Maven Income and Growth VCT 5 PLC

Annual Report
Year ended 30 November 2011

MAVEN
CAPITAL PARTNERS

Contents

Shareholders' Calendar

17 April 2012	**Annual General Meeting**

Dividend Schedule

	Rate	XD date	Record date	Payment date
Interim dividend	**0.5p**	**20 July 2011**	**22 July 2011**	**26 August 2011**
Proposed final dividend	**1.0p**	**28 March 2012**	**30 March 2012**	**27 April 2012**
Total	**1.5p**			

Financial Highlights

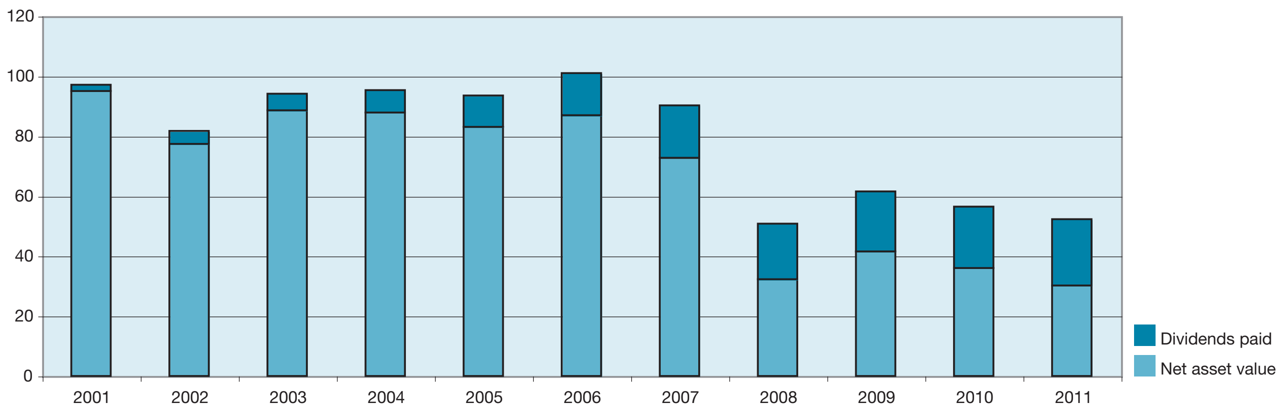
Financial history

	30 November 2011	30 November 2010
Net asset value (NAV)	£17,925,000	£21,337,000
NAV per Ordinary Share	30.24p	36.00p
Total return[1] (without initial tax relief)	52.24p	56.50p
Share price[2]	18.9p	23.3p
Discount to net asset value	37.5%	35.3%
Ordinary Shares in issue	59,277,137	59,277,137

[1] Sum of current NAV per share and dividends paid to date

[2] Mid-market price (source: Bloomberg)

NAV performance



The above chart shows the NAV total return per share (net asset value plus dividends paid to date) as at 30 November in each year. Dividends that have been proposed but not yet paid are included in the NAV at the balance sheet date.

Dividends

Year ended 30 November	Payment date	Interim/ final	Rate (p)
2001 - 2009			20.0
2010	27 August 2010	Interim	0.5
	28 April 2011	Final	1.0
2011	26 August 2011	Interim	0.5
Total dividends paid			**22.0**
2011	27 April 2012	Final	1.0
Total dividends paid or proposed			**23.0**

Chairman's Statement

Market background and portfolio overview

Global quoted markets remain challenging and unpredictable, with investors and companies nervous about the prospects for recovery within the UK economy. Smaller quoted companies are particularly vulnerable to market sentiment and as a consequence, AIM, where your Company's portfolio has historically been concentrated, has endured another difficult year.

In light of these market conditions and the potential for further adverse movements on AIM, it has been a priority for the new Manager to mitigate the impact of further market declines by identifying opportunities to realise quoted holdings where possible. Although the value of the legacy portfolio has reduced over the reporting period, the commencement of a structured realisation of specific stocks has allowed the Manager to begin the process of rebalancing the portfolio by deploying capital released from these sales into a wide range of established later-stage private UK companies that have a combination of predictable revenues and low gearing, where each investment is structured to provide a premium yield to your Company. Your Board is optimistic that the change of investment policy will deliver improved portfolio performance and increased revenues, creating the prospect for higher levels of dividend payments to Shareholders, although this will inevitably take some time.

Net asset value and share price performance

The NAV reduced by 16% (to 30.24p per share) during the year, marginally less than the 18.26% fall in the FTSE AIM All-share index for the same period, and there was a corresponding fall in NAV total return (to 52.24p per share). However, since the year end, there has been some improvement with the unaudited daily NAV per share having increased by 10.1% to 33.3p at 19 March 2012.The most important measure of performance for a VCT is the NAV total return, being the long term record of dividend payments out of income and capital gains combined with the current NAV. The NAV in isolation is a less important measure of performance as the underlying investments are long-term in nature and often not readily realisable.

The primary reason for the Company's poor performance has been the continuing impact of the legacy portfolio and systemic issues affecting AIM, particularly the lack of new IPOs and the limited demand in the secondary market for existing stocks. At the time of the change of Manager, your Board took the view that an AIM concentrated portfolio could have been rendered largely moribund by these market conditions, leaving your Company exposed to low yielding illiquid stocks and unable to generate sufficient revenues to support a sustainable tax-free dividend programme.

It is also worth highlighting that the realisation of selected legacy quoted assets during the year prevented a more pronounced reduction in NAV. Had these holdings been retained the NAV would have fallen further in value by up to £665,000 (3.7%) based on the valuations as at 30 November 2011.

Whilst early progress to reposition the portfolio is in evidence, the Directors nevertheless recognise that the discount to NAV at which the Company's shares continue to trade remains a significant issue for Shareholders. The deterioration of the share price is partly a function of supply and demand for the stock, but is also influenced heavily by market perception of the AIM portfolio held by your Company, and indeed sentiment towards AIM as a whole, which lost further ground during 2011. While there has been some recovery in the value of the legacy portfolio in the early part of 2012, this is yet to be reflected in the share price because, as is often the case in the VCT sector, stock is traded in modest volumes.

Enhanced share buy-back scheme

The Board regularly considers its options to improve the share price discount referred to above, the most obvious of which is the buying back of shares. Whilst this can be a useful short-term strategy, in the view of the Directors, it is better for the Company to maintain its asset base, hence controlling the expense ratio, and make new private company investments that will benefit all continuing investors over the medium to long term.

However, in recognition of a perceived demand from Shareholders and to enable the Company to preserve capital, the Directors propose the implementation of an enhanced share buy-back scheme. Such schemes are arrangements by which shareholders in a VCT can sell their existing shares at a preferential discount to the prevailing net asset value and use the proceeds to invest in new shares in the same VCT. Enhanced share buy-back schemes, therefore, reward shareholder loyalty with further upfront VCT tax relief (depending on the qualifying status of a shareholder) for reinvesting in the same VCT and not another VCT.

Full details of an enhanced share buy-back scheme to be implemented by the Company will be included in a Circular to be sent to Shareholders as soon as practicable.

Change of Manager and investment policy

In February 2011, and after careful consideration of a number of potential candidates, the Board took the decision to appoint Maven Capital Partners UK LLP (Maven) as the new investment manager in pursuance of a change in investment policy which the Directors concluded was vital both for the future development of the portfolio and to protect the long term interests of all Shareholders.

Going forward, the investment policy will be to reduce the exposure to AIM and materially increase the level of investment in established private companies capable of generating significant revenues, using traditional private equity structures. This strategy has proved successful for other Maven managed VCTs and allowed them to achieve meaningful improvements in NAV total return over recent years. Whilst it is recognised that the process of changing the balance of the portfolio will take time, Maven has already realised substantial proceeds from the disposal of selected quoted holdings in order to release funds for five new income producing private company investments. These new assets have already more than doubled the annualised revenues generated across the private equity portfolio.

Following the change of Manager the Board provided that appropriate steps were put in place to ensure a smooth handover of fund management and administrative responsibilities to Maven, which was also appointed as Company Secretary with effect from the close of the Annual General Meeting held on 30 March 2011.

The new Manager

Maven is one of the most active and best resourced VCT managers in the UK, with a team of more than 30 experienced professionals providing investment management and administrative support to seven generalist VCTs from a network of six regional offices.

Maven focuses on investing in later-stage private companies, and aims to structure each transaction with a significant loan stock component which is forecast to generate attractive levels of revenue from the outset. A notable advantage for your Company is the opportunity to co-invest in transactions alongside the other Maven managed VCTs, which enables each of them to invest in more substantial private companies than would be the case if the Manager was investing on behalf of a single VCT.

A number of the other Maven managed VCTs have achieved significant uplifts in NAV total return over recent years, with four featured in the top 20 generalist VCT performers on the basis of three-year NAV total return as at 29 February 2012 (source: Trustnet). The four other Maven branded VCTs have some of the lowest discounts in their sector, ranging from a discount of 18% to a premium of 4.4% at 29 February 2012 (source: Trustnet), and your Board is confident that, as the Company's portfolio becomes more closely aligned with those of the other Maven VCTs, this will be reflected in improved performance and lead to greater demand from secondary buyers, an improvement in the share price and, over time, a narrower discount.

