rockar 2016 Limited (trading as Rockar)	896	580	2.1	3.0	12.6
Ensco 969 Limited (trading as DPP)	885	733	2.1	4.9	29.6
HCS Control Systems Group Limited	846	846	2.0	6.9	29.6
CB Technology Group Limited	843	579	2.0	11.8	67.2
The GP Service (UK) Limited	730	698	1.7	9.7	39.9
Glacier Energy Services Holdings Limited	688	688	1.6	2.7	25.0
Horizon Cremation Limited	688	688	1.6	3.8	18.5
Whiterock Group Limited	676	321	1.6	5.2	24.8
RMEC Group Limited	659	463	1.5	2.9	47.2
QikServe Limited	612	612	1.4	2.7	11.6
Relative Insight Limited	600	600	1.4	3.4	22.0
Flow UK Holdings Limited	598	598	1.4	7.3	27.7
R&M Engineering Group Limited	572	762	1.3	8.6	62.0
Life's Great Group Limited (trading as Mojo Mortgages)	555	550	1.3	7.4	26.4
Contego Solutions Limited (trading as NorthRow)	548	548	1.3	3.5	14.8
Delio Limited	533	533	1.2	3.7	10.3
ebb3 Limited	454	252	1.1	6.4	49.2
CODILINK UK Limited (trading as Coniq)	450	450	1.0	1.3	3.6
Lending Works Limited	407	407	0.9	3.4	17.1
Filtered Technologies Limited	400	400	0.9	4.3	22.3
GradTouch Limited	400	400	0.9	5.8	26.8
Bright Network (UK) Limited	328	274	0.8	3.8	26.2
HiveHR Limited	300	300	0.7	5.4	35.3

# INVESTMENT PORTFOLIO SUMMARY (CONTINUED)

As at 29 February 2020

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Unlisted</b>					
BioAscent Discovery Limited	296	174	0.7	4.4	35.6
AVID Technology Group Limited	293	293	0.7	2.7	14.7
ADC Biotechnology Limited	284	653	0.7	3.6	14.9
Growth Capital Ventures Limited	269	257	0.6	6.2	32.4
Shortbite Limited (trading as DigitalBridge)	257	257	0.6	2.8	17.9
eSafe Global Limited	249	249	0.6	4.8	27.3
WaterBear Education Limited	245	245	0.6	5.7	38.0
TC Communications Holdings Limited	241	413	0.6	3.5	26.5
Curo Compensation Limited	223	217	0.5	2.4	16.6
ISN Solutions Group Limited	205	323	0.5	4.6	50.4
Boiler Plan (UK) Limited	200	200	0.5	5.8	41.9
e.fundamentals (Group) Limited	200	200	0.5	3.1	5.2
Symphonic Software Limited	185	185	0.4	2.2	12.1
Fathom Systems Group Limited	114	711	0.3	8.0	52.0
Altra Consultants Limited	100	100	0.2	1.7	58.3
Optoscribe Limited	100	100	0.2	1.0	9.0
Honcho Markets Limited	65	65	0.2	1.5	23.0
Space Student Living Limited	50	-	0.1	11.5	68.6
FLXG Scotland Limited (formerly Flexlife Group Limited)	40	277	0.1	1.8	12.5
LightwaveRF PLC <sup>2</sup>	21	75	-	0.9	0.9
Cognitive Geology Limited	-	224	-	3.6	16.3
Lydia Limited (trading as Motokiki)	-	117	-	2.8	28.9
Other unlisted investments	-	2,107	-		
<b>Total unlisted</b>	<b>21,691</b>	<b>22,588</b>	<b>50.3</b>		

# INVESTMENT PORTFOLIO SUMMARY (CONTINUED)

As at 29 February 2020

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Quoted</b>					
Cello Health PLC	387	310	0.8	0.3	0.1
Avacta Group PLC	162	108	0.4	0.4	1.3
Entertainment AI PLC	133	150	0.3	0.7	0.8
Angle PLC	106	114	0.2	0.1	0.1
Intelligent Ultrasound Group PLC	79	83	0.2	0.4	0.4
Hardide PLC	69	80	0.2	0.3	0.4
Osirium Technologies PLC	51	100	0.1	1.5	2.9
Vianet Group PLC (formerly Brulines Group PLC)	39	37	0.1	0.1	1.4
C4X Discovery Holdings PLC	24	33	0.1	0.2	1.3
Other quoted investments	-	217	-		
<b>Total quoted</b>	<b>1,050</b>	<b>1,232</b>	<b>2.4</b>		
<b>Private equity investment trusts</b>					
HarbourVest Global Private Equity Limited	278	250	0.6	-	0.1
Standard Life Private Equity Trust PLC	244	252	0.5	0.1	0.1
Pantheon International PLC	177	176	0.4	-	0.1
BMO Private Equity Trust PLC (formerly F&C Private Equity Investment Trust PLC)	172	154	0.4	0.1	0.4
Princess Private Equity Holding Limited	166	158	0.4	-	0.2
ICG Enterprise Trust PLC	157	153	0.4	-	0.1
Apax Global Alpha Limited	74	71	0.2	-	0.1
HgCapital Trust PLC	71	63	0.2	-	0.1
<b>Total private equity investment trusts</b>	<b>1,339</b>	<b>1,277</b>	<b>3.1</b>		



# INVESTMENT PORTFOLIO SUMMARY (CONTINUED)

As at 29 February 2020

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Real estate investment trusts</b>					
Regional REIT Limited	92	87	0.2	-	0.1
<b>Total real estate investment trusts</b>	<b>92</b>	<b>87</b>	<b>0.2</b>		
<b>Unit trusts</b>					
Royal London Cash Plus Fund (Class Y Accumulation)	1,005	1,000	2.4	-	-
Royal London Short Duration Credit Fund (Class M Income)	1,005	1,000	2.3	-	-
<b>Total unit trusts</b>	<b>2,010</b>	<b>2,000</b>	<b>4.7</b>		
<b>Total investments</b>	<b>26,182</b>	<b>27,184</b>	<b>60.7</b>		

<sup>1</sup> Other clients of Maven Capital Partners UK LLP.

<sup>2</sup> Originally purchased as an AIM quoted company, which subsequently delisted during the same year.

# DIRECTORS' REPORT

**The Directors submit their Annual Report together with the Financial Statements of the Company for the year ended 29 February 2020. A summary of the financial results for the year can be found in the Financial Highlights on pages 4 to 6. The investment objective, business model and investment policy are set out in the Business Report on page 13 and the Board's dividend strategy is summarised in the Chairman's Statement on pages 9 to 12.**

## Principal Activity and Status

The Company's affairs have been conducted, and will continue to be conducted, in a manner to satisfy the conditions to enable it to continue to obtain approval as a VCT under Section 274 of the Income Tax Act 2007.

The Company's Ordinary Shares are listed in the Premium segment of the Official List and traded on the main market of the London Stock Exchange. Further details are provided in the Corporate Summary.

## Regulatory Status

The Company is a small registered, internally managed alternative investment fund under the AIFMD. As a VCT, pursuant to Section 274 of the Income Tax Act 2007, the rules of the FCA in relation to non-mainstream investment products do not apply to the Company.

## Going Concern

The Company's business activities, together with the factors likely to affect its future development and performance, are set out in this Directors' Report and within the Strategic Report. The financial position of the Company is described in the Chairman's Statement. In addition, Note 16 to the Financial Statements includes: the Company's objectives, policies and processes for managing its financial risks; details of its financial instruments; and its exposures to market price risk, interest rate risk, liquidity risk, credit risk and price risk sensitivity. The Directors believe that the Company is well placed to manage its business risks.

Following a detailed review, and taking into account the impact of the COVID-19 pandemic referred to in the Chairman's Statement on pages 9 to 12 and in the Investment Manager's Review on pages 21 to 31, the Directors have a reasonable expectation that the Company has adequate financial resources to enable it to continue in operational existence for the foreseeable future. Accordingly, they have continued to adopt the going concern basis when preparing the Annual Report and Financial Statements.

## Viability Statement

In accordance with Provision 31 of the UK Corporate Governance Code, published in July 2018 and Principle 36 of the Code of Governance, published in February 2019 (the Codes), the Board has assessed the Company's prospects for the five-year period to 28 February 2025. This period has been considered appropriate for a VCT of its size when considering the principal risks facing the Company and the legislative environment within which it has to operate.

In making this statement the Board carried out a robust assessment of the principal business risks facing the Company as set out in the Business Report, including those that might threaten its business model, future performance, solvency, or degree of liquidity within the portfolio. The Board concentrated its efforts on the major factors that affect the economic, regulatory and political environment, including the COVID-19 pandemic, the UK's decision to leave the EU and the potential impact on EU State Aid Rules.

The Board also considered the quality of the current portfolio, the Company's ability to raise new funds and the Manager's ability to source and secure new investment opportunities.

The Directors have also assessed the Company's cash flow projections and underlying assumptions for the five years to 28 February 2025 and considered them to be realistic and fair. Therefore, after careful consideration of the Company's current position and future prospects, taking into account the Board's attitude to risk and its ongoing review of the investment objective and policy, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five years ending 28 February 2025.

## Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances, debtors and creditors that arise directly from its operations, including accrued income and purchases and sales awaiting settlement. The main risks that the Company faces arising from its financial instruments are disclosed in Note 16 to the Financial Statements.

## Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

## Corporate Governance

The Statement of Corporate Governance, which supports this Directors' Report, is shown on pages 52 to 56.

## Directors

Biographies of the Directors who held office at the year end, and as at the date of signing of this Annual Report, are shown in the Your Board section of this Annual Report along with their interests in the shares of the Company, which are also shown below. No Director has a service contract with the Company and no contract or arrangement significant to the Company's business and in which any of the Directors is interested has subsisted during the year.

In accordance with the Company's Articles, Directors must offer themselves for re-election at least once every three years. However, in accordance with the Codes, the Board has decided that all Directors will stand for re-election on an annual basis. Therefore, John Pocock, Alison Fielding, Andrew Harrington and Arthur MacMillan will all retire at the 2020 AGM and, being eligible, offer themselves for re-election.

The Board confirms that, following a formal process of evaluation, the performance of each of the Directors continues to be effective and demonstrates commitment to the role.

John Pocock has extensive experience in the information technology and financial sectors, and was formerly a director and chief executive of a FTSE 250 company. His entrepreneurial experience, senior executive positions held on other boards and leadership skills, provide him with the ability required to encourage discussion and ensure that clear decisions are reached.

Alison Fielding is an experienced entrepreneur, senior executive and non-executive director. Her track record demonstrates her ability to develop strategy within both large and small organisations to set direction, evaluate options, implement plans and drive performance.

Andrew Harrington has experience in working alongside management teams and shareholders across many sectors. He has advised on transactions, such as the purchase or sale of companies and capital raising, as well as on investment, initial public offerings, secondary public market offerings and mergers & acquisitions.

Arthur MacMillan is an ACA qualified chartered accountant and member of the Institute of Chartered Accountants in England & Wales and was previously a corporate financier. This demonstrates that he brings recent and relevant financial experience to the Board and is able to chair the Audit and Risk Committee effectively, as well as engaging with the Company's Auditor to ensure that the annual audit process is conducted to a satisfactory level of detail.

The Board believes that, for the above reasons, the contribution of each Director continues to be important to the continued long-term success of the Company, as the combined skills and experience ensure a balanced Board of Directors with a wealth of knowledge and understanding in key areas relevant to the Company. Therefore, it is believed that it is in the best interests of Shareholders that each of the Directors should remain in office and Resolutions to this effect will be proposed at the 2020 AGM.

## Directors' Interests

The Directors who held office during the year, and their interests in the share capital of the Company, are as follows:

	<b>29 February 2020</b> <b>Ordinary Shares of 10p each</b>	<b>28 February 2019</b> <b>Ordinary Shares of 10p each</b>
John Pocock	77,955	77,955
Alison Fielding	54,597	-
Andrew Harrington	29,555	29,555
Arthur MacMillan	117,547	96,609

There is no requirement for the Directors to hold shares in the Company. All of the interests shown above are beneficial and as at 27 May 2020, being the latest practicable date prior to the publication of this Annual Report, there have been no changes to the above share interests since the end of the Company's financial year.

## Directors' and Officers' Liability Insurance

The Company purchases and maintains liability insurance for the Directors and Officers of the Company.

## Conflicts of Interest

Each Director has a statutory duty to avoid a situation where they have, or could have, a direct or indirect interest which conflicts, or may conflict, with the interests of the Company. A Director will not be in breach of that duty if the relevant matter has been authorised by the Board in accordance with the Articles and this includes any co-investment made by the Directors in entities in which the Company also has an interest.

The Board has approved a protocol for identifying and dealing with conflicts and has resolved to conduct a regular review of actual or possible conflicts. No new material conflicts or potential conflicts were identified during the year.

## Substantial Interests

As at 29 February 2020, the Shareholders known to be directly or indirectly interested in 3.0% or more of the Company's issued Ordinary Share Capital were as follows:

	<b>Number of Ordinary Shares held</b>	<b>% of issued share capital</b>
Hargreaves Lansdown (Nominees) Limited (HLNOM account)	5,109,231	5.49

As at 27 May 2020, being the latest practicable date prior to the publication of this Annual Report, the Shareholders known to be directly or indirectly interested in 3.0% or more of the Company's issued Ordinary Share capital were as follows:

	<b>Number of Ordinary Shares held</b>	<b>% of issued share capital</b>
Hargreaves Lansdown (Nominees) Limited (HLNOM account)	5,053,293	5.49

## Manager and Company Secretary

Maven Capital Partners UK LLP (Maven) acted as Manager and Secretary to the Company during the year ended 29 February 2020 and details of the investment management and secretarial fees are disclosed in Notes 3 and 4 to the Financial Statements respectively.

The principal terms of the Management and Administration Agreement with Maven are as follows:

### **Termination provisions**

The Agreement is terminable, by either party, on the expiry of twelve months' notice.

In the event that the Company terminates the Manager's appointment, the Manager is entitled to an amount equivalent to twelve months' fees. Furthermore, the Company may terminate the agreement without compensation due if:

- a receiver, liquidator or administrator of the Manager is appointed;
- the Manager commits any material breach of the provisions of the agreement; or
- the Manager ceases to be authorised to carry out investment business.

### **Management and Administration Fees**

For the year ending 28 February 2021, investment management, performance and secretarial fees payable to Maven will be calculated and charged on the following basis:

- the Company will pay to the Manager a performance related management fee calculated as 20% (2020: 20%) of the increase in the net asset value of the Company, over the six-month periods to the end of August and February in each year, before taking into account the effects of distributions and purchases of the Company's own shares effected during that period. The fee is subject to a minimum of 1.9% (2020: 1.9%) per annum of the net asset value of the Company, with there being no maximum limit on the amount payable. The net asset value from which the fee is measured is rebased to the higher level whenever a fee above the minimum amount becomes payable; and
- a fixed secretarial fee of £100,000 per annum (2020: £100,000).

Independent from the above arrangements, Maven may also receive, from investee companies, fees in relation to arranging transactions, the monitoring of business progress and for providing non-executive directors for their boards.