Investment activity

Your Board is pleased to report on a period of encouraging investment activity since the appointment of the new Manager as your Company aims to gradually refocus the portfolio towards mature and income producing private companies, across a range of UK industry sectors. Maven is introduced to around 400 companies each year, typically expecting to complete between five and eight transactions, and all of its VCTs, including your Company, will participate equitably in each investment, subject to available liquidity.

The change in investment policy has resulted in a number of early actions:

- a detailed review and categorisation of the legacy portfolio has been completed, establishing a defined sale or retention strategy for each holding;
- £3.7 million of cash proceeds have been realised from the disposals of AIM assets, creating sufficient liquidity to allow the new investment strategy to develop;
- the Company has participated in all Maven led transactions since its appointment as Manager, resulting in four new substantial yielding private company assets being added to the portfolio during the year under review, through transactions structured to provide a yield of up to 15% on the loan stock element of the investment; and
- subsequent to the year end, the Manager has added one further new private company investment.

Borrowing powers

It was stated in the Circular to Shareholders, dated 7 March 2011 in respect of the proposed change of investment policy, that the Manager would have the authority to borrow up to 15% of net asset value, on a selective basis, in pursuit of its investment strategy. This authority remains in place as an available option, but neither the Board nor the Manager anticipate that the Company will require to make use of it in the foreseeable future and no borrowing will be undertaken without Board approval.

Valuation process

Investments held by Maven Income and Growth VCT 5 PLC 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.

Proposed incentive fee

The Board recognises that Maven has demonstrated significant commitment towards achieving future success for your Company by agreeing to waive all management fees for a two year period from the date of appointment. This reduction in costs, taken in tandem with revenues receivable from new private company assets, should provide the platform to help to improve total Shareholder value over the medium term. It has already allowed your Company to benefit from the Manager's significant experience and resource at nil cost over the first 12 months since Maven's appointment, during a period which required intensive portfolio assessment and analysis, with a combination of realisations and a focus on building a new income producing private company portfolio. Maven has also agreed that beyond the two year nil-fee period it will manage the Company for a base annual management fee of 1.5% of NAV, which is less than the fee previously paid.

In recognition of this commitment to the success of your Company, the Board recommends that a suitable performance incentive arrangement should be introduced, which rewards Maven for achieving positive returns on the legacy portfolio and generating realised capital gains on new investments. A Resolution to this effect will be proposed at the Annual General Meeting, and further details are available in the Circular and Notice of Annual General Meeting enclosed with this Annual Report as well as in the Directors' Report on page 25.

In the view of the Board, this would represent an excellent outcome for your Company, by reducing the base management fee from historical levels and introducing a composite fee structure which more appropriately aligns the interests of Shareholders and the Manager when positive returns are achieved.

Board of Directors

Three of the four members of the Board, including myself as Chairman, have held office since the Company's launch. The Directors are keen to ensure that the changes made last year have been given the opportunity to show improved results. However, the Board would then intend to implement a process of renewal with one or more Directors stepping down in each of the next three years and allowing new Board members to be appointed.

Principal risks and uncertainties

The Board has reviewed the principal risks and uncertainties facing the Company, which are set out in the Directors' Report on page 23. In order to limit the investment risk, the Company has a broadly-based portfolio of holdings in unlisted and quoted companies in the UK. Currently the Company remains over-exposed to AIM and the Manager is pursuing a policy of steadily reducing that concentration and rebalancing the portfolio to increase the exposure to established private company assets.

The VCT qualifying status of the Company is reviewed regularly by your Board and monitored on a continuous basis by the Manager in order to ensure that all of the criteria for VCT qualifying status are satisfied. The Board can confirm that all tests continue to be met.

Dividend

The Board proposes a final capital dividend of 1.0p per share in respect of the year ended 30 November 2011, payable on 27 April 2012 to Shareholders on the register on 30 March 2012. Upon payment of this dividend, Shareholders who invested at inception will have received aggregate distributions of 23.0p per share.

Outlook

The Board is satisfied with the early progress made in implementing the new investment strategy, and is optimistic that this will, in due course, produce an improvement in the performance of your Company when the new assets begin to mature and generate significant revenues. The medium term objectives are to stabilise the NAV, broaden the portfolio and, over time, improve the level of tax-free distributions to Shareholders which, in turn, should exert a more positive influence on the share price and its discount to NAV.

Gordon Brough
Chairman

26 March 2012

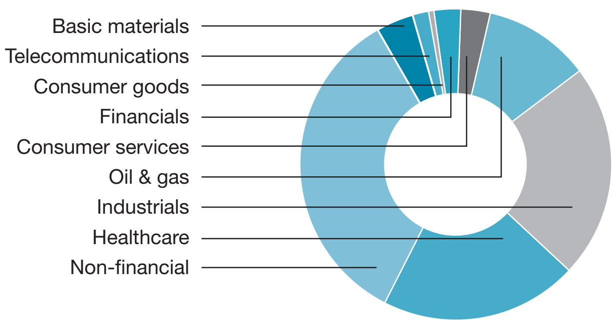
Analysis of Unlisted and Quoted Portfolio

As at 30 November 2011

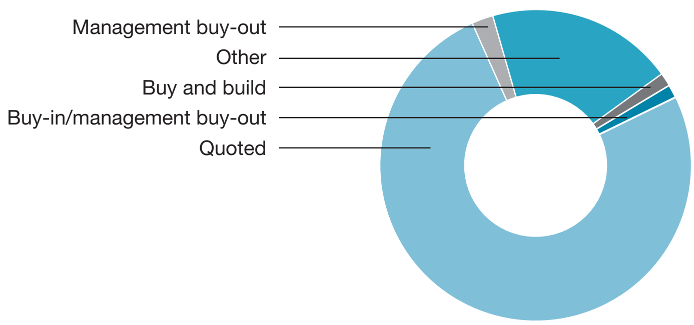
Industry sector	Unlisted valuation £'000	%	Quoted valuation £'000	%	Total valuation £'000	%
Software & computer services	1,287	8.0	3,498	21.5	4,785	29.5
Support services	199	1.2	2,546	15.7	2,745	16.9
Health	1,129	6.9	805	5.0	1,934	11.9
Oil & gas	214	1.3	1,563	9.6	1,777	10.9
Pharmaceuticals & biotechnology	71	0.4	1,326	8.1	1,397	8.5
Information technology hardware	353	2.2	403	2.5	756	4.7
Engineering & machinery	-	-	631	3.9	631	3.9
Chemicals	199	1.2	273	1.7	472	2.9
Leisure & hotels	299	1.8	89	0.5	388	2.3
Speciality & other finance	-	-	334	2.1	334	2.1
Telecommunication services	263	1.6	23	0.1	286	1.7
Mining	-	-	179	1.1	179	1.1
Diversified industrials	-	-	173	1.1	173	1.1
Investment companies	-	-	119	0.7	119	0.7
Aerospace & defence	-	-	111	0.7	111	0.7
Media & entertainment	-	-	83	0.5	83	0.5
Automobiles & parts	-	-	73	0.4	73	0.4
General retailers	-	-	23	0.1	23	0.1
Real estate	-	-	23	0.1	23	0.1
Total	**4,014**	**24.6**	**12,275**	**75.4**	**16,289**	**100.0**

Deal type	Number	Valuation £'000	%
Unlisted			
Management buy-out	2	398	2.4
Other	8	3,139	19.3
Buy and build	1	263	1.6
Buy-in/management buy-out	1	214	1.3
	12	**4,014**	**24.6**
Quoted	62	12,275	75.4
Total	**74**	**16,289**	**100.0**

Valuation by industry group



Valuation by deal type



Investment Manager's Review

Overview

The year under review has been a very significant period for the Company. In the early months the Board reviewed both the investment strategy and choice of Manager in light of previous underperformance. Following discussions with several interested parties, the Board elected to appoint Maven as Manager and implement a change in strategy aimed at refocusing the AIM dominated portfolio towards a broad base of well managed later-stage private companies with strong yield characteristics.

At present the prospects for the UK economy remain uncertain, with most indicators suggesting that low economic growth is likely to persist for a number of years. This view is further supported by the coalition Government's 2011 Autumn Statement which forecasts that the public sector borrowing requirement will increase over the next five years, and an extended period of spending restraint will be required in order to ensure that the UK maintains its current rating with the key credit agencies. This fiscal control and lower discretionary spending capacity is likely to impact on both consumer and investor confidence over the medium term.

Maven's commitment to your Company

VCT resources

In an economic environment where growth is constrained, it is crucial that a VCT has access to a Manager with the resource to access and filter a large number of prospective transactions, as well as the capability to structure each investment to derive a healthy income from the outset. Maven is well positioned to meet these requirements, with more than 30 dedicated VCT professionals, operating from six UK regional offices, working on behalf of Shareholders and providing a full range of investment, portfolio and administration services. Maven is introduced to around 400 companies each year across the UK, and the core investment strategy is to use this national presence to invest selectively and conservatively in a small number of stable and profitable private companies on prudent entry multiples.

Two year nil-fee period

A key factor in your Board's decision to appoint Maven as the new Manager was the agreement that Maven would waive its entitlement to an investment management fee for the first two years of the contract. This demonstrates both the Board's resolve to reduce the costs to Shareholders, and Maven's belief in its ability to improve Shareholder returns.

Objectives following appointment

A number of specific objectives were agreed with the Board, which were essential to implementing the revised investment policy:

- to reduce the reliance on AIM holdings and increase the exposure to later-stage private companies with strong yield characteristics;
- to improve liquidity in order to facilitate further qualifying investments;
- to generate enhanced levels of income to cover the Company's running costs; and
- to generate improved revenues for the Company from the yields paid by new private company assets, with which to improve the short to medium term prospects for an increase in the level of tax-free distributions.

Delivering the plan

Maven executives have now held meetings with the vast majority of companies in which the Company was invested at the time of the change of Manager. All of the legacy assets have been subject to a detailed review, in order to establish a clear sell or hold strategy, and categorised as:

- underperforming stocks with poor liquidity or limited upside potential;
- investments to be held for growth potential or possible M&A activity;
- investments viewed as a medium term hold on the basis of upcoming results or news flow; or
- those deemed to be worthy of longer term retention and awaiting market or price recovery.

Since Maven's appointment a number of early changes to the composition of the portfolio have been implemented:

- Selected quoted holdings have been traded out, generating £2.9 million in aggregate proceeds to allow further investment in yielding later-stage private companies, fund payment of dividends and cover the running expenses of the Company; and
- £1.12 million has been invested (including £0.87 million committed during the reporting period) in five new private company deals, each with a paid yield on the loan stock element of up to 15%.

Portfolio composition

At the period end, the portfolio stood at 62 quoted and 12 private companies, at a total cost of £27.3 million. Nevertheless over 75% of the portfolio remains invested in AIM stocks with liquidity constraints, which will mean that the Company's performance will continue to be heavily impacted by the performance of AIM as a whole until this exposure is reduced further. The Manager's Portfolio Review on pages 14 and 15 sets out further detail of the performance of selected inherited holdings.

The early steps towards achieving a rebalancing of the portfolio have been immediately evidenced through an improvement in the revenue position of the Company. Each of the new investments is performing broadly to plan and meeting its yield commitments to your Company, which has already contributed to a significant increase in revenue generation from the unquoted assets in comparison to the previous year.

Maven Income and Growth VCT 5 has co-invested in the five new transactions with Maven Income and Growth VCT, Maven Income and Growth VCT 2, Maven Income and Growth VCT 3, Maven Income and Growth VCT 4, Talisman First Venture Capital Trust and Ortus VCT, and is expected to continue to co-invest with these as well as other clients of the Manager. The advantage is that, in aggregate, these client funds are able to underwrite a wider range and size of transaction than would be the case on a stand-alone basis.

Realisations

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

	Date first invested	Complete/ partial exit	Cost of shares disposed of £'000	Value at 30 November 2010 £'000	Sales proceeds £'000	Realised gain/(loss) £'000	Gain/ (loss) over November 2010 value £'000
Unlisted							
Clearspeed Technology Limited	2004	Complete	68	2	14	(54)	12
Total unlisted disposals			**68**	**2**	**14**	**(54)**	**12**
Quoted							
Amerisur Resources PLC	2010	Partial	54	45	71	17	26
CBG Group PLC	2006	Complete	268	45	66	(202)	21
Clarity Commerce Solutions PLC	2001	Complete	907	698	484	(423)	(214)
Concurrent Technologies PLC	2005	Partial	71	69	102	31	33
Croma Group PLC	2003	Partial	17	6	5	(12)	(1)
Egdon Resources PLC	2001	Partial	5	11	12	7	1
EKF Diagnostics Holdings PLC	2010	Partial	262	385	439	177	54
Ffastfill PLC	2010	Partial	169	205	288	119	83
Igas Energy PLC	2009	Partial	9	10	11	2	1
K3 Business Technology Group PLC	2006	Partial	63	80	117	54	37
Mears Group PLC	2010	Partial	195	207	194	(1)	(13)
Netcall PLC	1999	Partial	30	52	69	39	17
Optare PLC	2008	Partial	77	35	30	(47)	(5)
Premier Oil PLC	2010	Partial	84	92	100	16	8
Regeneris PLC	2010	Partial	28	26	43	15	17
Sinclair IS Pharma PLC	2008	Partial	288	701	240	(48)	(461)
Software Radio Technology PLC	2006	Partial	167	209	216	49	7
Straight PLC	2003	Partial	4	5	5	1	-
Vectura Group PLC	2001	Partial	420	568	768	348	200
VSA Capital PLC	2005	Partial	348	141	306	(42)	165
Total quoted disposals			**3,466**	**3,590**	**3,566**	**100**	**(24)**
Listed fixed income							
Resources in Insurance Group PLC	2003	Partial	100	100	100	-	-
Total listed fixed income disposals			**100**	**100**	**100**	**-**	**-**
Total disposals			**3,634**	**3,692**	**3,680**	**46**	**(12)**

Five legacy AIM companies were struck off the Register during the year, resulting in a realised loss of £2.5 million (cost £2.5 million), but this had no effect on the NAV as full provisions against each investment had been made in earlier years. Within the legacy portfolio there are 16 AIM and 2 unquoted companies currently in administration and valued at nil.

New private equity portfolio

During the year the Company has participated in all new private company deals led by Maven, with a total of £875,000 invested in four new investments.

A brief description of these assets is as follows:

- Glacier Energy Services, an established oil & gas service group with two specialist trading subsidiaries, Roberts Pipeline Machining and Wellclad. Roberts designs and manufactures on-site portable cutting machines for blue chip oil & gas clients. Wellclad provides services to the European offshore and sub-sea equipment market. Glacier is focused on growth within its core UK market as well as promoting its technologies to the international oil & gas market;
- Space Student Living, a business providing contracted property management services across the student housing sector. Space aims to achieve significant growth across its consultancy services operation, in tandem with the acquisition of further long term management contracts;
- Maven Co-invest Exodus, a new company trading as 6°, was established by Penta Capital to implement a buy-and-build strategy in the business telecommunications service sector based on the converging of mobile, fixed-line, broadband, internet and IT technology businesses. Penta is an established private equity firm with which Maven previously co-invested in the successful 2010 management buy-out of *esure*; and
- LCL Hose, trading as Dantec, a specialist manufacturer of hand-built composite hoses for the global petrochemical industry. Composite hoses provide the vital flexible connection in many fluid transfer systems, and are used worldwide in applications such as uploading road, rail and marine tankers within chemical and oil plants, and in Formula 1 racing. Dantec exports around 70% of its output and is engaged in a number of significant overseas projects.

An additional new investment of £250,000 was made after the period end in:

- Moriond, a new company set up to acquire a diverse residential property portfolio from Lloyds Banking Group at a significant discount to open market value. Maven will work on a joint venture basis with an experienced developer to break up the portfolio into single lots, carry out minor refurbishment, and then implement a structured sale of the individual assets over an 18-24 month period. The transaction is projected to generate a significant capital gain alongside a 6.5% paid yield throughout the life of the investment.

Details of all investments completed during the period are noted in the table below:

Investment	Date	Sector	Investment cost £'000	Website
Unlisted				
Glacier Energy Services Group Limited	March 2011	Oil & gas	214	www.glacier.co.uk
LCL Hose Limited (trading as Dantec)	September 2011	Manufacturing	199	www.dantec.ltd.uk
Maven Co-invest Exodus Limited Partnership (trading as 6°)	June 2011	Telecommunications	263	www.6dg.co.uk
Space Student Living Limited	June 2011	Support services	199	www.space.uk.net
Total unlisted investment			**875**	
Quoted				
Amerisur Resources PLC	December 2010	Oil & gas	25	www.amerisurresources.com
Armour Group PLC	February 2011	Basic materials	50	www.armourgroup.uk.com
Optare PLC	March 2011	Basic materials	80	www.optare.com
Resources in Insurance Group PLC	December 2010	Basic materials	150	www.riig.co.uk
Total quoted investment			**305**	
Total			**1,180**	

The next steps

Phase one of the portfolio analysis and restructuring process is now complete. Maven has developed a detailed understanding of the inherited asset base and has formulated a clear strategy to rebalance the portfolio through a programme of structured realisations of certain legacy assets and a gradual re-investment in new private companies. A number of interesting transactions are currently in progress across the Maven network which, during the year ahead, will further expand the private equity portfolio with an attendant projected increase in revenues for your Company. This will help to deliver the objective of achieving improved Shareholder returns.

Maven Capital Partners UK LLP
Manager

26 March 2012

Summary of Investment Changes

For the year ended 30 November 2011

	Valuation 30 November 2010 £'000	%	Net investment/ (disinvestment) £'000	Appreciation/ (depreciation) £'000	Valuation 30 November 2011 £'000	%
Legacy portfolio						
Unlisted equities	2,992	14.0	(14)	161	3,139	17.5
Quoted investments	17,844	83.6	(3,261)	(2,308)	12,275	68.5
Listed fixed income investments	100	0.5	(100)	-	-	-
Total legacy portfolio	**20,936**	**98.1**	**(3,375)**	**(2,147)**	**15,414**	**86.0**
Maven portfolio						
Unlisted investments						
Equities	-	-	444	-	444	2.5
Loan stocks	-	-	431	-	431	2.4
Total Maven portfolio	**-**	**-**	**875**	**-**	**875**	**4.9**
Total portfolio	**20,936**	**98.1**	**(2,500)**	**(2,147)**	**16,289**	**90.9**
Cash	489	2.3	1,156	-	1,645	9.2
Other assets	(88)	(0.4)	79	-	(9)	(0.1)
Total assets	**21,337**	**100.0**	**(1,265)**	**(2,147)**	**17,925**	**100.0**

Portfolio Review

Against a backdrop of economic uncertainty and sustained market instability the performance of quoted legacy stocks during the year has been mixed. In some cases, such as 3D Diagnostics Imaging, Access Intelligence, MBL Group, Discover Leisure and Straight, results have been very disappointing and valuations have been significantly reduced. Other legacy quoted holdings have, however, demonstrated good progress despite the challenging trading environment and performed in line with or above market expectations, particularly Avingtrans, Quadnetics Group, Sprue Aegis, K3 Business Technology Group and Ideagen (formerly Datum). The positive performance of these companies has led to uplifts in valuations which has helped to counter the adverse impact on some of the poorly performing assets in the portfolio.