In light of investment performance achieved by the Manager, together with the standard of company secretarial and administrative services provided, the Board considers that the continued appointment of the Manager and Secretary on the stated terms is in the best interests of the Company and its Shareholders. It should be noted that, as at 27 May 2020, Maven Capital Partners and certain executives held, in aggregate, 2,442,227 of the Company's Ordinary Shares, representing 2.65% of the issued share capital as at that date.

## Independent Auditor

The Company's independent Auditor, Deloitte LLP, is willing to continue in office and Resolution 9 to approve its reappointment will be proposed at the 2020 AGM, along with Resolution 10 to authorise the Directors to fix its remuneration. Non-audit fees for tax services amounting to £5,000 (including VAT) were paid to Deloitte LLP during the year under review (2019: £5,000). The Directors have received confirmation from the Auditor that it remains independent and objective. The Directors have also reviewed the Auditor's procedures in connection with the provision of non-audit services and remain satisfied that objectivity and independence is being safeguarded by Deloitte LLP. With effect from 15 March 2020, due to changes in the Financial Reporting Council (FRC) rules on the provision of non-audit services by an auditor, Deloitte LLP will no longer be able to provide any tax compliance services to the Company.

### **Directors' Disclosure of Information to the Auditor**

So far as the Directors who held office at the date of approval of this Annual Report are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's Auditor is unaware, and the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

### **Purchase of Ordinary Shares**

During the year ended 29 February 2020, the Company bought back a total of 1,395,000 (2019: 700,000) of its own Ordinary Shares for cancellation, representing 1.49% of the issued share capital as at 22 May 2019, being the last practicable date prior to the publication of the previous Annual Report.

A Special Resolution, numbered 13 in the Notice of Annual General Meeting, will be put to Shareholders at the 2020 AGM for their approval to renew the Company's authority to purchase in the market a maximum of 13,789,021 Ordinary Shares (14.99% of the shares in issue at 27 May 2020). This authority shall expire either on the date of the AGM in 2021 or after a period of 15 months from the passing of the Resolution, whichever is the first to occur.

The Board intends to use this authority to continue its share buy-back policy. Purchases of shares will be made within guidelines established from time to time by the Board, but only if it is considered that such purchases would be to the advantage of the Company and its Shareholders when taken as a whole. Purchases will be made in the market at prices below the prevailing NAV per share. Under the Listing Rules of the FCA, the maximum price that may be paid on the exercise of this authority must not exceed 105% of the average of the mid-market quotations for the shares over the five business days immediately preceding the date of purchase. The minimum price that may be paid is 10p per share. In making purchases, the Company will deal only with member firms of the London Stock Exchange. Any shares which are purchased will be cancelled.

Purchases of shares by the Company will be made from distributable reserves and will normally be paid out of cash balances held by the Company from time to time. As any purchases will be made at a discount to NAV at the time of purchase, the NAV of the remaining Ordinary Shares in issue should increase as a result of any such purchase. Shares will not be purchased by the Company in the period from the end of the Company's relevant financial period up to and including the earlier of an announcement of all price sensitive information in respect of the relevant period or the release of full results.

### **Issue of New Ordinary Shares**

During the year under review, 41,519,249 new Ordinary Shares (2019: Nil) were allotted, of which 41,161,201 were issued under the Offer for Subscription and 358,048 were issued under the Dividend Investment Scheme. An Ordinary Resolution, numbered 11 in the Notice of Annual General Meeting, will be put to Shareholders at the 2019 AGM for their approval for the Company to issue up to an aggregate nominal amount of £919,881 (equivalent to 9,198,810 Ordinary Shares or 10% of the total issued share capital at 27 May 2020).

Issues of new Ordinary Shares may only be made at, or at a premium to, NAV per share, thus ensuring that existing investors will not be disadvantaged by such issues. The proceeds of any issue may be used to purchase the Company's shares in the market or to fund further investments in accordance with the Company's investment policy. This authority shall expire either on the date of the AGM in 2021 or after a period of 15 months from the passing of the Resolution, whichever is the first to occur.

When shares are to be allotted for cash, Section 561(1) of the Companies Act 2006 provides that existing Shareholders have pre-emption rights and that the new shares are offered first to such Shareholders in proportion to their existing shareholdings. However, Shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing Shareholders. A Special Resolution, numbered 12 in the Notice of Annual General Meeting, will, if passed, give the Directors power to allot for cash, Ordinary Shares up to an aggregate nominal amount of £919,881 (equivalent to 9,198,810 Ordinary Shares or 10% of the total issued share capital at 27 May 2020) as if Section 561(1) does not apply.

This is the same amount of share capital that the Directors are seeking the authority to allot pursuant to Resolution 11. The authority will also expire either on the date of the AGM in 2021 or after a period of 15 months from the passing of the Resolution, whichever is the first to occur.

### **Cancellation of Share Premium Account and Capital Redemption Reserve**

The share premium account and the capital redemption reserve form part of the Company's capital and, except with the approval of Shareholders and sanction of the Court, use of these reserves is restricted. Cancelling the share premium account and the capital redemption reserve allows the Company to create a further pool of distributable reserves that can be used to fund distributions, assist in writing off losses, finance repurchases of the Company's shares, or for certain other corporate purposes. A Special Resolution, relating to the cancellation of the share premium account and the capital

redemption reserve, was passed by Shareholders at a general meeting held on 2 November 2018. The Court subsequently confirmed the cancellation of the share premium account and the capital redemption reserve and the Court Order was registered by the Registrar of Companies on 19 November 2019, at which point, the cancellation became effective and the impact of this is reflected in the Balance Sheet on page 72.

### Share Capital and Voting Rights

As at 29 February 2020 the Company's share capital amounted to 92,988,133 Ordinary Shares of 10p each. Further details are included in Note 12 to the Financial Statements and, with 1,000,000 new Ordinary Shares having been bought back for cancellation subsequent to the year end, the Company's share capital represented 91,988,133 Ordinary Shares as at 27 May 2020, with each share carrying one voting right.

There are no restrictions on the transfer of Ordinary Shares issued by the Company other than certain restrictions that may from time to time be imposed by law (for example, the Market Abuse Regulation). The Company is not aware of any agreement between Shareholders that may result in a transfer of securities and/or voting rights.

### Significant Agreements and Related Party Transactions

The Company is not aware of any significant agreements to which it is a party that take effect, alter or terminate upon a change of control of the Company following a takeover. Other than the Management and Administration Deed, further details of which are set out on page 45, the Company is not aware of any contractual or other agreements that are essential to its business and which could reasonably be expected to be declared in the Directors' Report.

Other than those set out in this Directors' Report, there are no further related party transactions that require to be disclosed.

### Post Balance Sheet Events

Subsequent to the year-end, the global COVID-19 pandemic has resulted in economic uncertainty that has impacted upon the investee companies in the portfolio. The implications for the Company are summarised in the Chairman's Statement on pages 9 to 12, the Investment Manager's Review on pages 21 to 31 and Note 17 to the Financial Statements on page 84.

Other than those referred to above and elsewhere in the Strategic Report, there have been no events since 29 February 2020 that require disclosure.

### Future Developments

An indication of the Company's expected future developments can be found in the Chairman's Statement on page 12 and in the Investment Manager's Review on page 31, which highlight the commitment of the Board and the Manager to providing returns to Shareholders and delivering the Company's investment strategy.

### AGM and Directors' Recommendation

The AGM will be held on 22 July 2020, and the Notice of Annual General Meeting is on pages 85 to 90 of this Annual Report. The Notice of Annual General Meeting also contains a Resolution that seeks authority for the Directors to convene a general meeting, other than an annual general meeting, on not less than fourteen days' clear notice, although it is anticipated that such authority would only be exercised under exceptional circumstances.

As highlighted in the Chairman's Statement, in light of the Government advice against all non-essential travel and maintaining social distancing, Shareholders will not be allowed to attend the AGM in person. Therefore, the Board encourages Shareholders to vote at the AGM and votes can be submitted by hard copy proxy form, via CREST, or electronically using the Registrar's share portal service at [www.signalshares.com](http://www.signalshares.com). Please refer to the notes to the Notice of Annual General Meeting on pages 87 to 90 of this Annual Report.

The Directors consider that all of the Resolutions to be put to the AGM are in the best interests of the Company and its Shareholders as a whole. Your Board will be voting in favour of them and unanimously recommends that Shareholders do so as well.

**Authorised for issue by the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**

**29 May 2020**

# DIRECTORS' REMUNERATION REPORT

**This report has been prepared in accordance with the requirements of the Companies Act 2006. An Ordinary Resolution for the approval of this Report, which includes a section on the Company's policy for the remuneration of its Directors, will be put to the members of the Company at the forthcoming AGM. The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such and the Auditor's opinion is included in their report on pages 63 to 69 of this Annual Report.**

## Statement by the Chairman of the Remuneration Committee

The Directors have established a Remuneration Committee comprising the full Board, with Alison Fielding as its Chairman. As all of the Directors are non-executive, the Principles of the UK Corporate Governance Code in respect of directors' remuneration do not apply.

At 29 February 2020, and as at the date of this Annual Report, the Company had four non-executive Directors and their biographies are shown in the Your Board section of this Annual Report. The names of the Directors who served during the year, together with the fees paid during that period, are shown in the table on page 50.

The dates of appointment of the Directors in office as at 29 February 2020 and the dates on which they will next be proposed for election or re-election are as follows:

	Date of original appointment	Date of previous election/re-election	Due date for election/re-election
John Pocock (Chairman)	1 March 2007	4 July 2019	22 July 2020
Alison Fielding	1 January 2019	4 July 2019	22 July 2020
Andrew Harrington	1 January 2019	4 July 2019	22 July 2020
Arthur MacMillan	19 January 2000	4 July 2019	22 July 2020

During the year ended 29 February 2020, the Board was not provided with advice or services in respect of its consideration of the Directors' remuneration. However, in the application of the Board's policy on Directors' remuneration, as defined below, the Committee expects, from time to time, to review the fees paid to the directors of other venture capital trusts for comparative purposes.

The previous change to the level of Directors' remuneration was made during the year ended 28 February 2019, when the Committee carried out a review of the remuneration policy and of the level of Directors' fees and concluded that, with effect from 1 March 2019, the amounts payable per annum should increase to £22,500 (previously £21,000) for the Chairman; £21,500 (previously £19,000) for the Chairman of the Audit and Risk Committees; and £19,000 (previously £17,000) for each other Director. It was also agreed that the policy would be to continue to review these rates from time to time and, at a Meeting held during the year ended 29 February 2020, the Remuneration Committee carried out a review and it was recommended that, as the total amount payable was reasonable when compared with other similar VCTs, the individual rates of remuneration should be maintained at their current levels.

## Remuneration Policy

The Company's policy is that the remuneration of the Directors, all of whom are non-executive, should reflect the experience of the Board as a whole and be fair and comparable to that of other VCTs with similar capital structures and investment objectives. Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally or to a third party specified by him or her. The fees for the Directors are determined within the limits set out in the Company's Articles, which limit the aggregate of the fees payable to the Directors to £100,000 per annum and the approval of Shareholders in a general meeting would be required to change this limit.



It is intended that the fees payable to the Directors should reflect their duties, responsibilities, and the value and amount of time committed to the Company's affairs, and should also be sufficient to enable candidates of a high quality to be recruited and retained. Non-executive Directors do not receive bonuses, pension benefits, share options, long-term incentive schemes or other benefits, and the fees are not specifically related to the Directors' performance, either individually or collectively.

The remuneration policy and the level of fees payable is reviewed annually by the Remuneration Committee and it is intended that the current policy will continue for the year ending 28 February 2021. A copy of this remuneration policy may be inspected by members of the Company at its registered office.

It is the Board's intention that the remuneration policy will be put to a Shareholders' vote at least once every three years and, as a Resolution was approved at the AGM held in 2017, an Ordinary Resolution for its approval will next be proposed at the 2020 AGM.

At the AGM held in July 2017, the result in respect of the Ordinary Resolution to approve the Directors' Remuneration Policy for the three years to 29 February 2020 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Policy (2017 AGM)	87.24	12.76	32,737

### Directors' and Officers' Liability Insurance

The Company purchases and maintains liability insurance covering the Directors and Officers of the Company. This insurance is not a benefit in kind, nor does it form part of the Directors' remuneration.

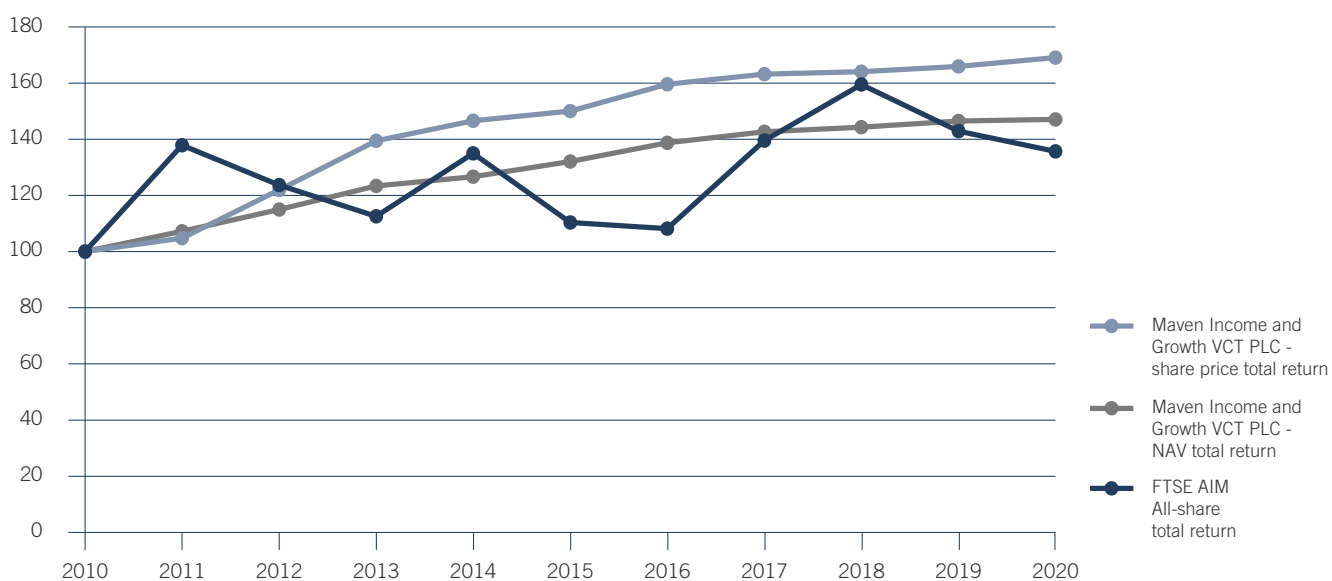
### Directors' Interests (audited)

The Directors' interests in the share capital of the Company are shown in the Directors' Report on page 44. There is no requirement for Directors to hold shares in the Company.

### Company Performance

The Board is responsible for the Company's investment strategy and performance, although the management of the Company's investment portfolio is delegated to the Manager through the Management and Administration Deed, as referred to in the Directors' Report.

The graph below compares the total returns on an investment of £100 in the Ordinary Shares of the Company, for each annual accounting period for the ten years to 29 February 2020, assuming all dividends are reinvested, with the total shareholder return on a notional investment of £100 made up of shares of the same kinds and number as those by reference to which the FTSE AIM All-share index is calculated. This index was chosen for comparison purposes as it is the most relevant to the Company's investment portfolio.