Set out below are details of the performance of selected legacy holdings during the year.

AIM quoted holdings

It has been a disappointing year for **3D Diagnostics Imaging** following the launch of the CarieScan Pro, which represented a notable milestone for the group. The early identification of a manufacturing defect halted production and, although the problem has since been rectified and the product re-launched, resulted in greatly increased costs and a substantial loss. This news flow has been reflected in the volatility of the share price, which has fallen 83% over the year.

One of the more positive developments for the legacy portfolio was the progress of **Quadnetics Group**, which has increased both revenues and profitability and is on track to deliver 2011 full year results at the top end of market forecasts. This has been achieved through considerable restructuring, with Quadnetics having re-aligned itself to focus on niche international security markets where it is less exposed to direct competition from the large system players which dominate the sector. A number of significant contract wins have been secured, and Quadnetics continues to develop new products in order to expand its proprietary technology platform. The order book is encouraging and the recurring revenue base is growing and providing improved visibility. The share price has performed well as a result, with an 18% increase in the latter half of the year and positive momentum throughout the period.

Access Intelligence has recorded a disappointing set of results for the year ended 30 November 2011, during which the Cobent acquisition seriously underperformed and required a complete restructure. The business has produced a significant loss for the year, and the share price has fallen over 50% as a consequence.

There has however been very encouraging progress for **Avingtrans** since the new CEO came on board in 2008. The company has delivered a solid set of results for the year ended 31 May 2011, demonstrating an increase in revenue and an impressive return to profitability. There is also a healthy order book and significant contracted revenues in evidence for the new financial year. The share price has gathered momentum as investor confidence returns, and increased by 40% during the year.

The first half of the year looked promising for **Avia Health Informatics**, with a number of opportunities in the pipeline, but the second half has proven difficult with a number of contracts failing to materialise and widespread cost constraints continuing to impact the UK healthcare market. The significant pressure on Avia's cash resources culminated in a profits warning for the full year to 31 March 2012 and, amid uncertainty for the company, trading in the shares was suspended whilst additional funding was being sought. The shares were re-admitted to trading on 1 February 2012.

On a more positive note, **K3 Business Technology Group** has continued to demonstrate its resilience in the face of the economic downturn. The company produced a strong set of results for the year ended 30 June 2011, including overall growth in revenues by 20%, recurring revenues increasing by 39%, profitability being maintained, a reduction in net debt and new banking facilities being agreed with Barclays. The customer base has expanded as a result of major new contracts secured during the year, with particularly good growth in international markets helping to offset the rather static performance experienced in the UK retail and manufacturing software division. The share price performed well in the first half of the year, increasing 60% to a high of 236p during April 2011, although it has fallen during the latter half of the year on the back of general market volatility.

MBL Group continues to struggle in the aftermath of the loss of the Morrison's contract in April 2011. This contract contributed 79% of group sales during 2010, so the impact of the loss has been very significant and the stock fell by over 95% during the year to 30 November 2011. There has been considerable downsizing across all operations and KPMG Corporate Finance has been appointed to seek a suitable purchaser for the group.

Following the appointment of a new CEO in 2009, **Ideagen** (formerly Datum) has moved into profitability and made a number of good quality acquisitions including the purchase of Ideagen Software. The acquisition appears to be integrating well and sales momentum is expected to continue, with the added potential of cross-selling opportunities. The company completed an equity fundraising in the reporting period, although the Manager elected not to participate and the VCT's holding has been diluted to circa 15%. Results for the year ended 30 April 2011 reported an increase in revenue of 133% (to £2.25 million), adjusted PBT up 155% (to £490,000) and cash of £760,000.

The general economic climate has badly impacted turnover for **Straight**, which has faced a difficult twelve months and results have fallen short of expectations for the interim period ended 30 June 2011. Margins have been seriously eroded and, following the rise in polymer prices to unprecedented levels, a profits warning was issued. The group has subsequently embarked on a redundancy and cost control programme, although the share price has fallen 67% to 36.5p at the end of the period.

The year has seen solid progress and strong financial performance for **Sprue Aegis**, which is Europe's leading supplier of home safety products, designing and distributing smoke alarms, carbon monoxide detectors and other safety related products. Revenues and profitability increased during the year ended 31 December 2010, with that momentum continuing into the interim period to 30 June 2011. The share price has reflected this positive performance, increasing 65% to 57p over the year. New distribution agreements, product development, the increasing awareness of carbon monoxide poisoning and changing government legislation all continue to drive revenue growth for the business.

There have also been a number of corporate actions during the year and an increased level of M&A activity. Several portfolio companies have either been subject to takeover approaches or have made acquisitions, including **CBG Group**, **Clarity Commerce** and, more recently, **K3 Technology Group** and **Synchronica**.

CBG Group was acquired by Giles Insurance Group in an all-cash offer. The offer was declared unconditional on 31 August 2011 and funds have been received in respect of this offer. In September 2011 Enigmatic Investments made a cash offer for **Clarity Commerce** Solutions at 23p per share, valuing the business at £9.582 million. In the absence of any competing offers, and with some uncertainty around the completion of the original offer, the Manager took the decision to realise the investment in full in the marketplace.

Private company holdings

In 2011 **Infrared Integrated Systems** continued its strong progress and is on plan to exceed budget. After a difficult 2009 the company was successful in winning its largest contract to date from Kroger, the second largest retailer in the USA, which returned the company to profitability in 2010. The work was extended to Kroger's entire 2,400 site retail estate during 2011 and the project has drawn renewed interest from other retailers, which bodes well for the continuing growth of the business.

After accounting for the distorting effects of having received a significant one-off compensation payment, profitability for the year ending 30 April 2011 was up 13% for **Cambridge Sensors**. However this result masks the very high degree of competition in the market place and significant progress achieved in building a US direct sales team, expanding the UK sales operation and developing a next generation version of the company's Microdot blood glucose meter and test strips. Growth in 2012 will be limited by further product development work and the costs associated with the proven (in this market) but counter-intuitive strategy of giving away devices in the near-term in order to build US sales of the consumable test strips. The business continues to generate cash, ending October 2011 with a balance of around £3 million and no debt.

Whilst **Secure Electrans** has yet to generate any sales, the company did achieve a number of key milestones during 2011. The high degree of uncertainty around the smart meter sector resulted in management's decision to deprioritise its Greengage product and instead focus on the development of the HomePay security product for the card payment industry. HomePay provides a simple, low cost Chip and PIN system for all banking and payment transactions for the home. During the last year UK banks absorbed £365 million of card fraud costs, and card-not-present fraud accounted for just under two thirds of this figure. Management have been conducting meetings with the major companies operating in the different layers of the payment industry with the goal of seeking suitable partners. During 2011, HomePay was certified and the company also completed the first live, secure online Chip and PIN transaction using the system. The company also successfully secured follow-on funding which will allow it to complete the development of HomePay and prepare for the roll out of this product during 2012.

Tissuemed has experienced slower than anticipated sales performance to date for the TissuePatchDural product (TPD), a surgical film for preventing fluid leaks following neurosurgery. A new CEO was appointed during 2011, as well as an experienced non-executive director who has significant senior sales experience from a career with leading healthcare companies. Tissuemed continues to be engaged in extensive R&D and it is anticipated that a significant portion of the R&D expenditure will continue to be focussed on developing TPD and other products for registration and launch in the US.

Convivial London Pubs has improved profitability and cash generation over the past year and now operates a number of flagship public houses in central London.

Investment Portfolio Summary

As at 30 November 2011

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held[1]
Unlisted				
Infrared Integrated Systems Limited	1,287	500	7.2	2.3
Cambridge Sensors Limited	1,129	1,175	6.2	9.4
Secure Electrans Limited	350	70	2.0	1.8
Convivial London Pubs PLC	299	400	1.7	1.9
Maven Co-invest Exodus Limited Partnership[2] (trading as 6[0])	263	263	1.5	0.9
Glacier Energy Services Group Limited[3]	214	214	1.2	2.0
LCL Hose Limited[4] (trading as Dantec)	199	199	1.1	3.6
Space Student Living Limited[5]	199	199	1.1	2.2
Tissuemed Limited	71	71	0.4	0.4
Other unlisted investments	3	700	-	
Total unlisted investments	**4,014**	**3,791**	**22.4**	
Quoted				
Ideagen PLC	1,094	790	6.2	21.5
Quadnetics Group PLC	1,043	1,173	5.9	3.0
Sprue Aegis PLC	832	419	4.7	4.5
K3 Business Technology Group PLC	600	572	3.4	1.7
Egdon Resources PLC	554	335	3.2	3.3
Vectura Group PLC[6]	530	431	3.0	0.3
Avingtrans PLC	467	487	2.6	3.2
Ffastfill PLC	444	311	2.5	0.9
Concurrent Technologies PLC	403	302	2.2	1.3
Bond International Software PLC	400	514	2.2	2.7
EKF Diagnostics Holdings PLC	380	237	2.1	0.9
Igas Energy PLC	349	391	1.9	0.4
Sinclair IS Pharma PLC	338	555	1.9	1.2
Jelf Group PLC	334	534	1.9	0.6
Infrastrata PLC	283	3,850	1.6	3.8
Plant Impact PLC	273	200	1.5	2.6
Brulines Group PLC[7]	257	405	1.4	1.3
Anpario PLC	251	396	1.4	1.8
Vindon Healthcare PLC	238	500	1.3	2.8
Amerisur Resources PLC	231	275	1.3	0.2
AorTech International PLC	206	229	1.1	1.6
Resources in Insurance Group PLC	199	422	1.1	14.3
Straight PLC	173	396	1.0	4.2
Tangent Communications PLC[8]	169	400	0.9	1.7

Investment Portfolio Summary (continued)

As at 30 November 2011

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held[1]
Quoted (continued)				
Access Intelligence PLC	166	362	0.9	3.2
Water Intelligence PLC	161	352	0.9	5.4
Servoca PLC	160	679	0.9	2.3
Peninsular Gold Limited	159	300	0.9	0.7
Netcall PLC	158	70	0.9	0.8
Premier Oil PLC	147	169	0.8	-
Avia Health Informatics PLC	131	413	0.7	12.6
Omega Diagnostics Group PLC	125	200	0.7	1.2
VSA Capital PLC	119	510	0.7	5.9
Croma Group PLC	111	433	0.6	4.1
Regenersis PLC	97	66	0.5	0.3
Optare PLC	93	473	0.5	0.8
Armour Group PLC	89	705	0.5	3.3
Synchronica PLC	79	401	0.4	1.3
Transense Technologies PLC	73	1,188	0.4	1.2
Dods Group PLC	73	450	0.4	1.0
TEG Group PLC	71	637	0.4	0.8
3D Diagnostics Imaging PLC	62	300	0.3	2.9
Mears Group PLC	54	65	0.3	-
Software Radio Technology PLC	23	27	0.1	0.1
Vertu Motors PLC	22	50	0.1	-
Colliers Group UK PLC	22	870	0.1	0.8
Norseman Gold PLC	20	193	0.1	0.2
MBL Group PLC	10	357	0.1	1.4
Other quoted investments	2	102	-	
Total quoted investments	**12,275**	**23,496**	**68.5**	
Total investments	**16,289**	**27,287**	**90.9**	

[1] Investment by Maven Income and Growth VCT 5 PLC

Investments held by other clients of Maven Capital Partners UK LLP:

[2] Equity held by other clients is 9.7%

[3] Equity held by other clients is 23.0%

[4] Equity held by other clients is 26.4%

[5] Equity held by other clients is 27.8%

[6] Equity held by other clients is less than 0.1%

[7] Equity held by other clients is 0.4%

[8] Equity held by other clients is 1.2%

Largest Unlisted and Quoted Investments

As at 30 November 2011

Infrared Integrated Systems Limited[1] — Northampton — www.irisys.co.uk

Cost (£'000)	500	**Year ended** 31 December	**2010**	**2009**
Valuation (£'000)	1,287		**£'000**	**£'000**
Basis of valuation	Earnings	**Sales**	18,762	8,989
Equity held	2.3%	**Profit/(loss) before tax**	4,081	(628)
Income received (£'000)	Nil	**Retained profit/(loss)**	5,205	(409)
First invested	November 2005	**Net assets**	12,014	6,744

Technology business with advanced infrared detection and imaging capabilities developed for mass market applications.

Cambridge Sensors Limited — Cambridge — www.cs-limited.co.uk

Cost (£'000)	1,175	**Year ended** 30 April	**2011**	**2010**
Valuation (£'000)	1,129		**£'000**	**£'000**
Basis of valuation	Discounted earnings	**Sales**	3,335	2,719
Equity held	9.4%	**Profit/(loss) before tax**	1,390	657
Income received	Nil	**Retained profit/(loss)**	1,388	657
First invested	June 2002	**Net assets**	3,708	2,320

Designs and manufactures blood glucose test strips for use in blood glucose test systems.

Ideagen PLC — Stevenage — www.datumplc.com

Cost (£'000)	790	**Year ended** 30 April	**2011**	**2010**
Valuation (£'000)	1,094		**£'000**	**£'000**
Basis of valuation	Bid price	**Sales**	2,253	966
Equity held	21.5%	**Profit/(loss) before tax**	371	72
Income received (£'000)	Nil	**Retained profit/(loss)**	570	72
First invested	May 2005	**Net assets**	3,067	859

Specialises in the development, supply, implementation and support of the Enterprise Content Management Solution (ECM) KnowledgeWorker.

Quadnetics Group PLC — Studley — www.quadnetics.com

Cost (£'000)	1,173	**Year ended** 30 November	**2010**[2]	**2009**
Valuation (£'000)	1,043		**£'000**	**£'000**
Basis of valuation	Bid price	**Sales**	91,124	70,655
Equity held	3.0%	**Profit/(loss) before tax**	1,171	471
Income received (£'000)	170	**Retained profit/(loss)**	860	259
First invested	January 2004	**Net assets**	31,800	32,158

Leader in advanced surveillance technology and security networks.

Sprue Aegis PLC — Coventry — www.sprueaegis.com

Cost (£'000)	419	**Year ended** 31 December	**2010**	**2009**
Valuation (£'000)	832		**£'000**	**£'000**
Basis of valuation	Bid price	**Sales**	29,873	14,356
Equity held	4.5%	**Profit/(loss) before tax**	2,989	1,913
Income received (£'000)	7	**Retained profit/(loss)**	2,181	1,575
First invested	March 2004	**Net assets**	7,060	4,706

Designs, manufactures and distributes innovative home safety products, notably smoke and carbon monoxide detectors, under the FireAngel brand.

K3 Business Technology Group PLC | Manchester | www.k3btg.com

Cost (£'000)	572	Year ended	30 June	2011	2010[3]
Valuation (£'000)	600			£'000	£'000
Basis of valuation	Bid price	Sales		52,800	59,783
Equity held	1.7%	Profit/(loss) before tax		4,908	4,767
Income received (£'000)	7	Retained profit/(loss)		4,480	3,749
First invested	September 2005	Net assets		37,242	31,967

Leading suppliers of Microsoft based business solutions.

Egdon Resources PLC | Hook | www.egdon-resources.com

Cost (£'000)	335	Year ended	31 July	2011	2010
Valuation (£'000)	554			£'000	£'000
Basis of valuation	Bid price	Sales		2,379	1,251
Equity held	3.3%	Profit/(loss) before tax		4,077	236
Income received	Nil	Retained profit/(loss)		4,077	235
First invested	June 2001	Net assets		20,169	16,031

UK-based exploration and production company primarily focused on the hydrocarbon-producing basins of the on-shore UK and Europe.

Vectura Group PLC | Bath | www.vectura.co.uk

Cost (£'000)	431	Year ended	31 March	2011	2010
Valuation (£'000)	530			£'000	£'000
Basis of valuation	Bid price	Sales		42,900	40,100
Equity held	0.3%	Profit/(loss) before tax		(13,300)	(13,800)
Income received (£'000)	Nil	Retained profit/(loss)		(8,800)	(10,200)
First invested	April 2001	Net assets		140,300	147,100

Develops products to treat respiratory, neurological and other diseases.

Avingtrans PLC | Nottingham | www.avingtrans.plc.uk

Cost (£'000)	487	Year ended	31 May	2011	2010
Valuation (£'000)	467			£'000	£'000
Basis of valuation	Bid price	Sales		36,260	28,578
Equity held	3.2%	Profit/(loss) before tax		1,422	470
Income received	3	Retained profit/(loss)		1,261	607
First invested	September 2004	Net assets		22,858	21,686

Manufacturer of critical components and associated services to the medical, energy, industrial and global aerospace sectors.

Ffastfill PLC | London | www.ffastfill.com

Cost (£'000)	311	Year ended	31 March	2011	2010
Valuation (£'000)	444			£'000	£'000
Basis of valuation	Bid price	Sales		15,517	14,274
Equity held	0.9%	Profit/(loss) before tax		1,828	1,199
Income received (£'000)	Nil	Retained profit/(loss)		1,809	1,141
First invested	March 2004	Net assets		14,840	12,623

Leading provider of software as a service to the global derivatives community.

[1] Unlisted investment.

[2] Eighteen month period ended 30 November 2010.

[3] Eighteen month period ended 30 June 2010.

Your Board

The Board of four Directors, all of whom are non-executive and are considered by the Board to be independent of the Manager, supervises the management of Maven Income and Growth VCT 5 PLC and looks after the interests of its Shareholders.

Gordon Brough Chairman and Independent Non-executive Director

Relevant experience and other directorships: Gordon was a founding partner of the City Law Partnership, which specialised in corporate work with particular emphasis on the fund management and life insurance sectors. The City Law Partnership merged with Maclay Murray & Spens where Gordon was a senior equity partner. On 9 February 2009, Gordon became global head of legal at Aberdeen Asset Management PLC, the company that previously employed the partners of the Manager and which has a minority interest in Maven Capital Partners UK LLP.

Length of service: He was appointed a Director and as Chairman on 30 October 2000.