Source: Maven/London Stock Exchange/IRESS.

Please note that past performance is not necessarily a guide to future performance.

### Directors' Remuneration (audited)

The Company does not have any employees and Directors' remuneration comprises solely of Directors' fees. The Directors' fees for the years ended 29 February 2020 and 28 February 2019, and projected fees for the year ending 28 February 2021, respectively are as follows:

	Year ending 28 February 2021 £	Year ended 29 February 2020 £	Year ended 28 February 2019 £
John Pocock (Chairman)	22,500	22,500	21,000
Alison Fielding <sup>1</sup>	19,000	19,000	2,748
Andrew Harrington <sup>1</sup>	19,000	19,000	2,748
Arthur MacMillan (Chairman – Audit and Risk Committees)	21,500	21,500	19,000
Fiona Wollocombe <sup>2</sup>	-	-	15,370
<b>Total</b>	<b>82,000</b>	<b>82,000</b>	<b>60,866</b>

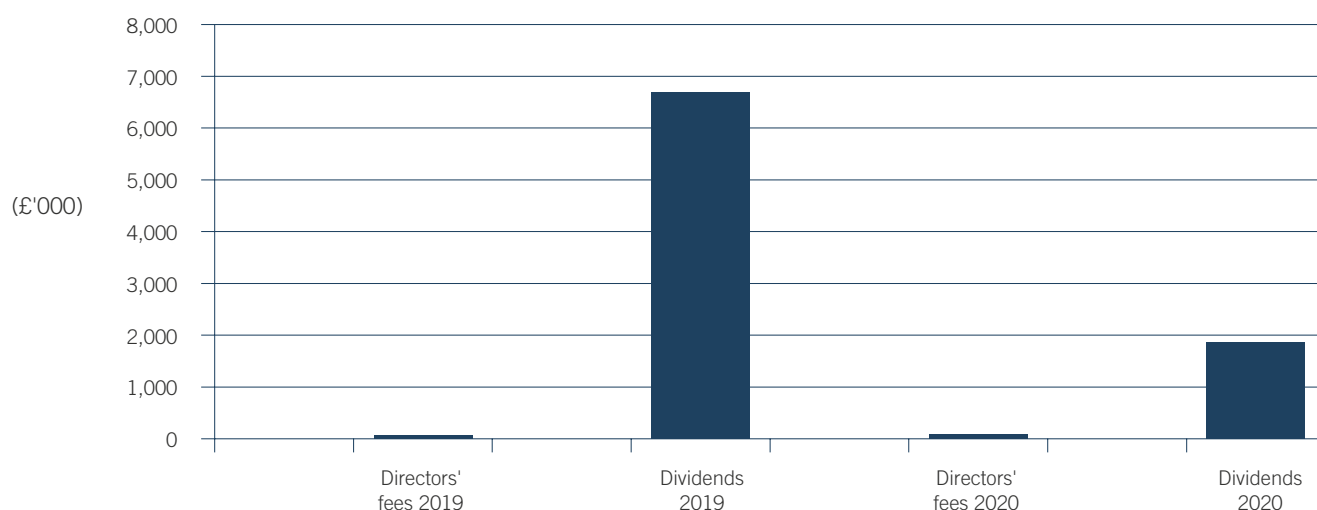
<sup>1</sup> Appointed on 1 January 2019.

<sup>2</sup> Resigned on 24 January 2019.

The above amounts exclude any employers' national insurance contributions, if applicable. No other forms of remuneration were received by the Directors and no Director has received any taxable expenses, compensation for loss of office or non-cash benefit for the year ended 29 February 2020 (2019: £nil).

### Relative Cost of Directors' Remuneration

The chart below shows, for the years ended 28 February 2019 and 29 February 2020, the cost of Directors' fees compared with the level of dividend distribution.



As noted in the Strategic Report, all of the Directors are non-executive and, therefore, the Company does not have a chief executive officer, nor does it have any employees. In the absence of a chief executive officer or employees, there is no related information to disclose.

Directors do not have service contracts, but new Directors are provided with a letter of appointment. Copies of the Directors' letters of appointment will be available for inspection at the AGM. The terms of appointment provide that Directors should retire and be subject to re-election at the first AGM after their appointment. Thereafter, all Directors will be subject to annual re-election in line with the new requirements under the Codes. There is no notice period and no provision for compensation upon early termination of appointment, save for any arrears of fees which may be due.

During the year ended 29 February 2020, no communication was received from Shareholders regarding Directors' remuneration.

## Approval

An Ordinary Resolution to approve this Directors' Remuneration Report will be put to Shareholders at the 2020 AGM. At the AGM held in July 2019, the results in respect of an Ordinary Resolution to approve the Directors' Remuneration Report for the year ended 28 February 2019 were as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Report (2019)	95.64	4.36	149,358

The Directors' Remuneration Report for the year ended 29 February 2020 was approved by the Board of Directors and signed on its behalf by:

**Alison Fielding**  
Director

29 May 2020

# STATEMENT OF CORPORATE GOVERNANCE

**The Company is committed to, and is accountable to the Company's Shareholders for, a high standard of corporate governance. The Board has put in place a framework for corporate governance that it believes is appropriate for a venture capital trust and enables it to comply with the UK Code, which is available from the website of the FRC at [www.frc.org.uk](http://www.frc.org.uk).**

During the year under review, the Company was a member of the AIC, which has published an updated version of the AIC Code that provides a comprehensive guide to best practice in certain areas of governance where the specific characteristics of investment trusts or VCTs suggest alternative approaches to those set out in the UK Code.

The key notable changes to the AIC Code include:

- a new requirement for the annual re-election of all directors to all investment companies;
- a new requirement that a board should understand the views of its company's key stakeholders and describe in the annual report how their interests and the matters set out in Section 172 of the Companies Act 2006 (the duty to promote the success of the company) have been considered in board discussions and decision making; and
- the chairman of an investment company may now remain in post beyond nine years from the date of first appointment by the board. Notwithstanding this more flexible approach, the board is required to determine and disclose a policy on the tenure of the chairman.

The AIC Code is available from the AIC website at [www.theaic.co.uk](http://www.theaic.co.uk).

This Statement of Corporate Governance supports the Directors' Report.

## **Application of the Main Principles of the Code**

This statement describes how the main principles identified in the AIC Code have been applied by the Company throughout the year, as is required by the Listing Rules of the FCA. The Board has considered the Principles and Provisions of the AIC Code, which address the Principles and Provisions set out in the UK Code, as well as setting out additional Provisions on issues that are of specific relevance to the Company. The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to Shareholders. The endorsement by the FRC means that by reporting against the AIC Code, the Company is meeting its obligations under the UK Code and the associated disclosure requirements of the Listing Rules, and as such does not need to report further on issues contained in the UK Code that are irrelevant to it. These include:

- Provision 9 (dual role of chairman and chief executive);
- Provision 19 (tenure of the chair);
- Provision 25 (internal audit function); and
- Provision 33 (executive remuneration).

The Board is of the opinion that the Company has complied fully with the main principles identified in the Codes, except as set out below:

- Provision 14 (senior independent director).

A senior independent non-executive Director has not been appointed, as the Board considers that each Director has different qualities and areas of expertise on which they may lead.

## The Board

As at the date of this Annual Report, the Board consists of four non-executive Directors, one of whom is female and all of whom are considered to be independent of the investment manager (Maven Capital Partners UK LLP, Maven, or the Manager) and free of any relationship which could materially interfere with the exercise of their independent judgement.

The biographies of the Directors appear in the Your Board section of this Annual Report and indicate their high level and range of investment, commercial and professional experience.

The Board sets the Company's values and objectives and ensures that its obligations to Shareholders are met. It has formally adopted a schedule of matters that are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues. These matters include:

- the appointment and removal of the Manager and the terms and conditions of any management and administration agreements;
- the maintenance of clear investment objectives and risk management policies;
- the monitoring of the business activities of the Company;
- Companies Act requirements such as the approval of interim and annual financial statements and the approval and recommendation of interim and final dividends;
- major changes relating to the Company's structure, including share buy-backs and share issues;
- Board appointments and related matters;
- terms of reference and membership of Board Committees; and
- London Stock Exchange and FCA matters, such as approval of all circulars, listing particulars and releases concerning matters decided by the Board.

As required by the Companies Act 2006 and permitted by the Articles, Directors notify the Company of any situation that might give rise to the potential for a conflict of interest, so that the Board may consider and, if appropriate, approve such situations. A register of the potential conflicts of interest for Directors is reviewed regularly by the Board and the Directors notify the Company whenever there is a change in the nature of a registered conflict, or whenever a new conflict situation arises.

Following implementation of the Bribery Act 2010, the Board adopted appropriate procedures.

There is an agreed procedure for Directors to take independent professional advice, if necessary, at the Company's expense.

The Directors have access to the advice and services of the Secretary through its appointed representatives, who are responsible to the Board for:

- ensuring that Board procedures are complied with;
- under the direction of the Chairman, ensuring good information flows within the Board and its Committees; and
- advising on corporate governance matters.

An induction meeting will be arranged by the Manager on the appointment of any new Director, covering details about the Company, the Manager, legal responsibilities and VCT matters. Directors are provided, on a regular basis, with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise.

John Pocock is Chairman of the Company and was independent of the Manager at the time of his appointment as a Director, and as Chairman, and continues to be so by virtue of his lack of connection with the Manager and of any cross-directorships with his fellow Directors.

John Pocock is also Chairman of the Management Engagement and Nomination Committees as the other Directors consider that he has the skills and experience relevant to these roles. Arthur MacMillan is Chairman of the Audit and Risk Committees and Alison Fielding is Chairman of the Remuneration Committee.

The Board meets at least four times each year and, between Meetings, maintains regular contact with the Manager. The primary focus of quarterly Board Meetings is a review of investment performance and related matters, including asset allocation, peer group information and industry issues. During the year ended 29 February 2020, the Board held four full quarterly Board Meetings; three Committees Meetings in relation to issuing shares under the Offer for Subscription and the DIS; and two Committee Meetings to approve the release of financial results. In addition, there were five meetings of the Risk Committee; three meetings of the Audit Committee, and one meeting each of the Management Engagement, Nomination and Remuneration Committees.

Directors have attended Board and Committee Meetings during the year ended 29 February 2020<sup>1</sup> as follows:

	Board	Board Committee	Audit Committee	Management Engagement Committee	Nomination Committee	Remuneration Committee	Risk Committee
John Pocock	4 (4)	5 (5)	3 (3)	1 (1)	1 (1)	1 (1)	5 (5)
Alison Fielding	4 (4)	5 (5)	3 (3)	1 (1)	1 (1)	1 (1)	5 (5)
Andrew Harrington	4 (4)	5 (5)	3 (3)	1 (1)	1 (1)	1 (1)	5 (5)
Arthur MacMillan	4 (4)	5 (5)	3 (3)	1 (1)	1 (1)	1 (1)	5 (5)

<sup>1</sup> The number of meetings which the Directors were eligible to attend is in brackets.

To enable the Board to function effectively and allow Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board Meetings, this consists of a comprehensive set of papers, including the Manager's review and discussion documents regarding specific matters. The Directors make further enquiries when necessary.

The Board and its Committees have undertaken a process for their annual performance evaluation, using questionnaires and discussion, to ensure that Directors have devoted sufficient time and contributed adequately to the work of the Board and its Committees. The Chairman is subject to evaluation by his fellow Directors. In addition, the Board also uses the process to assess and monitor its culture and behaviour, to ensure it is aligned with the Company's purpose, values and strategy.

### Directors' Terms of Appointment

All non-executive Directors are appointed for an initial period of three years, subject to re-election and Companies Act provisions and, in accordance with the Articles, stand for election at the first AGM following their appointment. The Company's Articles also require all Directors to retire by rotation at least every three years. However, in accordance with the AIC Code, the Board has decided that all Directors should stand for re-election on an annual basis.

### Policy on Tenure

The Board subscribes to the view that long-serving Directors should not be prevented from forming part of an independent majority. It does not consider that a Director's tenure necessarily reduces their ability to act independently and, following formal performance evaluations, believes that each Director is independent in character and judgement and that there are no relationships or circumstances which are likely to affect the judgement of any Director.

The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed. The policy on tenure and the independence of each Director is reviewed on an annual basis, before the re-election of any Director is recommended, and the Board considers the need for regular refreshment of the Directors prior to doing so. The Company has no executive Directors or employees.

### Committees

Each Committee has been established with written terms of reference and comprises the full Board. The terms of reference of each of the Committees, which are available on request from the Registered Office of the Company, are reviewed and re-assessed for their adequacy at each Meeting.

#### Audit Committee

The Audit Committee is chaired by Arthur MacMillan and the role and responsibilities of the Committee are detailed in a joint Report by the Audit and Risk Committees on pages 58 to 62.

**Management Engagement Committee**

The Management Engagement Committee, which is chaired by John Pocock, is responsible for the annual review of the management contract with the Manager, details of which are shown in the Directors' Report. One Meeting was held during the year ended 29 February 2020, at which the Committee recommended the continued appointment of Maven Capital Partners UK LLP as Manager and Secretary of the Company.

**Nomination Committee**

The Nomination Committee, which is chaired by John Pocock, held one Meeting during the year ended 29 February 2020. The Committee makes recommendations to the Board on the following matters:

- the evaluation of the performance of the Board (including its Chairman) and its Committees, and supports the Chairman of the Board in acting on the results of the evaluation process;
- the review of the composition, skills, knowledge, experience and diversity of the Board;
- succession planning;
- the identification and nomination of candidates to fill Board vacancies, as and when they arise, for the approval of the Board;
- considering candidates from a wide range of backgrounds in order to promote diversity of gender, social and ethnic background, cognitive and personal strengths;
- the tenure and re-appointment of any non-executive Director on an annual basis;
- proposals for the re-election by Shareholders of any Director on an annual basis, having due regard to the provisions of the AIC Code, the Director's performance and ability to contribute to the Board and long-term success of the Company;
- the continuation in office of any Director at any time; and
- the appointment of any Director to another office, such as Chairman of the Audit Committee, other than to the position of Chairman of the Company.

At its Meeting in January 2020, the Committee reviewed the knowledge, experience and skills of all Directors. The Board noted that each of the Directors were valued and that they were deemed to enhance the skills and knowledge base of the Board, enabling it to carry out its functions more effectively and each Director contributing to the long-term success of the Company. The Committee recommended to the Board that all Directors be nominated for re-election and, accordingly, Resolutions 5 to 8 will be put to the 2020 AGM.

Although the Company does not have a formal policy on diversity, Board diversity forms part of the responsibilities of the Committee. No external search consultancy was used by the Company during the year ended 29 February 2020.

**Remuneration Committee**

Where a venture capital trust has only non-executive directors, the Code principles relating to directors' remuneration do not apply. However, the Company does have a Remuneration Committee, which is chaired by Alison Fielding. The Committee held one Meeting during the year ended 29 February 2020 to review the policy for, and the level of, Directors' Remuneration.

The level of remuneration of the Directors has been set in order to attract and retain individuals of a calibre appropriate to the future development of the Company. Details of the remuneration of each Director and of the Company's policy on Directors' remuneration are provided in the Directors' Remuneration Report on pages 48 to 51.

**Risk Committee**

The Risk Committee is chaired by Arthur MacMillan and the role and responsibilities of the Committee are detailed in a joint Report by the Audit and Risk Committees on pages 58 to 62.

**External Agencies**

The Board has contractually delegated to external agencies, including the Manager, certain services: the management of the investment portfolio, the custodial services (which include the safeguarding of assets), the registration services and the day to day accounting and company secretarial requirements. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered. The Board receives and considers reports from the Manager, and other external agencies, on a regular basis. In addition, ad hoc reports and information are provided to the Board as requested.

### **Corporate Governance, Stewardship and Proxy Voting**

The FRC first published the UK Stewardship Code (the Stewardship Code) for institutional shareholders on 2 July 2010 and this was revised in September 2012. The revised UK Stewardship Code 2020 was published in October 2019 and takes effect for reporting periods beginning on or after 1 January 2020. The Board is considering the implications of the revised code and will look to report against it in the future. The purpose of the Stewardship Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and assist institutional investors in the efficient exercise of their governance responsibilities.

The Board is aware of its duty to act in the interests of the Company and the Directors believe that the exercise of voting rights lies at the heart of regulation and the promotion of good corporate governance. The Directors, through the Manager, would wish to encourage companies in which investments are made to adhere to best practice in the area of corporate governance. The Manager believes that, where practicable, this can best be achieved by entering into a dialogue with investee company management teams to encourage them, where necessary, to improve their governance policies.

Therefore, the Board has delegated responsibility for monitoring the activities of portfolio companies to the Manager and has given it discretionary powers to vote in respect of the holdings in the Company's investment portfolio.

### **Socially Responsible Investment Policy**

The Directors and the Manager are aware of their duty to act in the interests of the Company and acknowledge that there are risks associated with investment in companies that fail to conduct business in a socially responsible manner.

Therefore, the Directors and the Manager take account of the social environment and ethical factors that may affect the performance or value of the Company's investments. Maven and the Directors believe that a company run in the long-term interests of its shareholders should manage its relationships with its employees, suppliers and customers and behave responsibly towards the environment and society as a whole.

### **Communication with Shareholders**

The Company places a great deal of importance on communication with its Shareholders, all of whom are normally welcome to attend and participate in the AGM. However, in respect of the 2020 AGM, Shareholders should note the guidance provided in the Chairman's Statement on page 12. The Notice of Annual General Meeting sets out the business of the AGM and the Resolutions are explained more fully in the Explanatory Notes to the Notice of Annual General Meeting as well as the Directors' Report and the Directors' Remuneration Report. Separate Resolutions are proposed for each substantive issue and Shareholders have the opportunity to put questions to the Board and the Manager. The results of proxy voting are relayed to Shareholders after the Resolutions have been voted on by a show of hands. Nominated persons, often the beneficial owners of shares held for them by nominee companies, may attend Shareholder meetings and are invited to contact the registered Shareholder, normally a nominee company, in the first instance in order to be nominated to attend the Meeting and to vote in respect of the shares held for them. It is in the nature of a venture capital trust that it generally has few major shareholders.

As recommended under the Code, the Annual Report is normally published at least twenty business days before the AGM. Annual and Interim Reports and Financial Statements are distributed to Shareholders and other parties who have an interest in the Company's performance.

Shareholders and potential investors may obtain up-to-date information on the Company through the Manager and the Secretary, and the Company responds to letters from Shareholders on a wide range of issues. In order to ensure that the Directors develop an understanding of the views of Shareholders, correspondence between Shareholders and the Manager or the Chairman is copied to the Board. See Contact Information for details on how to contact the Manager or Company Secretary.

The Company's web pages are hosted on the Manager's website at [www.mavencp.com/migvct](http://www.mavencp.com/migvct) from where Annual and Interim Reports, London Stock Exchange Announcements and other information can be viewed, printed or downloaded. Further information about the Manager can be obtained from [www.mavencp.com](http://www.mavencp.com).

### **Accountability and Audit**

The Statement of Directors' Responsibilities in respect of the Financial Statements is on page 57 and the Statement of Going Concern is included in the Directors' Report on page 42. The Viability Statement is included in the Directors' Report on page 42 and the Independent Auditor's Report is on pages 63 to 69.

**Authorised for issue by the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**

**29 May 2020**



# STATEMENT OF DIRECTORS' RESPONSIBILITIES

## **The Directors are responsible for preparing the Annual Report, Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.**

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Financial Statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The Financial Statements are required by law to give a true and fair view of the state of affairs of the Company and of the net return of the Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report (including a report on remuneration policy) and Corporate Governance Statement that comply with applicable law and regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's webpage, which is hosted on the Manager's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors are also responsible for ensuring that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

## **Responsibility Statement of the Directors in respect of the Annual Report and Financial Statements**

The Directors believe that, to the best of their knowledge:

- the Financial Statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at 29 February 2020 and for the year to that date;
- the Directors' Report includes a fair review of the development and performance of the Company, together with a description of the principal risks and uncertainties that it faces; and
- the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

**John Pocock**  
Director

**29 May 2020**

# REPORT OF THE AUDIT AND RISK COMMITTEES

**The Audit and Risk Committees are chaired by Arthur MacMillan and comprise all independent Directors.**

## **Audit Committee**

The Board is satisfied that at least one member of the Committee has recent and relevant financial experience, and that the Committee as a whole has competence relevant to the sector in which the Company operates.

The principal responsibilities of the Committee include:

- the integrity of the Interim and Annual Reports and Financial Statements and the review of any significant financial reporting judgements contained therein, including the valuation of investments and the recognition of income;
- the review of the terms of appointment of the Auditor, together with its remuneration, including any non-audit services provided by the Auditor;
- the review of the scope and results of the audit and the independence and objectivity of the Auditor;
- the review of the Auditor's Board Report and any required response;
- meetings with representatives of the Manager;
- providing advice on whether the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance business model and strategy; and
- making appropriate recommendations to the Board.

## **Activities of the Audit Committee**

The Committee met three times during the year under review. In April and October 2019, the Committee noted that the Risk Committee had considered the key risks detailed below and the corresponding internal control and risk reports provided by the Manager, which included the Company's Risk management framework. No significant weaknesses in the control environment were identified and it was also noted that there had not been any adverse comment from the Auditor and that the Auditor had not identified any significant issues in its audit report. In addition, there had been no interaction with the FRC, through their Corporate Reporting Review or Audit Quality Review teams during the period. The Committee, therefore, concluded that there were no significant issues which required to be reported to the Board.

At its meeting in April 2019, the Committee reviewed, for recommendation to the Board, the Audit Report from the independent Auditor and the draft Annual Report and Financial Statements for the year ended 28 February 2019.

At its meeting in October 2019, the Committee reviewed and approved the Half Yearly Report and Financial Statements for the six months ended 31 August 2019. The Committee also considered the performance, tenure and independence of Deloitte LLP (Deloitte) as Auditor and concluded that it was satisfied with the performance of Deloitte and recommended its continued appointment.

At its meeting in February 2020, the Committee considered the performance of the unlisted investments in advance of the year end in order to be able to establish the basis for the valuations to be incorporated in the Financial Statements.

Subsequent to 29 February 2020, the Committee reviewed the draft Annual Report and Financial Statements for the year then ended, along with the report from the independent Auditor thereon. It recommended to the Board that it considered that the 2020 Annual Report and Financial Statements, taken as a whole, was fair, balanced and understandable and provided the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

It is recognised that the portfolio forms a significant element of the Company's assets and that there are different risks associated with listed and unlisted investments. The primary risk that requires the particular attention of the Committee is that unlisted investments are not recognised and measured in line with the Company's stated accounting policy on the valuation of investments as set out in Note 1(e) to the Financial Statements on pages 74 and 75. In accordance with that policy, unlisted investments are valued by the Manager and are subject to scrutiny and approval by the Directors.

Investments listed on a recognised stock exchange are valued at their bid market price.

The Committee has considered the assumptions and judgements in relation to the valuation of each quoted and unquoted investment and is satisfied that they are appropriate.

The basis of valuation across the portfolio as at 29 February 2020 was as follows:

Investment	% of net assets by value	Valuation basis
AIM/NEX quoted	2.4	Bid price <sup>1</sup>
Listed	8.0	Bid price <sup>1</sup>
Unlisted	50.3	Directors' valuation <sup>2</sup>
<b>Total investment</b>	<b>60.7</b>	

<sup>1</sup> London Stock Exchange closing market quote.

<sup>2</sup> Directors' valuation represents an independent third party valuation or either of: (i) an earnings or revenue multiple basis; (ii) cost; or (iii) a provision against cost where there may be a diminution in value due to a company's underperformance. Where an earnings or revenue multiple or cost is not appropriate, or other overriding factors apply, a discounted cash flow or net asset value basis may be applied.

The Committee recommended the investment valuations, representing 60.7% of net assets as at 29 February 2020, to the Board for approval. In addition, the revenue generated from dividend income and loan stock interest has been considered by the Board on a quarterly basis and the Directors are satisfied that the levels of income recognised are in line with revenue estimates.

The Audit Committee's performance evaluation is carried out by the Directors as part of the Board evaluation review.

### Review of Effectiveness of Independent Auditor

As part of its annual review of audit services, the Committee considers the performance, cost effectiveness and general relationship with the independent Auditor. In addition, the Committee reviews the independence and objectivity of the Auditor. Key elements of these reviews include: discussions with the Manager regarding the audit service provided; separate meetings with the Auditor; consideration of the completeness and accuracy of the Deloitte reporting and a review of the relationship the independent Auditor has with the Manager.

The Company first appointed Deloitte as Auditor for the year ended 29 February 2008 and, following a formal tender process, they were subsequently re-appointed in respect of the year ended 28 February 2017. It should be noted that Deloitte rotates the Senior Statutory Auditor responsible for the audit every five years and Chris Hunter was appointed as the Senior Statutory Auditor during the year ended 28 February 2018.

The Independent Auditor's Report is on pages 63 to 69. Details of the amounts paid to the Auditor during the year for audit and other services are set out in Note 4 to the Financial Statements. The Company has a policy in place for governing and controlling the provision of non-audit services by the external Auditor, so as to safeguard their independence and objectivity. The Directors concur with the Auditor's confirmation to the Committee that the amounts paid to the Auditor in respect of non-audit services were inconsequential to the Financial Statements and did not impact on their independence.

Shareholders are asked to approve the re-appointment, and the Directors' authority to fix the remuneration, of the Auditor at each AGM. Any non-audit work, other than interim reviews, requires the specific approval of the Audit Committee in each case. Non-audit work, where independence may be compromised or conflicts arise, is prohibited. There are no contractual obligations that restrict the Committee's choice of Auditor. The Committee has concluded that Deloitte is independent of the Company and recommended that a Resolution for the re-appointment of Deloitte as independent Auditor should be put to the 2020 AGM.

## Risk Committee

Under the recommendation of the AIFMD, the Company established a Risk Committee. The responsibilities of the Committee are:

- to keep under review the adequacy and effectiveness of the Manager's internal financial controls and internal control and risk management systems and procedures in the context of the Company's overall risk management system;
- to identify, measure, manage and monitor the risks to the Company as recommended by the AIFMD including, but not limited to, investment portfolio, credit, counterparty, liquidity, market and operational risks;
- to monitor and review all reports on the Company from the Manager's internal control function to ensure ongoing compliance with the VCT regulations;
- to review the arrangements for, and effectiveness of, the monitoring of risk parameters;
- to ensure appropriate, documented and regularly updated due diligence processes are implemented when appointing and reviewing service providers, including reviewing the main contracts entered into by the Company for such services;
- to ensure that the risk profile of the Company corresponds to the size, portfolio structure and investment strategies and objectives of the Company; and
- to report to the Board on its conclusions and to make recommendations in respect of any matters within its remit including proposals for improvement in, or changes to, the systems, processes and procedures that are in place.

The Committee will review these Terms of Reference at least four times each year.

## Activities of the Risk Committee

The Committee met five times during the year under review. In addition to the Committee's ordinary activities in that period, the Committee carried out a full and comprehensive review of the Company's Risk Register. This included a reassessment of the principal and emerging risks facing the Company, the impact of the failure to prevent an identified risk occurring together with a review of the control measures used to address the identified risks. The Committee also took the opportunity to ensure that the Risk Register adequately addressed new legislative and regulatory changes.

## Internal Control and Risk Management

The Board of Directors has overall responsibility for the Company's system of internal control and for reviewing its effectiveness. However, as the Directors have delegated the investment management, company secretarial and administrative functions of the Company to Maven, the Board considers that it is appropriate for the Company's internal controls to be monitored by the Manager, rather than by the Company itself.

The principal responsibilities of the Committee include the ongoing review of the effectiveness of the internal control environment of the Company and the review of the Company's risk management systems that allow the Company to identify, measure, manage and monitor all risks on a continuous basis. The Committee keeps the effectiveness of the Company's internal control and risk management systems and procedures under review. The Directors have confirmed that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company, which has been in place up to the date of approval of this Annual Report. This process is reviewed regularly by the Board and accords with internal control guidance issued by the FRC.

Through the Risk Committee, the Board reviews the effectiveness of the system of internal control at least four times each year and, in particular, it has reviewed the process for identifying and evaluating the significant risks affecting the Company and the policies and procedures by which these risks are managed. The Directors have delegated the management of the Company's assets to the Manager and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by the compliance function of the Manager, which undertakes periodic examination of business processes, including compliance with the terms of the Management and Administration Agreement, and ensures that any recommendations to improve controls are implemented.

Risks are identified through a risk management framework by each function within the Manager's activities. Risk is considered in the context of the guidance issued by the FRC and includes financial, regulatory, market, operational and reputational risk. This helps the Manager's risk model identify those functions most appropriate for review. Any errors or weaknesses identified are reported to the Company and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The key components designed to provide effective internal control for the year under review and up to the date of this report are:

- the Manager prepares forecasts and management accounts, which allow the Board to assess the Company's activities and review its investment performance;
- the Board and Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are submitted regularly to the Board;
- the Manager's evaluation procedure and financial analysis of the companies concerned include detailed appraisal and due diligence;
- the compliance function of Maven reviews the Manager's operations on an ongoing basis;
- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third-party service providers;
- clearly documented contractual arrangements exist in respect of any activities that have been delegated to external professional organisations;
- the Committee carries out an assessment of internal controls twice each year by considering reports from the Manager, including oversight of the whistleblowing policy, its internal control and compliance functions, and taking account of events since the relevant period end; and
- the compliance function of the Manager reports bi-annually to the Risk Committee and has direct access to the Directors at any time.

The internal control systems are intended to meet the Company's particular needs and the risks to which it is exposed. Accordingly, these systems are designed to manage, rather than eliminate, the risk of failure to achieve business goals and, by their nature, can provide reasonable, but not absolute, assurance against material misstatement or loss.

In addition, as the Company has contractually delegated specific services to external parties, another key risk relates to the performance of those service providers.