Last re-elected to the Board: 30 March 2011

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

Employment by the Manager: None

Other connections with Manager: None

Shared directorships with other Directors: None

Shareholding in Company: 23,379 Ordinary Shares

Gordon Humphries Independent Non-executive Director

Relevant experience and other directorships: Gordon is an Investment Director and Head of Investment Companies at Standard Life Investments. He has over 20 years' experience in financial services, particularly with regard to investment trusts. He joined Ivory & Sime plc in 1988 after qualifying as a chartered accountant with PricewaterhouseCoopers. He is a director of Foresight VCT plc.

Length of service: He was appointed a Director on 7 February 2006.

Last re-elected to the Board: 30 March 2011

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

Employment by the Manager: None

Other connections with Manager: None

Shared directorships with other Directors: None

Shareholding in Company: 8,944 Ordinary Shares

Jamie Matheson Independent Non-executive Director

Relevant experience and other directorships: Jamie has around 40 years' experience in stockbroking. He is the Chairman of Brewin Dolphin Holdings plc. He was previously responsible for the institutional and corporate broking activities of Brewin Dolphin. He is also a non-executive director of STV plc.

Length of service: He was appointed a Director on 30 October 2000.

Last re-elected to the Board: 30 March 2011

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

Employment by the Manager: None

Other connections with Manager: None

Shared directorships with other Directors: None

Shareholding in Company: 10,000 Ordinary Shares

Steven Mitchell Senior Independent Non-executive Director

Relevant experience and other directorships: Steven is Managing Director of the financial services division of the Oval Group.

Length of service: He was appointed a Director on 30 October 2000.

Last re-elected to the Board: 30 March 2011

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

Employment by the Manager: None

Other connections with Manager: None

Shared directorships with other Directors: None

Shareholding in Company: 40,696 Ordinary Shares

Directors' Report

The Directors submit their Annual Report together with the Financial Statements of the Company for the year ended 30 November 2011.

Change of Company name

Following the change of investment policy approved by Shareholders at a General Meeting held on 30 March 2011, the Company changed its name from Bluehone AiM VCT2 plc to Maven Income and Growth VCT 5 PLC.

Business review

A full review of the Company's activities is given in the Chairman's Statement and in the Investment Manager's Review. In addition, this Directors' Report includes a summary of the business objectives, the Board's strategy for achieving them, the key performance indicators and the principal risks and uncertainties faced by the Company.

Results and dividends

The full results for the year are set out in the Financial Statements on pages 39 to 51. The NAV per share at 30 November 2011 was 30.24p (2010: 36.00p). The NAV per share has been calculated using the number of shares in issue at 30 November 2011 of 59,277,137 (2010: 59,277,137).

For the year ended 30 November 2011, the revenue loss on ordinary activities after taxation amounted to £171,000 (2010: £212,000). The total loss on ordinary activities after taxation for the year was £2,519,000 (2010: £2,413,000). During the year, an amount of £889,000 (2010: £891,000) was recognised in respect of distributions made to Equity Shareholders. The Directors recommend a final dividend for the year ended 30 November 2011 of 1.0p per share (2010: 1.0p), payable on 27 April 2012 to Shareholders on the register at close of business on 30 March 2012 and a Resolution to this effect will be proposed at the Annual General Meeting.

Investment objective

The Company aims to achieve long term capital appreciation and generate maintainable levels of income for Shareholders.

Statement of investment policy

Under an investment policy approved by Shareholders at a General Meeting held on 30 March 2011, 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/PLUS quoted companies which meet the criteria for VCT qualifying investments and have strong growth potential;
- investing no more than £1 million in any company in one year and no more than 15 per cent of the Company's assets by cost in one business at any time;
- borrowing up to 15 per cent of net asset value, if required and only on a selective basis, in pursuit of its investment strategy.

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;
- seeking to appoint a non-executive director to the board of each private investee company, provided from the Manager's investment management team or from its pool of experienced independent directors;
- co-investing with other funds run by the Manager in larger deals, which tend to carry less risk;
- not investing in hostile public to private transactions; and
- retaining the services of a Manager that can provide the breadth and depth of resources required to achieve the investment objective and meet the criteria stated above.

Other risks are managed as follows:

- VCT qualifying status is monitored continuously and risk is minimised by retaining the services of a Manager that has the resources to provide sufficient flow of investment opportunities and integrated administrative and management systems to ensure continuing compliance with regulations; and
- risks of political change, exchange controls, taxation or other regulations that might affect investee companies, are monitored and taken account of before investments are made and when determining the valuations of unlisted investments.

Statement of compliance with investment policy

The Company is adhering to its stated investment policy and managing the risks arising from it, and this can be seen in various tables and charts throughout the Annual Report, from figures provided in the Chairman's Statement and the Investment Manager's Review.

The management of the investment portfolio has been delegated to Maven Capital Partners UK LLP (Maven or the Manager), 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 companies effectively.

The Investment Portfolio Summary shows the number of investments in the portfolio and the degree of co-investment with other clients of the Manager. The tabular analyses of the unlisted and quoted portfolio by industrial sector and deal type show that the portfolio is diversified across a variety of sectors and deal types. The level of qualifying investments is monitored by the Manager on a daily basis and reported to the Board quarterly.

Key performance indicators

At each Board Meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives. The key performance indicators are as follows:

- the progress being made on the transition of the legacy AIM portfolio to new unquoted investments;
- NAV total return; and
- dividends per share.

The NAV total return is a measure of Shareholder value that includes both the current NAV per share and the sum of dividends paid to date. The dividends per share measure shows how much of that Shareholder value has been returned to original investors in the form of dividends. A historical record of these measures is shown in the Financial Highlights.

The Board also considers peer group comparative performance and the Company has continued its membership of the Association of Investment Companies (AIC).

Principal risks and uncertainties

The principal risks facing the Company relate to its investment activities and include market price, interest rate and liquidity risk. An explanation of these risks and how they are managed is contained in Note 18 to the Financial Statements.

Additional risks faced by the Company, and the mitigation approach adopted by the Board, are as follows:

- investment objective: the Board's aim is to achieve long term capital appreciation and generate maintainable levels of income for Shareholders, while managing risk by ensuring an appropriate diversification of investments;
- investment policy: inappropriate stock selection leading to underperformance in absolute and relative terms is a risk which the Manager mitigates by operating within investment guidelines and regularly monitoring performance against the peer group. The regulations affecting Venture Capital Trusts are central to the Company's investment policy;
- discount volatility: due to the lack of liquidity in the secondary market, venture capital trust shares tend to trade at discounts to net asset values; and
- regulatory risk: the Company operates in a complex regulatory environment and faces a number of related risks. A breach of Section 274 of the Income Tax Act 2007 could result in the Company being subject to capital gains tax on the sale of its investments. A breach of the VCT Regulations could result in the loss of VCT status and consequent loss of tax reliefs currently available to Shareholders. A serious breach of other regulations, such as the UKLA Listing Rules or the Companies Act, would lead to suspension of its shares from the Stock Exchange, loss of VCT status and reputational damage. The Board receives quarterly reports from the Manager in order to monitor compliance with regulations.

At least twice each year the Board considers all of the above risks and the measures in place to manage them.

Directors

Biographies of the Directors who held office at the year end are shown in the Your Board section of the 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.

As explained in more detail in the Corporate Governance Report, the Board has agreed that all Directors will retire annually and, accordingly, all four Directors will retire at the Annual General Meeting 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 seeking re-election continues to be effective and demonstrates commitment to the role The Board, therefore, believes that it is in the best interests of Shareholders that each of the Directors is re-elected. Resolutions to this effect will be proposed at the Annual General Meeting.

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

	30 November 2011 Ordinary Shares of 10p each	30 November 2010 Ordinary Shares of 10p each
Gordon Brough (Chairman)		
Beneficial and family	23,379	23,379
Gordon Humphries		
Beneficial and family	8,944	8,944
Jamie Matheson		
Beneficial and family	10,000	10,000
Steven Mitchell		
Beneficial and family	40,696	40,696

All of the interests shown above are beneficial and there have been no further changes to the above share interests since the end of the Company's financial year.

Conflicts of interest

Each Director has a statutory duty to avoid a situation where he has, 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 Company's Articles of Association.

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 conflicts or potential conflicts were identified during the year.

Substantial interests

At 26 March 2012 the only persons known to the Company who, directly or indirectly, were interested in 3.0 per cent or more of the Company's issued share capital were as follows:

	Number of Ordinary Shares held	Percentage of issued share capital
Turcan Connell	3,785,909	6.4
Barclayshare Nominees	3,128,954	5.3

Manager and Company Secretary

With effect from 10 February 2011, Maven Capital Partners UK LLP (Maven) was appointed as Manager in place of Bluehone Investors LLP with Maven also replacing F&C Asset Management PLC as Secretary with effect from 30 March 2011.The effects of the investment management and secretarial fees for the year ended 30 November 2011, including termination fees payable to Bluehone Investors LLP are detailed in Notes 3 and 4 to the Financial Statements respectively.

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

Termination provisions

- Subsequent to an initial period of two years from the commencement date, the agreement is thereafter capable of termination by the giving of twelve months' notice by either the Company or the Manager;
- 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

Under the investment management agreement, the payment of fees to the Manager will be made on the following terms:

- an investment management fee of 1.5 per cent of total assets per annum, paid quarterly in arrears, and
- an annual administration fee of £70,000 (excluding VAT applicable thereon) payable quarterly in arrears and subject to an annual adjustment, calculated on 1 March each year, to reflect any increase in the retail prices index.