### **Assessment of Risks**

In terms of the assessment of the key risks facing the Company, it is recognised that the investment portfolio forms a significant element of its assets. The recognition, ownership and valuation of the investment portfolio is, therefore, an area of particular attention for the Committee. Specifically, the risk is that investments are not recognised and measured in line with the Company's stated accounting policy on the valuation of investments as set out in Note 1(e) to the Financial Statements on pages 74 and 75. As revenue generated from dividend income and loan stock, another risk relates to that the Company does not recognise income in line with its stated policy on revenue recognition. The maintenance of VCT status is another risk that the Company has to consider and the approach to address each of these key risks is set out below.

#### ***Valuation, Existence and Ownership of the Investment Portfolio***

The Company uses the services of an independent Custodian (JPMorgan Chase Bank) to hold the quoted investment assets of the Company. An annual internal control report is received from the Custodian that provides details of the Custodian's control environment. The investment portfolio is reconciled regularly by the Manager and the reconciliation is also reviewed by the independent Auditor. The portfolio is reviewed and verified by the Manager on a regular basis and management accounts, including a full portfolio listing, are considered at the quarterly meetings of the Board. The portfolio is also audited annually by the independent Auditor.

The valuation of investments is undertaken in accordance with the Company's stated accounting policy as set out in Note 1(e) to the Financial Statements on pages 74 and 75. Unlisted investments are valued by the Manager and are subject to scrutiny and approval by the Directors. Investments listed on a recognised stock exchange are valued at their bid market price.

The Committee considered and challenged the assumptions and significant judgements in relation to the valuation of each quoted and unquoted investment and was satisfied that they were appropriate. The Committee was also satisfied that there were no issues associated with the existence and ownership of the investments that required to be addressed.

***Revenue Recognition***

The recognition of dividend income and loan stock interest is undertaken in accordance with the accounting policy set out in Note 1(b) to the Financial Statements on page 74.

Management accounts are reviewed by the Board on a quarterly basis and discussion takes place with the Manager at the quarterly Board Meetings regarding the revenue generated from dividend income and loan stock. The Committee is satisfied that the levels of income recognised are in line with revenue estimates and that there were no issues associated with revenue recognition which required to be addressed.

***Maintenance of VCT Status***

Compliance with the VCT regulations is monitored continually by the Manager and is reviewed by the Committee on a quarterly basis. The Committee concluded that there were no issues associated with the maintenance of VCT status that required to be addressed.

The principal and emerging risks and uncertainties faced by the Company, and the Board's strategy for managing these, are also covered in the Business Report on pages 13 to 15.

**Arthur MacMillan**  
**Director**

**29 May 2020**

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAVEN INCOME AND GROWTH VCT PLC

## Report on the audit of the Financial Statements

### Opinion

In our opinion the Financial Statements of Maven Income and Growth VCT PLC (the Company):

- give a true and fair view of the state of the Company's affairs as at 29 February 2020 and of its return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements which comprise:

- the Income Statement;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the Cash Flow Statement; and
- the related Notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the FRC's) Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that the non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Summary of our audit approach

<b>Key audit matters</b>	The key audit matter that we identified in the current year was the valuation of early stage unlisted investments.
<b>Materiality</b>	The materiality that we used in the current year was £862,000 (2019: £505,000) which was determined on the basis of 2% of the net asset value of the Company at year end.
<b>Scoping</b>	Audit work to respond to the risks of material misstatement was performed directly by the engagement team.
<b>Significant changes in our approach</b>	In the current year, we have deemed that the existence of listed and unlisted investments and the compliance with VCT regulations are no longer key audit matters due to our knowledge of the internal control environment. In addition, due to the high level of un-deployed cash at year-end, we adopted a lower materiality threshold for the audit of unlisted investments.

## Conclusions relating to going concern, principal risks and viability statement

<p><b>Going concern</b></p> <p>We have reviewed the Directors' statement in the Directors' Report about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the Financial Statements.</p> <p>We considered as part of our risk assessment the nature of the Company, its business model and related risks, including where relevant the impact of the COVID-19 pandemic and Brexit, the requirements of the applicable financial reporting framework and the system of internal control. We evaluated the Directors' assessment of the Company's ability to continue as a going concern, including challenging the underlying data and key assumptions used to make the assessment, and evaluated the Directors' plans for future actions in relation to their going concern assessment.</p> <p>We are required to state whether we have anything material to add or draw attention to in relation to that statement required by Listing Rule 9.8.6R(3) and report if the statement is materially inconsistent with our knowledge obtained in the audit.</p>	<p><b>Going concern is the basis of preparation of financial statements that assumes an entity will remain in operation for a period of at least 12 months from the date of approval of the financial statements.</b></p> <p>We confirm that we have nothing material to report, add or draw attention to in respect of these matters.</p>
<p><b>Principal risks and viability statement</b></p> <p>Based solely on reading the Directors' statements and considering whether they were consistent with the knowledge we obtained in the course of the audit, including the knowledge obtained in the evaluation of the Directors' assessment of the Company's ability to continue as a going concern, we are required to state whether we have anything material to add or draw attention to in relation to:</p> <ul style="list-style-type: none"> <li>• the disclosures on pages 13 to 15 that describe the principal risks and explain how they are being managed or mitigated;</li> <li>• the Directors' confirmation on page 13 that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity; or</li> <li>• the Directors' explanation on page 42 as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.</li> </ul> <p>We are also required to report whether the Directors' statement relating to the prospects of the Company required by Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.</p>	<p><b>Viability means the ability of the company to continue over the time horizon considered appropriate by the directors.</b></p> <p>We confirm that we have nothing material to report, add or draw attention to in respect of these matters.</p>

## Key audit matters




Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period, and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The existence of listed and unlisted investments and compliance with the VCT regulations were identified as key audit matters in the prior year. We have re-assessed these in the current year and we will no longer report on these as key audit matters.



## Valuation of early stage unlisted investments

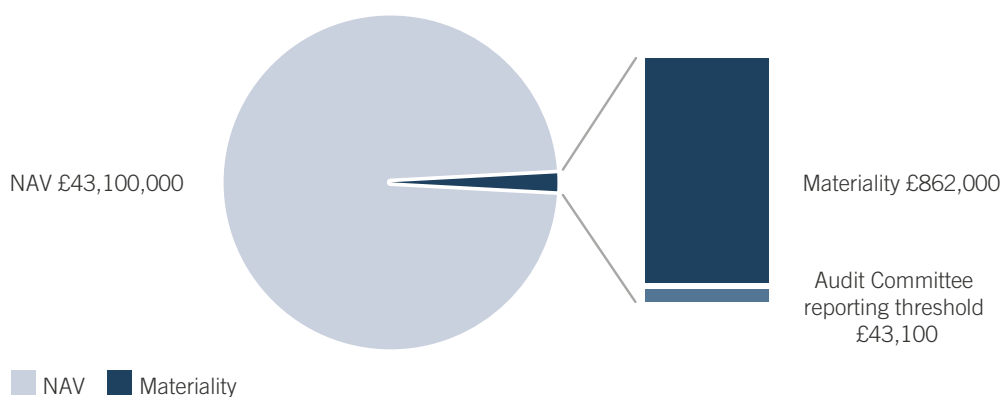
<p><b>Key audit matter</b></p> 	<p>Refer to Note 1(e) of Accounting Policies on pages 74 and 75, Note 8 of the Notes to the Financial Statements on page 79 and the Assessment of Risks section of the Report of the Audit and Risk Committees on pages 61 and 62.</p> <p>The Company holds unlisted investments that are valued in accordance with the revised International Private Equity and Venture Capital Valuation (IPEVVCV) Guidelines. These unlisted investments represent £21.7 million or 50.3% (2019: £21.6 million or 85.7%) of the entity's net assets.</p> <p>Under the VCT regulations, investments are more likely to be in earlier stage unlisted companies, which lack financial performance history. The valuations of these early stage unlisted companies are therefore exposed to a greater deal of judgement.</p> <p>In particular, where a follow-on investment has been made in an early stage unlisted company there is a risk that the price of the recent investment may not be reflective of an independent market value due to the existing relationship between the investee company and the VCT. Furthermore, where the early stage unlisted company has not been revalued in the current year, there is a risk that indicators of a change in fair value, such as investee company performance being ahead or behind milestones, have not been adequately factored in the re-measurement.</p> <p>This risk has been identified as a potential fraud risk as incorrect valuations could result in a material misstatement of the net asset value of the Company.</p>
<p><b>How the scope of our audit responded to the key audit matter</b></p> 	<p>Our testing included:</p> <ul style="list-style-type: none"> <li>• review of the initial or revised investment planning documents related to the investee company and identification of the key milestones that underpin the company's anticipated growth and development;</li> <li>• enquiring with the individual investment managers to understand current performance of the company against milestones, its challenges and opportunities;</li> <li>• scrutiny of management accounts, with a particular emphasis on current cash position and cash flow forecasts for the next 12 months, and assessing whether any additional funding is anticipated; and</li> <li>• assessment of the assumptions used in the performance of the entity against management accounts and other available market data, including the potential impact of Brexit and the COVID-19 pandemic. For those early stage investments now valued using a revenue or earnings multiple approach, this included the assumed maintainability of the revenue/earnings. If this performance was not reflected in the valuation of the investee company, this was queried with the relevant deal executive.</li> </ul>
<p><b>Key observations</b></p> 	<p>Based on our testing, we conclude that the valuation of the early stage unlisted investments is reasonable.</p>

## Our application of materiality

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole as follows:

<b>Materiality</b>	£862,000 (2019: £505,000)
<b>Basis for determining materiality</b>	2% (2019: 2%) of net asset value.
<b>Rationale for the benchmark applied</b>	Net asset value is the primary measure used by the Shareholders in assessing the performance of the Company, and this is a generally accepted auditing benchmark used for entities in this industry.



### Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2020 audit (2019: 70%). In determining performance materiality, we considered the quality of the control environment and management's willingness to correct identified errors in previous audits.

### Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £43,100 (2019: £25,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the Financial Statements.

### Specific materiality

For our testing of the unlisted investments held by the Company, we used a lower level of materiality based on 2% of the unlisted investment balance, which results in a specific materiality of £433,000. This is because the NAV of the VCT is significantly inflated due to the cash levels that are held that have not yet been deployed from previous capital raises, meaning a significant amount of cash is held as of the year-end date. However, the cash balance will carry a different risk profile to that of unlisted investments and therefore these investments should be tested at a lower materiality level.

## An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement.

Based on that assessment, we focused our audit scope primarily on the key audit matter described above. The investment management and accounting and reporting operations were undertaken by the Manager, whilst the safeguarding of assets resides with the Manager and the Custodian. We have obtained an understanding of the Manager's systems of internal controls and reviewed the Custodian's service organisation report, and undertaken a combination of procedures, all of which are designed to target the Company's identified risks of material misstatements in the most effective manner possible.

## Other information

<p>The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our Auditor's Report thereon.</p> <p>Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.</p> <p>In this context, matters that we are specifically required to report to you as uncorrected material misstatements of the other information include where we conclude that:</p> <ul style="list-style-type: none"> <li>• <i>Fair, balanced and understandable</i> – the statement given by the Directors that they consider the Annual Report and Financial Statements taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or</li> <li>• <i>Audit Committee reporting</i> – the section describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or</li> <li>• <i>Directors' statement of compliance with the UK Corporate Governance Code</i> – the parts of the Directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.</li> </ul>	<p><b>We have nothing to report in respect of these matters.</b></p>
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## Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud are set out below.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

#### *Identifying and assessing potential risks related to irregularities*

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management and the Audit Committee, including obtaining and reviewing supporting documentation, concerning the Company's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team and involving relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the valuation of early stage unlisted investments; and
- obtaining an understanding of the legal and regulatory framework that the Company operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the Company. The key laws and regulations we considered in this context included the UK Companies Act and the Listing Rules. In addition, compliance with VCT regulations were fundamental to the Company's ability to continue as a going concern.

#### *Audit response to risks identified*

As a result of performing the above, we identified the valuation of early stage unlisted investments as a key audit matter. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the Financial Statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing any correspondence with HMRC and the FCA; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

## Report on other legal and regulatory requirements

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

### Matters on which we are required to report by exception

<p><b><i>Adequacy of explanations received and accounting records</i></b></p> <p>Under the Companies Act 2006 we are required to report to you if, in our opinion:</p> <ul style="list-style-type: none"> <li>• we have not received all the information and explanations we require for our audit; or</li> <li>• adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or</li> <li>• the Financial Statements are not in agreement with the accounting records and returns.</li> </ul>	<p><b>We have nothing to report in respect of these matters.</b></p>
<p><b><i>Directors' remuneration</i></b></p> <p>Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of Directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns.</p>	<p><b>We have nothing to report in respect of these matters.</b></p>

### Other matters

#### ***Auditor tenure***

Following the recommendation of the Audit Committee, we were appointed as Auditor in April 2017 by the Board of Directors to audit the Financial Statements for the year ended 28 February 2017 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 13 years, covering the years ending 29 February 2008 to 29 February 2020.

#### ***Consistency of the Audit Report with the additional report to the Audit Committee***

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Chris Hunter CA (Senior Statutory Auditor)**

**For and on behalf of Deloitte LLP**

**Statutory Auditor**

**Edinburgh, United Kingdom**

**29 May 2020**

## INCOME STATEMENT

For the year ended 29 February 2020

	Notes	Year ended 29 February 2020			Year ended 28 February 2019		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	8	-	579	579	-	1,292	1,292
Income from investments	2	966	-	966	664	-	664
Other income	2	115	-	115	10	-	10
Investment management fees	3	(150)	(601)	(751)	(102)	(406)	(508)
Other expenses	4	(361)	-	(361)	(359)	-	(359)
<b>Net return on ordinary activities before taxation</b>		<b>570</b>	<b>(22)</b>	<b>548</b>	<b>213</b>	<b>886</b>	<b>1,099</b>
Tax on ordinary activities	5	(106)	106	-	(35)	35	-
<b>Return attributable to Equity Shareholders</b>	7	<b>464</b>	<b>84</b>	<b>548</b>	<b>178</b>	<b>921</b>	<b>1,099</b>
<b>Earnings per share (pence)</b>		<b>0.50</b>	<b>0.09</b>	<b>0.59</b>	<b>0.33</b>	<b>1.73</b>	<b>2.06</b>

All gains and losses are recognised in the Income Statement.

All items in the above statement are derived from continuing operations. The Company has only one class of business and one reportable segment, the results of which are set out in the Income Statement and Balance Sheet. The Company derives its income from investments made in shares, securities and bank deposits.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted earnings per share figures are relevant. The basic and diluted earnings per share are, therefore, identical.

The accompanying Notes are an integral part of the Financial Statements.