The Board and the Manager have agreed a waiver of the investment management fee for the first two years of the agreement.

Performance related incentive fee

The Board recommends that a suitable performance incentive arrangement should be introduced, which rewards Maven for achieving positive returns on the legacy portfolio and realised capital gains on new investments. The performance incentive arrangement, as set out in the Circular enclosed with the Annual Report, constitutes a related party transaction between the Company and Maven and an Ordinary Resolution, numbered 14 in the Notice of Meeting, will be put to the Shareholders at the Annual General Meeting for the approval of this related party transaction.

As set out in the Circular, the proposed performance incentive arrangement will entitle the Manager to receive:

- a sum equivalent to 12.5% of the total return over cost generated by each new private equity investment made by the Manager that achieves a realisation, adjusted for any realised losses incurred in respect of other new investments and subject to an annual hurdle of 4% on the new investments realised;
- a sum equivalent to 7.5% of the total return over cost generated by inherited private equity investments that achieve a realisation, adjusted for any realised losses incurred in respect of other legacy private company investments; and
- a sum equivalent to 7.5% of any annual increase in the value of the inherited quoted portfolio.

The base date for the valuation of the inherited investments was set at 28 February 2011 and the value for these portfolios is to be subsequently recalculated as at 30 November each year from 2012 onwards. In the case of the inherited quoted portfolio, a high water-mark is re-set on each occasion that a fee becomes payable to ensure that subsequent fees can only be earned on performance improvements in excess of those achieved in previous periods.

In light of investment performance provided 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 26 March 2012, Maven Capital Partners and certain of its executives hold, in aggregate, 340,000 of the Company's Ordinary Shares of 10p each.

In addition, in order to ensure that the Manager's staff are appropriately incentivised in relation to the management of the portfolio, a co-investment scheme allows individuals to participate in new investments in portfolio companies alongside the Company. All such investments are made through a nominee and under terms agreed by the Board. The terms of the scheme ensure that all investments are made on identical terms to those of the Company and that no selection of investments will be allowed. Total investment by participants in the co-investment scheme is set at 5% of the aggregate amount of ordinary shares subscribed for by the Company and the co-investing executives, except where the only securities to be acquired by the Company are ordinary shares or are securities quoted on AIM, in which case the co-investment percentage will be 1.5%. Any dilution of the Company's interests is, therefore, minimal and the Directors believe that the scheme provides a useful incentive which closely aligns the interests of key individuals within the Manager's staff with those of the Shareholders.

Auditor

So far as the Directors 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 each of the Directors has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Resolution 8, to re-appoint KPMG Audit Plc as Auditor, will be proposed at the forthcoming Annual General Meeting, along with Resolution 9, to authorise the Directors to fix its remuneration.

Purchase of Ordinary Shares

During the year ended 30 November 2011, the Company did not buy back any of its own shares for cancellation (2010: 5,494,820).

A Special Resolution, numbered 12 in the Notice of Meeting, will be put to Shareholders at the Annual General Meeting for their approval to renew the Company's authority to purchase in the market a maximum of 8,885,642 Ordinary Shares (14.99% of the shares in issue at 30 November 2011). Such authority will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of the passing of the Resolution, whichever is the earlier. This means, in effect, that the authority will have to be renewed at the Annual General Meeting of the Company to be held in 2013.

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 UK Listing Authority, the maximum price that may be paid on the exercise of this authority must not exceed 105% of the average of the middle-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 of 60 days immediately preceding the notification of the Company's Interim Report and the 60 days immediately preceding the announcement of the Annual Report or, if shorter, the period from the end of the Company's relevant financial period up to and including the time of the relevant announcement.

Issue of new Ordinary Shares

An Ordinary Resolution, numbered 10 in the Notice of Meeting, will be put to Shareholders at the Annual General Meeting for their approval for the Company to issue up to an aggregate nominal amount of £592,771 (equivalent to 5,927,710 Ordinary Shares or 10% of the total issued share capital at 30 November 2011). Further issues of new Ordinary Shares may only be made at, or at a premium to, NAV per share, thus ensuring 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 at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur. This means, in effect, that the authority will have to be renewed at the Annual General Meeting of the Company to be held in 2013.

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 11 in the Notice of Meeting, will, if passed, give the Directors power to allot for cash, Ordinary Shares up to an aggregate nominal amount of £592,771 (equivalent to 5,927,710 Ordinary Shares or 10% of the total issued share capital at 30 November 2011) 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 10. The authority will also expire either at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur. This means, in effect, that the authority will have to be renewed at the Annual General Meeting of the Company to be held in 2013. The Company will not use this authority in connection with a rights issue.

Share capital

As at 30 November 2011 the Company's share capital amounted to 59,277,137 Ordinary Shares of 10p each. Further details are included in Note 12 to the Financial Statements.

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 Venture Capital Trust under Section 274 of the Income Tax Act 2007. HM Revenue and Customs will grant Section 274 status, if requested, provided that the Company's affairs have been conducted in such a manner as to satisfy the conditions of that Section of the Act. Such approval was last granted in respect of the year ended 30 November 2010.

Corporate governance

The Statement of Corporate Governance is shown on pages 31 to 35.

Political and charitable donations

The Company did not make any political or charitable donations during the year ended 30 November 2011 (2010: nil).

Creditor payment policy

The Company's creditor payment policy is to agree terms of payment before business is transacted, to ensure suppliers are aware of these terms and to settle bills in accordance with them. The Company did not have any material trade creditors at the year end.

Financial instruments

The Company's financial instruments comprise its investment portfolio, cash balances and 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 18 to the Financial Statements.

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 the financial position of the Company is described in the Chairman's Statement. In addition, Note 18 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 and credit risk. The Directors believe that the Company is well placed to manage its business risks.

Having made suitable enquiries, 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 and, accordingly, they have continued to adopt the going concern basis when preparing the Annual Report and Financial Statements.

Annual General Meeting and General Meetings

The Annual General Meeting will be held on 17 April 2012, and the Notice of Meeting is contained in the Circular enclosed with this Annual Report. The Notice of Meeting 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.

By order of the Board
Maven Capital Partners UK LLP
Secretary

26 March 2012

Directors' Remuneration Report

The Board has prepared this report, in accordance with the requirements of the Companies Act 2006. An Ordinary Resolution for the approval of this report will be put to the Members of the Company at the forthcoming Annual General Meeting.

The law requires the Company's Auditors to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on pages 37 and 38.

Remuneration Committee

At 30 November 2011, the Company had four non-executive Directors and their biographies are shown in the Your Board section of the Annual Report. The whole Board fulfils the function of a Remuneration Committee, which is chaired by Gordon Brough. The names of the Directors who served during the year together with the fees paid during the year are shown in the table on page 29.

During the year ended 30 November 2011, the Board was not provided with advice or services by any person in respect of its consideration of the Directors' remuneration. However, in the application of the Boards 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 trust companies.

Policy on Directors' remuneration

The Board'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 venture capital trusts with a similar capital structure and similar investment objectives. It is intended that this policy will continue for the year ended 30 November 2012 and subsequent years.

The Company's policy is for the Directors to be 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 of Association, which limit the aggregate of the fees payable to the Directors to £83,149 per annum (as varied by the UK Retail Prices Index from year to year) and the approval of Shareholders in a General Meeting would be required to change this limit. The Company's policy is that 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.

During the year ended 30 November 2011, the Remuneration Committee carried out a review of the remuneration policy and the level of Directors' fees and concluded that, no change should be made to the level of Directors' remuneration at that stage. It was also agreed that the policy would be to continue to review these rates at least annually in accordance with the Combined Code on Corporate Governance.

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' service contracts

It is the Board's policy that Directors do not have service contracts, but new Directors are provided with a letter of appointment. The terms of appointments provide that Directors should retire and be subject to re-election at the first Annual General Meeting after their appointment. The Company's Articles of Association require all Directors to retire by rotation at least every three years and that any Director who has served on the Board for more than nine years will offer himself for re-election annually. However, the Board has agreed that all Directors will retire annually and, if appropriate, seek re-election. 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.

The dates of appointment and the date on which they will next be proposed for re-election are as follows:

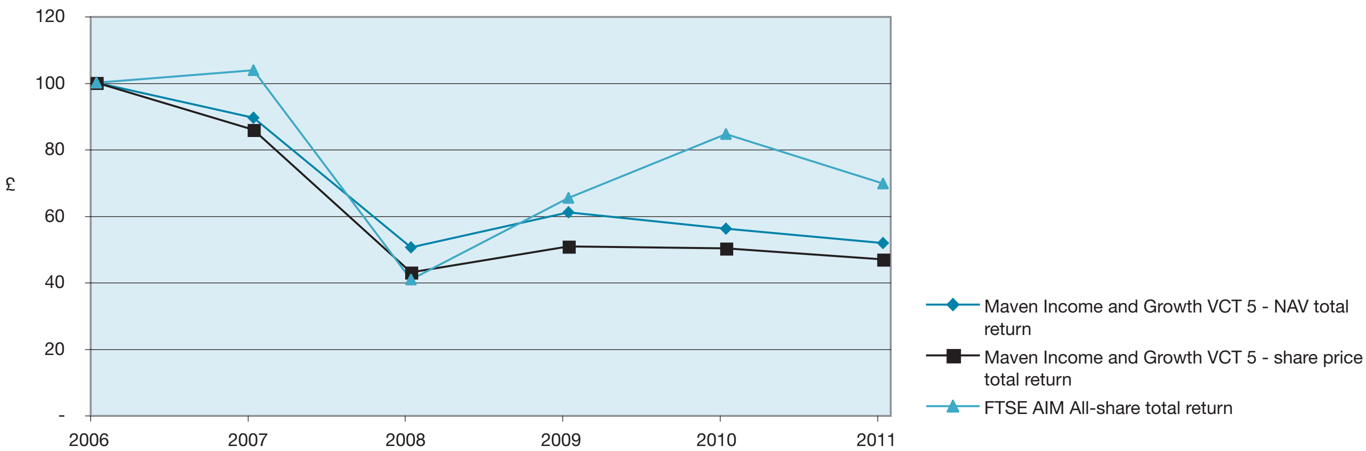
Director	Date of original appointment	Due date for re-election
Gordon Brough	30/10/2000	AGM 2012
Gordon Humphries	7/2/2006	AGM 2012
Jamie Matheson	30/10/2000	AGM 2012
Steven Mitchell	30/10/2000	AGM 2012

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 investment management agreement, as referred to in the Directors' Report.