## STATEMENT OF CHANGES IN EQUITY

For the year ended 29 February 2020

Year ended 29 February 2020	Notes	Share capital £'000	Share premium account £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Special distributable reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000	Total £'000
<b>At 28 February 2019</b>		<b>5,286</b>	<b>10,253</b>	<b>(16,907)</b>	<b>(135)</b>	<b>25,746</b>	<b>361</b>	<b>646</b>	<b>25,250</b>
Net return		-	-	276	(192)	-	-	464	548
Cancellation of share premium account		-	(25,787)	-	-	25,787	-	-	-
Cancellation of capital redemption reserve		-	-	-	-	475	(475)	-	-
Share premium cancellation costs		-	(12)	-	-	-	-	-	(12)
Dividends paid	6	-	-	(1,858)	-	-	-	-	(1,858)
Repurchase and cancellation of shares	12	(139)	-	-	-	(627)	139	-	(627)
Net proceeds of share issue		4,116	15,536	-	-	-	-	-	19,652
Net proceeds of DIS issue		36	111	-	-	-	-	-	147
<b>At 29 February 2020</b>		<b>9,299</b>	<b>101</b>	<b>(18,489)</b>	<b>(327)</b>	<b>51,381</b>	<b>25</b>	<b>1,110</b>	<b>43,100</b>

Year ended 28 February 2019	Notes	Share capital £'000	Share premium account £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Special distributable reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000	Total £'000
<b>At 28 February 2018</b>		<b>5,356</b>	<b>10,253</b>	<b>(10,770)</b>	<b>(599)</b>	<b>26,067</b>	<b>291</b>	<b>574</b>	<b>31,172</b>
Net return		-	-	457	464	-	-	178	1,099
Dividends paid	6	-	-	(6,594)	-	-	-	(106)	(6,700)
Repurchase and cancellation of shares	12	(70)	-	-	-	(321)	70	-	(321)
<b>At 28 February 2019</b>		<b>5,286</b>	<b>10,253</b>	<b>(16,907)</b>	<b>(135)</b>	<b>25,746</b>	<b>361</b>	<b>646</b>	<b>25,250</b>

The accompanying Notes are an integral part of the Financial Statements.

## BALANCE SHEET

As at 29 February 2020

	Notes	29 February 2020 £'000	28 February 2019 £'000
<b>Fixed assets</b>			
Investments at fair value through profit or loss	8	26,182	22,578
<b>Current assets</b>			
Debtors	10	416	357
Cash		16,540	2,349
		<b>16,956</b>	<b>2,706</b>
<b>Creditors</b>			
Amounts falling due within one year	11	(38)	(34)
<b>Net current assets</b>		<b>16,918</b>	<b>2,672</b>
<b>Net assets</b>		<b>43,100</b>	<b>25,250</b>
<b>Capital and reserves</b>			
Called up share capital	12	9,299	5,286
Share premium account	13	101	10,253
Capital reserve - realised	13	(18,489)	(16,907)
Capital reserve - unrealised	13	(327)	(135)
Special distributable reserve	13	51,381	25,746
Capital redemption reserve	13	25	361
Revenue reserve	13	1,110	646
<b>Net assets attributable to Ordinary Shareholders</b>		<b>43,100</b>	<b>25,250</b>
<b>Net asset value per Ordinary Share (pence)</b>	14	<b>46.35</b>	<b>47.76</b>

The Financial Statements of Maven Income and Growth VCT PLC, registered number 3908220, were approved and authorised for issue by the Board of Directors on 29 May 2020 on its behalf by:

**John Pocock**  
Director

The accompanying Notes are an integral part of the Financial Statements.



## CASH FLOW STATEMENT

For the year ended 29 February 2020

	Notes	Year ended 29 February 2020 £'000	Year ended 28 February 2019 £'000
<b>Net cash flows from operating activities</b>	15	<b>39</b>	<b>(77)</b>
<b>Cash flows from investing activities</b>			
Purchase of investments		(8,450)	(2,642)
Sale of investments		5,300	2,453
<b>Net cash flows from investing activities</b>		<b>(3,150)</b>	<b>(189)</b>
<b>Cash flows from financing activities</b>			
Equity dividends paid	6	(1,858)	(6,700)
Issue of Ordinary Shares		19,799	-
Share premium cancellation costs		(12)	-
Repurchase of Ordinary Shares		(627)	(321)
<b>Net cash flows from financing activities</b>		<b>17,302</b>	<b>(7,021)</b>
<b>Net increase/(decrease) in cash</b>		<b>14,191</b>	<b>(7,287)</b>
<b>Cash at beginning of year</b>		<b>2,349</b>	<b>9,636</b>
<b>Cash at end of year</b>		<b>16,540</b>	<b>2,349</b>

The accompanying Notes are an integral part of the Financial Statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 29 February 2020

## 1. Accounting policies

The Company is a public limited company, incorporated in England and Wales and its registered office is shown in the Corporate Summary.

### (a) Basis of preparation

The Financial Statements have been prepared under FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and in accordance with the Statement of Recommended Practice for Investment Trust Companies and Venture Capital Trusts (the SORP) issued by the AIC in November 2014.

### (b) Income

Dividends receivable on equity shares and unit trusts are treated as revenue for the period on an ex-dividend basis. Where no ex-dividend date is available dividends receivable on or before the year end are treated as revenue for the period. Provision is made for any dividends not expected to be received. The fixed returns on debt securities and non-equity shares are recognised on a time apportionment basis so as to reflect the effective interest rate on the debt securities and shares. Provision is made for any income not expected to be received. Interest receivable from cash and short term deposits and interest payable are accrued to the end of the year.

### (c) Expenses

All expenses are accounted for on an accruals basis and charged to the Income Statement. Expenses are charged through the revenue account except as follows:

- expenses that are incidental to the acquisition and disposal of an investment are charged to capital; and
- expenses are charged to realised capital reserves where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the investment management fee has been allocated 20% to revenue and 80% to realised capital reserves to reflect the Company's investment policy and prospective income and capital growth.

### (d) Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Financial Statements that are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital reserves and revenue account on the same basis as the particular item to which it relates using the Company's effective rate of tax for the period.

UK corporation tax is provided at amounts expected to be paid/recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

### (e) Investments

In valuing unlisted investments, the Directors follow the criteria set out below. These procedures comply with the revised International Private Equity and Venture Capital Valuation Guidelines (IPEVCV) for the valuation of private equity and venture capital investments. Investments are recognised at their trade date and are designated by the Directors as fair value through profit and loss. At subsequent reporting dates, investments are valued at fair value, which represents the Directors' view of the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. This does not assume that the underlying business is saleable at the reporting date or that its current shareholders have an intention to sell their holding in the near future.

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

1. For early stage investments completed in the reporting period, fair value is determined using the Price of Recent Investment Method, except that adjustments are made when there has been a material change in the trading circumstances of the investee company. Other early stage investments are valued using a milestone approach, in particular where it is considered there are no deemed current or short-term future maintainable earnings or positive cashflows.
2. Whenever practical, recent investments will be valued by reference to a material arm's length transaction or a quoted price.
3. Mature companies are valued by applying a multiple to their prospective earnings to determine the enterprise value of the company.
  - 3.1 To obtain a valuation of the total ordinary share capital held by management and the institutional investors, the value of third party debt, institutional loan stock, debentures and preference share capital is deducted from the enterprise value. The effect of any performance related mechanisms is taken into account when determining the value of the ordinary share capital.
  - 3.2 Preference shares, debentures and loan stock are valued using the Price of Recent Investment Method. When a redemption premium has accrued, this will only be valued if there is a reasonable prospect of it being paid. Preference shares that carry a right to convert into ordinary share capital are valued at the higher of the Price of Recent Investment Method basis and the price/earnings basis, both described above.
4. In the absence of evidence of a deterioration, or strong defensible evidence of an increase in value, the fair value is determined to be that reported at the previous balance sheet date.
5. All unlisted investments are valued individually by the Manager's portfolio management team. The resultant valuations are subject to detailed scrutiny and approval by the Directors of the Company.
6. In accordance with normal market practice, investments listed on AIM or a recognised stock exchange are valued at their bid market price.

#### **(f) Fair value measurement**

Fair value is defined as the price that the Company would receive upon selling an investment in a timely transaction to an independent buyer in the principal or the most advantageous market of the investment. A three-tier hierarchy has been established to maximise the use of observable market data and minimise the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability, developed based on best information available in the circumstances.

The three-tier hierarchy of inputs is summarised in the three broad levels listed below.

- Level 1 - the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.
- Level 3 - inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

#### **(g) Gains and losses on investments**

When the Company sells or revalues its investments during the year, any gains or losses arising are credited/charged to the Income Statement.

#### **(h) Critical accounting judgements and key sources of estimation uncertainty**

Disclosure is required of judgements and estimates made by the Board and the Manager in applying the accounting policies that have a significant effect on the Financial Statements. The area involving the highest degree of judgement and estimates is the valuation of early stage unlisted investments recognised in Note 8 and explained in Note 1(e) above.

In the opinion of the Board and the Manager, there are no critical accounting judgements and there are no reasonable possible alternative assumptions and estimates that will have a significant effect on the valuation of the rest of the unlisted portfolio.

2. Income	Year ended 29 February 2020		Year ended 28 February 2019	
	£'000		£'000	
<b>Income from investments:</b>				
UK franked investment income		44		30
UK unfranked investment income		922		634
		<b>966</b>		<b>664</b>
<b>Other income:</b>				
Deposit interest		115		10
<b>Total income</b>		<b>1,081</b>		<b>674</b>

3. Investment management fees	Year ended 29 February 2020			Year ended 28 February 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Minimum investment management fees	150	601	751	102	406	508
	<b>150</b>	<b>601</b>	<b>751</b>	<b>102</b>	<b>406</b>	<b>508</b>

Details of the fee basis are contained in the Directors' Report.

4. Other expenses	Year ended 29 February 2020			Year ended 28 February 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Secretarial fees	100	-	100	50	-	50
Directors' remuneration	82	-	82	61	-	61
Fees to Auditor - audit of financial statements	24	-	24	19	-	19
Fees to Auditor - tax compliance services	-	-	-	5	-	5
Tax compliance services	5	-	5	-	-	-
Bad debts written off	-	-	-	112	-	112
Miscellaneous expenses	150	-	150	112	-	112
	<b>361</b>	<b>-</b>	<b>361</b>	<b>359</b>	<b>-</b>	<b>359</b>

5. Tax on ordinary activities	Year ended 29 February 2020			Year ended 28 February 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Corporation tax	(106)	106	-	(35)	35	-

The tax assessed for the period is at the rate of 19% (2019: 19%).

	Year ended 29 February 2020			Year ended 28 February 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return on ordinary activities before taxation	570	(22)	548	213	886	1,099
Net return on ordinary activities before taxation multiplied by standard rate of corporation tax	108	(4)	104	41	168	209
Non-taxable UK dividend income	(8)	-	(8)	(6)	-	(6)
Gains on investments		(110)	(110)	-	(245)	(245)
Increase in excess management expenses		8	8	-	42	42
Non-taxable expenses	6	-	-	-	-	-
	<b>106</b>	<b>(106)</b>	<b>(6)</b>	<b>35</b>	<b>(35)</b>	<b>-</b>

Losses with a tax value of £45,222 (2019: £37,900) are available to carry forward against future trading profits. These have not been recognised as a deferred tax asset as recoverability is not sufficiently certain.

6. Dividends	Year ended 29 February 2020 £'000	Year ended 28 February 2019 £'000
<i>Amounts recognised as distributions to Equity Shareholders in the year:</i>		
<b>Revenue dividends</b>		
Interim revenue dividend for the year ended 29 February 2020 of Nil (2019: Nil)	-	-
Second interim revenue dividend for the year ended 29 February 2020 of Nil (2019: 0.20p)	-	106
	<b>-</b>	<b>106</b>
<b>Capital dividends</b>		
Interim capital dividend for the year ended 29 February 2020 of 2.00p (2019: 7.45p) paid on 22 November 2019	1,858	3,991
Second interim capital dividend for the year ended 29 February 2020 of Nil (2019: 4.90p)	-	2,603
	<b>1,858</b>	<b>6,594</b>
We set out below the final dividends proposed in respect of the financial year, which reflect the requirements of Section 274 of the Income Tax Act 2007.		
Revenue available for distribution by way of dividends for the year	<b>464</b>	<b>178</b>
<b>Revenue dividends</b>		
Final revenue dividend for the year ended 29 February 2020 of 0.50p (2019: Nil)	465	-
	<b>465</b>	<b>-</b>
<b>Capital dividends</b>		
Final capital dividend for the year ended 29 February 2020 of 1.50p (2019: Nil)	1,395	-
	<b>1,395</b>	<b>-</b>

7. Earnings per share	Year ended 29 February 2020	Year ended 28 February 2019
The returns per share have been based on the following figures:		
Weighted average number of Ordinary Shares	92,232,124	53,147,172
Revenue return	£464,000	£178,000
Capital return	£84,000	£921,000
<b>Total return</b>	<b>£548,000</b>	<b>£1,099,000</b>

8. Investments	Listed (quoted prices) £'000	AIM/NEX (quoted prices) £'000	Unlisted (unobservable inputs) £'000	Total £'000
<b>Valuation at 28 February 2019</b>	<b>230</b>	<b>725</b>	<b>21,623</b>	<b>22,578</b>
Unrealised (gain)/loss	(26)	238	598	810
<b>Cost at 28 February 2019</b>	<b>204</b>	<b>963</b>	<b>22,221</b>	<b>23,388</b>
<b>Movements during the year:</b>				
Transfers during the year	-	(25)	25	-
Purchases	3,160	571	4,719	8,450
Sales proceeds	-	(347)	(5,078)	(5,425)
Realised gain	-	70	701	771
<b>Cost at 29 February 2020</b>	<b>3,364</b>	<b>1,232</b>	<b>22,588</b>	<b>27,184</b>
Unrealised gain/(loss)	77	(182)	(897)	(1,002)
<b>Valuation at 29 February 2020</b>	<b>3,441</b>	<b>1,050</b>	<b>21,691</b>	<b>26,182</b>

Note 1(f) defines the three tier hierarchy of investments, and the significance of the information used to determine their fair value that is required by Financial Reporting Standard 102 Section 11 “Basic Financial Instruments”. Listed and AIM/NEX securities are categorised as Level 1 and unlisted investments as Level 3.

FRS 102 requires disclosure, by class of financial instrument, if the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. The information used in determination of the fair value of Level 3 to the specific underlying investments is chosen with reference to the circumstances and position of each investee company. The Directors are of the view that there are no reasonably possible alternative assumptions that will have a significant effect on the valuation of the unlisted portfolio.

Milamber Ventures, which was an AIM quoted investment, was transferred to the unlisted portfolio during the year.

	29 February 2020 £'000	28 February 2019 £'000
Realised gains on historical basis	771	828
Net (decrease)/increase in value of investments	(192)	464
<b>Gains on investments</b>	<b>579</b>	<b>1,292</b>

## 9. Participating Interests

The principal activity of the Company is to select and hold a portfolio of investments in unlisted securities. Although the Company will, in some cases, be represented on the board of the investee company, it will not take a controlling interest or become involved in the management. The size and structure of the companies with unlisted securities may result in certain holdings in the portfolio representing a participating interest without there being any partnership, joint venture or management consortium agreement.

At 29 February 2020, the Company held no shares amounting to 20% or more of the nominal value of the equity capital of any of the unlisted or quoted undertakings.

The Company does hold shares or units amounting to 3% or more of the nominal value of the allotted shares or units of any class of certain investee companies.

Details of the equity percentages held are shown in the Investment Portfolio Summary.

10. Debtors	Year ended 29 February 2020 £'000	Year ended 28 February 2019 £'000
Current taxation	1	3
Prepayments and accrued income	290	354
Other debtors	125	-
	<b>416</b>	<b>357</b>

11. Creditors	Year ended 29 February 2020 £'000	Year ended 28 February 2019 £'000
Accruals	38	34
Corporation tax payable	-	-
	<b>38</b>	<b>34</b>

12. Share capital	Year ended 29 February 2020		Year ended 28 February 2019	
	Number	£'000	Number	£'000
<i>At 29 February the authorised share capital comprised:</i>				
<i>Allotted, issued and fully paid:</i>				
Ordinary Shares of 10p each				
Balance brought forward	52,863,884	5,286	53,563,884	5,356
Repurchased and cancelled in year	(1,395,000)	(139)	(700,000)	(70)
Ordinary share issued during the year	41,519,249	4,152	-	-
<b>Balance carried forward</b>	<b>92,988,133</b>	<b>9,299</b>	<b>52,863,884</b>	<b>5,286</b>

During the year, 1,395,000 Ordinary Shares (2019: 700,000) of 10p each were repurchased by the Company at a total cost of £627,625 (2019: £321,273) and cancelled.

During the year the Company issued 41,161,201 shares (2019: Nil) pursuant to an Offer for Subscription at Subscription Prices ranging from 47.76p to 49.04p per share (2019: Nil).

Also during the year, the Company issued 358,048 shares (2019: Nil) under a DIS election at a price of 46.48p per share (2019: Nil).

Subsequent to the year end, the Company bought back a further 1,000,000 shares for cancellation.



### 13. Reserves

#### Share premium account

The share premium account represents the premium above nominal value received by the Company on issuing shares net of issue costs. This reserve is non-distributable.

#### Capital reserves

Gains or losses on investments realised in the year that have been recognised in the Income Statement are transferred to the capital reserve realised account on disposal. Furthermore, any prior unrealised gains or losses on such investments are transferred from the capital reserve unrealised account to the capital reserve realised account on disposal.

Increases and decreases in the fair value of investments are recognised in the Income Statement and are then transferred to the capital reserve unrealised account. The capital reserve realised account also represents capital dividends, capital investment management fees and the tax effect of capital items. This reserve is distributable.

#### Special distributable reserve

The total cost to the Company of the repurchase and cancellation of shares is represented in the special distributable reserve account. This reserve is distributable.

#### Capital redemption reserve

The nominal value of shares repurchased and cancelled is represented in the capital redemption reserve. This reserve is non-distributable.

#### Revenue reserve

The revenue reserve represents accumulated profits retained by the Company that have not been distributed to Shareholders as a dividend. This reserve is distributable.

### 14. Net asset value per Ordinary Share

The net asset value per Ordinary Share and the net asset value attributable to the Ordinary Shares at the year end, calculated in accordance with the Articles, were as follows:

	29 February 2020		28 February 2019	
	Net asset value per share p	Net asset value attributable £'000	Net asset value per share p	Net asset value attributable £'000
<b>Ordinary Shares</b>	<b>46.35</b>	<b>43,100</b>	<b>47.76</b>	<b>25,250</b>

The number of Ordinary Shares used in this calculation is set out in Note 12.

15. Reconciliation of net return to cash generated/(utilised) by operations	Year ended 29 February 2020 £'000	Year ended 28 February 2019 £'000
Net return	548	1,099
Adjustment for:		
Gains on investments	(579)	(1,292)
<b>Operating cash flow before movement in working capital</b>	<b>(31)</b>	<b>(193)</b>
Increase in prepayments	(9)	-
Increase in accruals	4	2
Decrease in debtors	75	180
Corporation tax	-	(66)
<b>Cash generated/(utilised) by operations</b>	<b>39</b>	<b>(77)</b>

## 16. Financial instruments

The Company's financial instruments comprise equity and fixed interest investments, cash balances and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company holds financial assets in accordance with its investment policy of investing mainly in a portfolio of VCT qualifying unquoted and AIM quoted securities. The Company may not enter into derivative transactions in the form of forward foreign currency contracts, futures and options without the written permission of the Directors. No derivative transactions were entered into during the period.

The main risks the Company faces from its financial instruments are: (i) market price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rates; (ii) interest rate risk; (iii) liquidity risk; (iv) credit risk; and (v) price risk sensitivity. In line with the Company's investment objective, the portfolio comprises mainly sterling currency securities and, therefore, foreign currency risk is minimal.

The Manager's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures below exclude short-term debtors and creditors, which are included in the Balance Sheet at fair value.

### (i) Market price risk

The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the Manager in pursuance of the Investment Objective as set out on page 13. Adherence to investment guidelines and to investment and borrowing powers set out in the Management and Administration Deed mitigates the risk of excessive exposure to any particular type of security or issuer. These powers and guidelines include the requirement to invest in a number of companies across a range of industrial and service sectors at varying stages of development, to closely monitor the progress of the investee companies and to appoint a non-executive director to the board of each company. Further information on the investment portfolio (including sector analysis, concentration and deal type analysis) is set out in the Analysis of Unlisted and Quoted Portfolio, the Investment Manager's Review, the Summary of Investment Changes, the Investment Portfolio Summary and the Largest Investments by Valuation.

### (ii) Interest rate risk

The interest rate risk profile of financial assets at the balance sheet date was as follows:

	Fixed interest £'000	Floating rate £'000	Non-interest bearing £'000
<b>At 29 February 2020</b>			
<b>Sterling</b>			
Unlisted and AIM/NEX	7,941	-	14,800
Investment trusts	-	-	1,431
Unit trusts	-	-	2,010
Cash	-	14,271	2,269
	<b>7,941</b>	<b>14,271</b>	<b>20,510</b>
<b>At 28 February 2019</b>			
<b>Sterling</b>			
Unlisted and AIM/NEX	9,382	-	12,966
Investment trusts	-	-	230
Cash	-	346	2,003
	<b>9,382</b>	<b>346</b>	<b>15,199</b>

## 16. Financial instruments (continued)

The unlisted fixed interest assets have a weighted average life of 1.21 years (2019: 1.27 years) and a weighted average interest rate of 10.39% (2019: 10.53%). These assets are earning interest at prevailing money market rates. The non-interest bearing assets represent the equity portfolio and non-interest bearing deposit accounts. All assets and liabilities of the Company are included in the Balance Sheet at fair value.

The floating rate investments only comprise cash held on interest bearing deposit accounts. The benchmark rate which determines the rate of interest receivable on cash is the bank base rate, which was 0.75% at 29 February 2020 (2019: 0.75%). A 0.65% increase or decrease in the base rate would mean an increase or decrease of interest received in the year of £92,761 (2019: £2,249). The impact of a change of 0.65% has been selected as this is considered reasonable given the current level of the Bank of England base rates and market expectations for future movement.

### Maturity profile

The maturity profile of the Company's financial assets at the balance sheet date was as follows:

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
<b>At 29 February 2020</b>							
Unlisted	6,715	1,011	73	30	112	-	7,941
	<b>6,715</b>	<b>1,011</b>	<b>73</b>	<b>30</b>	<b>112</b>	<b>-</b>	<b>7,941</b>

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
<b>At 28 February 2019</b>							
Unlisted	1,071	6,623	238	1,016	401	33	9,382
	<b>1,071</b>	<b>6,623</b>	<b>238</b>	<b>1,016</b>	<b>401</b>	<b>33</b>	<b>9,382</b>

### (iii) Liquidity risk

Due to their nature, unlisted investments may not be readily realisable and, therefore, a portfolio of listed assets and cash is held to offset this liquidity risk. Note 8 details the three-tier hierarchy of inputs used as at 29 February 2020 in valuing the Company's investments carried at fair value.

The Company, generally, does not hold significant cash balances and any cash held is with reputable banks with high quality external credit ratings.

### (iv) Credit risk

This is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

The Company's financial assets exposed to credit risk amounted to the following :

	29 February 2020 £'000	28 February 2019 £'000
Investments in unlisted debt securities	7,941	9,382
Investment trusts	1,431	230
Unit trusts	2,010	-
Cash	16,540	2,349
	<b>27,922</b>	<b>11,961</b>

## 16. Financial instruments (continued)

All assets which are traded on a recognised exchange are held by JP Morgan Chase Bank (JPM), the Company's custodian. Cash balances are held by Barclays Bank, Clydesdale Bank, JPM and RBSI. Should the credit quality or the financial position of any of these institutions deteriorate significantly the Manager will move these assets to another provider.

The Manager evaluates credit risk on unlisted debt securities and financial commitments and guarantees prior to investment, and as part of the ongoing monitoring of investments. In doing this, it takes into account the extent and quality of any security held. Typically, unlisted debt securities have a fixed charge over the assets of the investee company in order to mitigate the gross credit risk. The Manager receives management accounts from investee companies, and members of the investment management team sit on the boards of investee companies. This enables the close identification, monitoring and management of investment specific credit risk.

There were no significant concentrations of credit risk to counterparties at 29 February 2020 or 28 February 2019.

### (v) Price risk sensitivity

The following details the Company's sensitivity to a 10% increase or decrease in the market prices of AIM/NEX quoted securities, with 10% being the Manager's assessment of a reasonable possible change in market prices.

At 29 February 2020, if market prices of listed or AIM/NEX quoted securities had been 10% higher or lower and with all other variables held constant, the increase or decrease in net assets attributable to Ordinary Shareholders for the year would have been £105,000 (2019: £72,500) due to the change in valuation of financial assets at fair value through profit or loss.

At 29 February 2020, if prices of unlisted securities had been 10% higher or lower with all other variables held constant, the increase or decrease in net assets attributable to Ordinary Shareholders for the year would have been £2,169,100 (2019: £2,162,300) due to the change on valuation of financial assets at fair value through profit or loss.

At 29 February 2020, 50.3% (2019: 85.7%) comprised investments in unlisted securities held at fair value. The valuation of unlisted securities reflects a number of factors, including the performance of the investee company itself and the wider market and any uncertainty surrounding COVID-19 and the UK's exit from the EU.

## 17. Post balance sheet event

During the period from the date of the statement of financial position to the date that the Financial Statements were approved, the COVID-19 outbreak has caused extensive disruption to businesses and economic activities globally. The uncertainties over the emergence and spread of COVID-19 have caused market volatility on a global scale. In accordance with the requirements of FRS 102, the fair valuations at the date of the statement of financial position reflect the economic conditions in existence at that date. As highlighted in the Strategic Report, the next date at which the valuation of the investment portfolio was assessed was 20 March 2020, with the unaudited NAV per share of 43.49p at that date being announced on 26 March 2020. As at 20 March 2020, the valuation of the investment portfolio was £25,415,485.

# NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given that the Annual General Meeting (the Meeting) of Maven Income and Growth VCT PLC (the Company; Registered in England and Wales with registered number 3908220) will be held at 12.00 noon on Wednesday 22 July 2020 at Kintyre House, 205 West George Street, Glasgow G2 2LW, for the purposes of considering and, if thought fit, passing the following Resolutions:**

## **Ordinary Resolutions**

1. To receive the Directors' Report and audited Financial Statements for the year ended 29 February 2020.
2. To receive the Directors' Remuneration Report for the year ended 29 February 2020.
3. To approve the Directors' Remuneration Policy for the three-year period ending 28 February 2023.
4. To approve a final dividend of 2.00p per Ordinary Share in respect of the year ended 29 February 2020.
5. To re-elect John Pocock as a Director.
6. To re-elect Arthur MacMillan as a Director.
7. To re-elect Alison Fielding as a Director.
8. To re-elect Andrew Harrington as a Director.
9. To re-appoint Deloitte LLP as Auditor.
10. To authorise the Directors to fix the remuneration of the Auditor.
11. That the Directors be and are hereby generally and unconditionally authorised under Section 551 of the Companies Act 2006 (the Act) to exercise all the powers of the Company to allot Ordinary Shares, or grant rights to subscribe for or convert any security into Ordinary Shares, up to an aggregate nominal amount of £919,881 provided that this authority shall expire at the conclusion of the next AGM of the Company or on the expiry of 15 months from the passing of this Resolution, whichever is the first to occur, and so that the Company may before such expiry, make an offer or agreement that would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreements as if the authority conferred had not expired.

## Special Resolutions

12. That, subject to the passing of Resolution 11, the Directors be and hereby are empowered, under Section 571 of the Act, to allot equity securities (as defined in Section 560 of the Act) under the authority conferred by Resolution 11 for cash as if Section 561(1) of the Act did not apply to the allotment, provided that this power shall be limited to the allotment:
- a) of equity securities in connection with an offer of such securities by way of a rights issue only to holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings of such Ordinary Shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange;
  - b) (other than under paragraph (a) above) of equity securities up to an aggregate nominal amount not exceeding £919,881 (equivalent to 9,198,810 Ordinary Shares); and
  - c) shall expire at the conclusion of the next AGM of the Company or on the expiry of 15 months from the passing of this Resolution, whichever is the first to occur, save that the Company may, before such expiry, make an offer or agreement that would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
13. That the Company be and hereby is generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares, provided always that:
- a) the maximum number of Ordinary Shares hereby authorised to be purchased is 13,789,021;
  - b) the minimum price, exclusive of expenses, that may be paid for an Ordinary Share shall be 10p per share;
  - c) the maximum price, exclusive of expenses, that may be paid for an Ordinary Share shall be not more than an amount equal to the higher of:
    - (i) 105% of the average of the closing middle market price for the Ordinary Shares as derived from the London Stock Exchange's Daily Official List for the five business days immediately preceding the date on which the Ordinary Shares are purchased; and
    - (ii) the price stipulated by Article 5(1) of Commission Regulation (EC) No. 273/2003 (the Buy-back and Stabilisation Regulation); and
  - d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next AGM of the Company or, if earlier, on the expiry of 15 months from the passing of this Resolution, save that the Company may before such expiry enter into a contract to purchase Ordinary Shares which will or may be completed wholly or partly after such expiry.
14. That a general meeting, other than an annual general meeting, may be called on not less than 14 days' clear notice.

**By order of the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**  
**Fifth Floor**  
**1-2 Royal Exchange Buildings London**  
**EC3V 3LF**  
**29 May 2020**

## NOTES:

### ***Entitlement to attend and vote***

- 1) To be entitled to attend and vote at the Meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those members registered in the Company's register of members at close of business on 20 July 2020 (or, if the Meeting is adjourned, close of business on the date which is two business days before the adjourned Meeting) shall be entitled to attend and vote at the Meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

### ***Website giving information regarding the Meeting***

- 2) Information regarding the Meeting, including the information required by Section 311A of the Act, is available from [www.mavencp.com/migvct](http://www.mavencp.com/migvct).

### ***Attending in person***

- 3) It would be normal practice for those wishing to attend the Meeting in person to bring some form of identification. However, in light of the Government advice against all non-essential travel and maintaining social distancing, Shareholders will not be allowed to attend the 2020 AGM in person.

### ***Appointment of proxies***

- 4) If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a Proxy Form with this Notice of Annual General Meeting. You can appoint a proxy only using the procedures set out in these notes and the notes to the Proxy Form.
- 5) If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.
- 6) A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the Proxy Form are set out in the notes to the Proxy Form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- 7) You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please copy the Proxy Form, indicate on each form how many shares it relates to, and submit them together.
- 8) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against a Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

### ***Appointment of proxy using hard copy Proxy Form***

- 9) A Proxy Form is enclosed with this document. The notes to the Proxy Form explain how to direct your proxy to vote or withhold their vote on each Resolution. To appoint a proxy using the Proxy Form, the form must be completed, signed and sent or delivered to the Company's Registrars, Link Market Services, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by Link Market Services no later than 12.00 noon on 20 July 2020 or by close of business on a date two business days prior to that appointed for any adjourned Meeting or, in the case of a poll taken subsequent to the date of the Meeting or adjourned Meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. In the case of a member which is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

### ***Appointment of a proxy online***

- 10) You may submit your proxy electronically using the Share Portal service at [www.signalshares.com](http://www.signalshares.com). Shareholders can use this service to vote or appoint a proxy on-line. The same voting deadline of 48 hours (excluding non-working days) before the time of the meeting applies as if you were using your Proxy Form to vote or appoint a proxy by post to vote for you. You will need to use the unique personal identification Investor Code printed on your share certificate. You should not show this information to anyone unless they wish to give proxy instructions on their behalf.

**Appointment of proxies through CREST**

11) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by 12.00 noon on 20 July 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

**Appointment of proxy by joint members**

12) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding, the first-named being the most senior.

**Changing proxy instructions**

13) To change your proxy instructions, simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard copy Proxy Form and would like to change the instructions using another hard copy Proxy Form, please contact Link Market Services at the address shown in note 9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

**Termination of proxy appointments**

14) In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Market Services, at the address shown in note 9. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by Link Market Services no later than 48 hours before the Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will be terminated automatically.

**Corporate representatives**

15) A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

**Issued shares and total voting rights**

16) As at 27 May 2020, the Company's issued share capital comprised 91,988,133 Ordinary Shares of 10p each. Each Ordinary Share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company on 27 May 2020 is 91,988,133. The website referred to in note 2 will include information on the number of shares and voting rights.



**Questions at the Meeting**

17) Under Section 319A of the Act, the Company must answer any question you ask relating to the business being dealt with at the Meeting unless:

- answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

**Website publication of audit concerns**

18) Pursuant to Chapter 5 of Part 16 of the Act (Sections 527 to 531), where requested by a member or members meeting the qualification criteria set out at note 19 below, the Company must publish on its website, a statement setting out any matter that such members propose to raise at the Meeting relating to the audit of the Company's accounts (including the Independent Auditor's Report and the conduct of the audit) that are to be laid before the Meeting. The request:

- may be in hard copy form or in electronic form (see note 20 below);
- must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported;
- must be authenticated by the person or persons making it (see note 20 below); and
- must be received by the Company at least one week before the Meeting. Where the Company is required to publish such a statement on its website:
- it may not require the members making the request to pay any expenses incurred by the Company in complying with the request;
- it must forward the statement to the Company's Auditor no later than the time the statement is made available on the Company's website; and
- the statement may be dealt with as part of the business of the Meeting.

**Members' qualification criteria**

19) In order to be able to exercise the members' rights under note 18, the relevant request must be made by a member or members having a right to vote at the Meeting and holding at least 5% of total voting rights of the Company, or at least 100 members having a right to vote at the Meeting and holding, on average, at least £100 of paid up share capital. For information on voting rights, including the total number of voting rights, see note 16 above and the website referred to in note 2.

**Submission of hard copy and electronic requests and authentication requirements**

20) Where a member or members wishes to request the Company to publish audit concerns (see note 18) such request be must be made in accordance with one of the following ways:

- a hard copy request which is signed by you, states your full name and address and is sent to **The Secretary, Maven Income and Growth VCT PLC, Kintyre House, 205 West George Street, Glasgow G2 2LW**; or a request that states your full name, address, and investor code, and is sent to **enquiries@mavencp.com** stating "AGM" in the subject field.

**Nominated persons**

21) If you are a person who has been nominated under Section 146 of the Act to enjoy information rights (Nominated Person):

- you may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting;
- if you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights; and
- your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

**Documents on display**

22) Copies of the letters of appointment of the Directors of the Company and a copy of the Articles of the Company will be available for inspection at the registered office of the Company and at Kintyre House, 205 West George Street, Glasgow G2 2LW from the date of this notice until the end of the Meeting.

**Communication**

23) Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- calling Maven Capital Partners UK LLP (the Secretary) on 0141 306 7400; or
- e-mailing [enquiries@mavencp.com](mailto:enquiries@mavencp.com) and stating "AGM" in the subject field.

**Members' rights to require circulation of Resolution to be proposed at the Meeting**

24) Under Section 338 of the Act, a member or members meeting the qualification criteria set out at note 19, may, subject to conditions, require the Company to give to members notice of a Resolution which may properly be moved and is intended to be moved at the Meeting. The conditions are that:

- the Resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);
- the Resolution must not be defamatory of any person, frivolous or vexatious;
- the request may be in hard copy form or in electronic form (see note 20) and must identify the Resolution of which notice is to be given by either setting out the Resolution in full or, if supporting a Resolution sent by another member, clearly identifying the Resolution which is being supported;
- the request must be authenticated by the person or persons making it (see note 20);
- the request must be received by the Company not later than six weeks before the Meeting to which the request relates;
- in the case of a request made in hard copy form, such request must be authenticated by providing your full name, address and investor code and sent to the Secretary at the address stated in note 20; and
- in the case of a request made in electronic form, such request must be authenticated as set out above and sent to [enquiries@mavencp.com](mailto:enquiries@mavencp.com), stating "AGM" in the subject field.

**Members' right to have a matter of business dealt with at the Meeting**

25) Under Section 338A of the Act, a member or members meeting the qualification criteria set out at note 19, may, subject to conditions, require the Company to include in the business to be dealt with at the Meeting a matter (other than a proposed Resolution) which may properly be included in the business (a matter of business). The conditions are that:

- the matter of business must not be defamatory of any person, frivolous or vexatious;
- the request may be in hard copy form or in electronic form (see note 20);
- the request must identify the matter of business by either setting it out in full or, if supporting the statement sent by another member, clearly identify the matter of business which is being supported;
- the request must be accompanied by a statement setting out the grounds for the request;
- the request must be authenticated by the person or persons making it (see note 20); and
- the request must be received by the Company not later than six weeks before the Meeting to which the request relates.

**Registered in England and Wales: Company Number 3908220**

# EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

An explanation of the Resolutions to be proposed at the AGM is set out below. Resolutions 1 to 11 will be proposed as Ordinary Resolutions requiring the approval of more than 50% of the votes cast and Resolutions 12 to 14 will be proposed as Special Resolutions requiring the approval of 75% or more of the votes cast.

## ***Resolution 1 – Annual Report and Financial Statements***

The Directors seek approval to receive the Directors' Report and audited Financial Statements for the year ended 29 February 2020, which are included within the Annual Report.

## ***Resolution 2 – Directors' Remuneration Report***

The Board seeks the approval to receive the Directors' Remuneration Report for the year ended 29 February 2020, which is also included within the Annual Report.

## ***Resolution 3 – Directors' Remuneration Policy***

The Board seeks approval of the Directors' Remuneration Policy for the three years ending 28 February 2023.

## ***Resolution 4 – Final Dividend***

The Company's Shareholders will be asked to approve the payment of a final dividend of 2.00p per Ordinary Share in respect of the year ended 29 February 2020, to be paid on 31 July 2020 to Shareholders on the register at the close of business on 3 July 2020.

## ***Resolution 5 – Re-election of a Director***

As the Board has resolved that each Director should stand for re-election on an annual basis, John Pocock will retire at the AGM and, being eligible, is offering himself for re-election.

## ***Resolution 6 – Re-election of a Director***

As the Board has resolved that each Director should stand for re-election on an annual basis, Arthur MacMillan will retire at the AGM and, being eligible, is offering himself for re-election.

## ***Resolution 7 – Re-election of a Director***

As the Board has resolved that each Director should stand for re-election on an annual basis, Alison Fielding will retire at the AGM and, being eligible, is offering herself for re-election.

## ***Resolution 8 – Re-election of a Director***

As the Board has resolved that each Director should stand for re-election on an annual basis, Andrew Harrington will retire at the AGM and, being eligible, is offering himself for re-election.

## ***Resolution 9 – Re-appointment of Auditor***

The Company must appoint an auditor at each general meeting at which accounts are presented to Shareholders, to hold office until the conclusion of the next such meeting. Resolution 9 seeks Shareholder approval to re-appoint Deloitte LLP as the Company's Auditor.

## ***Resolution 10 – Remuneration of Auditor***

In accordance with normal practice, Resolution 10 seeks authority for the Directors to determine the Auditor's remuneration.

**Resolution 11 – Authority to Allot Shares**

The Directors are seeking authority pursuant to Section 551 of the Act for the Company to allot Ordinary Shares or rights to subscribe for Ordinary Shares up to an aggregate nominal value of £919,881. This amounts to 9,198,810 Ordinary Shares representing approximately 10% of the issued share capital as at 27 May 2020 (this being the latest practicable date prior to the publication of this Annual Report).

This authority will be used for the purposes set out in Resolution 11. The authority conferred by Resolution 11 will expire at the conclusion of the next AGM of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

**Resolution 12 – Waiver of Statutory Pre-emption Rights**

Resolution 12, if passed, would allow the Board to allot new Shares, up to 10% of the current share capital, without implementing pre-emption rights. This authority will expire at the conclusion of the next AGM of the Company or, if earlier, on the expiry of 15 months from the passing of the Resolution. The Board may use the authorities conferred under Resolutions 11 and 12 to allot further Ordinary Shares or rights to subscribe for them.

**Resolution 13 – Purchase of Own Shares**

Shareholders will be asked to authorise the Company to make market purchases of up to 13,789,021 Ordinary Shares (representing approximately 14.99% of the issued share capital as at 27 May 2020, this being the latest practicable date prior to the publication of this Annual Report). The Resolution sets out the minimum and maximum prices that can be paid, exclusive of expenses, and Ordinary Shares bought back may be cancelled or held in treasury as may be determined by the Board. Once held in treasury, such Ordinary Shares may be sold for cash or cancelled. The Board may use this authority to allow the Company to continue to operate its share buy-back policy. The authority conferred by Resolution 13 will expire at the conclusion of the next AGM of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

**Resolution 14 – Notice of General Meetings**

The Directors propose to preserve the Company's ability to call general meetings (other than annual general meetings) on 14 clear days' notice, as approved by Shareholders at the previous AGM. Resolution 14 seeks such approval and would be effective until the Company's next AGM, when it would be intended that a similar Resolution be proposed. It is anticipated that, if approved, such authority will only be used in exceptional circumstances. The Company will also need to meet the requirements for electronic voting before it can call a general meeting on 14 days' notice.

# GLOSSARY

<b>Alternative Performance Measures (APMs)</b>	Measures of performance that are in addition to the earnings reported in the Financial Statements. The APMs used by the Company are marked * in this Glossary. The table in the Financial Highlights section on page 5 shows the movement in net asset value and NAV total return per Ordinary Share over the past three financial years and shows the dividends declared in respect of each of the past three financial years and on a cumulative basis since inception.
<b>Annual yield*</b>	The total dividends paid for the financial year expressed as a percentage of the share price at the year end date.
<b>Cumulative dividends paid*</b>	The total amount of both capital and income distributions paid since the launch of the Company.
<b>Discount /premium to NAV*</b>	A discount is the percentage by which the mid-market price per share of an Ordinary Share is lower than the net asset value per Ordinary Share. A premium is the percentage by which the mid-market price exceeds the net asset value per Ordinary Share.
<b>Distributable reserves</b>	Comprises capital reserve (realised), revenue reserve and special distributable reserve.
<b>Dividend per Ordinary Share</b>	The total of all dividends per Ordinary Share paid by the Company in respect of the year.
<b>Earnings per Ordinary Share (EPS)</b>	The net income after tax of the Company divided by the weighted average number of shares in issue during the year. In a venture capital trust this comprises revenue EPS and capital EPS.
<b>Ex-dividend date (XD date)</b>	The date set by the London Stock Exchange, normally being the date preceding the record date.
<b>Index or indices</b>	A market index calculates the average performance of its constituents, normally on a weighted basis. It provides a means of assessing the overall state of the economy and provides a comparison against which the performance of individual investments can be assessed.
<b>Investment income</b>	Income from investments as reported in the Income Statement.
<b>NAV per Ordinary Share</b>	Net assets divided by the number of Ordinary Shares in issue.
<b>NAV total return per Ordinary Share*</b>	Net assets divided by the number of Ordinary Shares in issue, plus cumulative dividends paid per Ordinary Share to date.
<b>Net assets attributable to Ordinary Shareholders or Shareholders' funds (NAV)</b>	Total assets less current and long-term liabilities.
<b>Operational expenses</b>	The total of investment management fees and other expenses as reported in the Income Statement.
<b>Realised gains/losses</b>	The profit/loss on the sale of investments during the year.
<b>Record date</b>	The date on which an investor needs to be holding a share in order to qualify for a forthcoming dividend.
<b>Revenue reserves</b>	The total of undistributed revenue earnings from prior years. This is available for distribution to Shareholders by way of dividend payments.
<b>Total return</b>	The theoretical return including reinvesting each dividend in additional shares in the Company at the closing mid-market price on the day that the shares go ex-dividend. The NAV total return involves investing the same net dividend at the NAV of the Company on the ex-dividend date.
<b>Unrealised gains/losses</b>	The profit/loss on the revaluation of the investment portfolio at the end of the year.

# YOUR NOTES

# CONTACT INFORMATION

<b>Directors</b>	John Pocock (Chairman) Alison Fielding Andrew Harrington Arthur MacMillan
<b>Manager and Secretary and Principal Place of Business</b>	Maven Capital Partners UK LLP Kintyre House 205 West George Street Glasgow G2 2LW Telephone: 0141 306 7400 E-mail: <a href="mailto:enquiries@mavencp.com">enquiries@mavencp.com</a>
<b>Registered Office</b>	Fifth Floor 1-2 Royal Exchange Buildings London EC3V 3LF
<b>Registered in England and Wales</b>	Company Registration Number: 3908220 Legal Entity Identifier: 213800VL4S7K6A2YTX94 TIDM: MIG1 ISIN: GB0004122858
<b>Website</b>	<a href="http://www.mavencp.com/migvct">www.mavencp.com/migvct</a>
<b>Registrars</b>	Link Market Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU  Website: <a href="http://www.linkmarketservices.com">www.linkmarketservices.com</a>  Shareholder Portal: <a href="http://www.signalshares.com">www.signalshares.com</a>  Shareholder Helpline: 0333 300 1566  (Lines are open 9.00 am until 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Calls are charged at the standard geographic rates and will vary by provider. Calls from outside the United Kingdom should be made to +44 371 664 0300 and will be charged at the applicable international rate.)
<b>Auditor</b>	Deloitte LLP
<b>Bankers</b>	JPMorgan Chase Bank
<b>Stockbrokers</b>	Shore Capital Stockbrokers Limited Telephone: 020 7647 8132
<b>VCT Adviser</b>	Philip Hare & Associates LLP

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## MAVEN CAPITAL PARTNERS UK LLP

Kintyre House

205 West George Street

Glasgow G2 2LW

Tel: 0141 306 7400

Authorised and Regulated by The Financial Conduct Authority

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