The graph below compares the total return on an investment of £100 in the Ordinary Shares of the Company, for each annual accounting period for the five years to 30 November 2011, 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.

Total return performance



Source: Maven Capital Partners UK LLP/Factset

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

Directors' emoluments for the year (audited)

The Directors who served during the year received the following emoluments in the form of fees:

	Year ended 30 November 2011	Year ended 30 November 2010[1]
	£	£
G Brough (Chairman)	16,500	16,000
G Humphries (Audit Committee Chairman)	16,000	14,333
J Matheson	12,000	11,667
S Mitchell	12,000	11,667
G Harvey[2]	-	3,667
Total	**56,500**	**57,334**

[1]From 1 April 2010 Directors' fees were increased as follows: Chairman £16,500 (previously £15,000); Audit Committee Chairman £16,000 (previously £11,000); and Directors £12,000 (previously £11,000).

[2]Retired from the Board on 1/4/10.

No Director has received any taxable expenses, compensation for loss of office or non-cash benefit for the year ended 30 November 2011 (2010: £nil).

Approval

The Directors' Remuneration Report was approved by the Board of Directors and signed on its behalf by:

Gordon Brough
Director

26 March 2012

Statement of Corporate Governance

The Company is committed to 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 which enables it to comply with the UK Code of Corporate Governance (the Code), published in October 2010 and available at website www.frc.org.uk. The Listing Rules of the UK Listing Authority require the Board to report on compliance with the provisions of the Code and this statement describes how the principles and supporting principles identified in the Code have been applied by the Company during the year ended 30 November 2011.

While the Company complied throughout the year with the provisions of the Code, the Board has considered the principles and recommendations of the Association of Investment Companies' Code of Corporate Governance (the AIC Code) by reference to the AIC Corporate Governance Guide for Investment Companies (the AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all of the principles set out in Section 1 of the Code, as well as setting out additional principles and recommendations on issues which are of specific relevance to the Company. The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide, will provide better information to Shareholders than if it adopted the Code.

The Board

The Board currently consists of four Directors, all of whom are non-executive and 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 report and indicate their high level and range of investment, industrial, 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 which 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 the 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
- Stock Exchange, UK Listing Authority and Financial Services Authority 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 of Association, Directors notify the Company of any situation which 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 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.

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 corporate Company 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 venture capital industry 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.

Mr Brough is Chairman of the Company, Mr Humphries is Chairman of the Audit Committee and Steven Mitchell is the Senior Independent Director. The Chairman is also Chairman of the Management Engagement, Nomination and Remuneration Committees as the other Directors considers that he has the skills and experience relevant to these roles.

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 30 November 2011, the Board held five full Board Meetings, and one Committee Meeting. In addition, there were two Meetings each of the Audit, Management Engagement and Nomination Committees and one Meeting of the Remuneration Committee.

Directors have attended Board and Committee Meetings during the year ended 30 November 2011 as follows:

Director	Board	Board Committee	Audit Committee	Management Engagement Committee	Nomination Committee	Remuneration Committee
Gordon Brough (Chairman)	5	1	2	2	2	1
Gordon Humphries	5	1	2	2	2	1
Jamie Matheson	5	1	2	2	2	1
Steven Mitchell	4	1	2	2	2	1

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 a sufficient time and contribute adequately to the work of the Board and its Committees. The Chairman is subject to evaluation by his fellow Directors.

Directors' terms of appointment

The Company's Articles of Incorporation require all Directors to retire by rotation at least every three years and that any Director who has served on the Board for more than nine years will offer himself for re-election annually. However, the Board has agreed that, from 2011 onwards, all Directors will retire annually and, if appropriate, seek re-election. The Board subscribes to the view expressed in the AIC Code 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 his or her 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.

Policy on tenure

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 services of any of the Company's Directors, including the Chairman, has been imposed. The Company has no executive Directors or employees.

Committees

Each of the Committees has been established with written terms of reference and comprises the full Board, the members of which are all independent and free from any relationship that would interfere with important judgement in carrying out their responsibilities. 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, chaired by Mr Humphries, held two Meetings during the year ended 30 November 2011. The Board is satisfied that at least one member of the Committee has recent and relevant financial experience.

The terms of reference of the Audit Committee include:

- the review of the effectiveness of the internal control environment of the Company, including the receipt of reports from the Manager and the Auditors on a regular basis;
- the review of the Interim and Annual Reports and Financial Statements;
- the review of the terms of appointment of the Auditor, together with their 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; and
- making appropriate recommendations to the Board.

At each Meeting, the Audit Committee examined the Annual or Interim Report and Financial Statements, reviewed the Company's internal controls and, when considering the Annual Report, reviewed the scope of the audit and the Auditor's management report to the Board. No significant weaknesses in the control environment were identified.

The Company has in place a policy governing and controlling the provision of non-audit services by the external Auditor, so as to safeguard their independence and objectivity. Shareholders are asked to approve the re-appointment, and the Directors' responsibility for the remuneration, of the Auditor at each Annual General Meeting. 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 and the Audit Committee considers the external Auditor, KMPG Audit plc, to be independent.

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.

Management Engagement Committee

The Management Engagement Committee is chaired by Mr Brough and annually reviews the management contract with the Manager, details of which are shown in the Directors' Report. Two Meetings were held during the year ended 30 November 2011, at which the Committee respectively recommended the appointment of Maven Capital Partners UK LLP as the new Manager of the Company, and recommended the continued appointment of the Manager and the proposed performance fee to be considered by Shareholders at the Annual General Meeting.

Nomination Committee

Mr Brough is Chairman of the Nomination Committee, which held two Meeting during the year ended 30 November 2011.

The Committee makes recommendations to the Board on the following matters:

- the evaluation of the performance of the Board and its Committees;
- succession planning;
- the identification and nomination of candidates to fill Board vacancies, as and when they arise, for the approval of the Board;
- the re-appointment of any non-executive Director at the conclusion of their specified term of office;
- the re-election by Shareholders of any Director under the retirement by rotation provisions in the Company's Articles of Association;
- 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.

At its Meeting in October 2011, the Nomination Committee recommended to the Board the re-election of all of the Directors at the Annual General Meeting and, accordingly, Resolutions 4 to 7 will be put to the Annual General Meeting. The performance of the Board, committees and individual Directors was evaluated through an assessment process, led by the Chairman and the performance of the Chairman was evaluated by the other Directors under the leadership of the Senior Independent Director.

Remuneration Committee and Directors' remuneration

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, comprising the full Board and which is chaired by Mr Brough. The Committee held one Meeting during the year ended 30 November 2011 to review the policy for, and the level of, Directors' Remuneration.

The level of remuneration for the Directors has been set in order to attract and retain individuals of a calibre appropriate to the future development of the Company. The Company's policy on Directors' Remuneration, together with details of the remuneration of each Director, is detailed in the Directors' Remuneration Report.

Internal control

The Board of Directors of Maven Income and Growth VCT 5 PLC has overall responsibility for the Company's system of internal control and for reviewing its effectiveness. As the Directors have delegated the investment management, company secretarial and administrative functions of the Company to the Manager, 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. Following the appointment of Maven Capital Partners UK LLP as the Manager of the Company, 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 the Annual Report and Financial Statements. This process is regularly reviewed by the Board and accords with internal control guidance issued by the Financial Reporting Council.

The Board has reviewed the effectiveness of the system of internal control 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 Deed, and ensures that 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 Financial Reporting Council and includes financial, regulatory, market, operational and reputational risk. This helps the internal audit 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 team of the Manager continually review the Manager's operations;
- 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 Board carries out a six-monthly assessment of internal controls by considering reports from the Manager including its internal control and compliance functions, and taking account of events since the relevant period end; and
- the compliance function of the Manager reports annually to the Audit 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 of loss.

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 supplied to the Board as requested.

Accountability and audit

The Statement of Directors' Responsibilities in Relation to the Financial Statements is on page 36 and a statement of going concern is included in the Directors' Report on page 27. The Independent Auditor's Report is on pages 37 and 38 and it should be noted that the Auditor, KPMG Audit Plc, rotates the Senior Statutory Auditor responsible for the Company's audit every five years.

Exercise of voting powers

The Directors believe that the exercise of voting rights lies at the heart of regulation and the promotion of good corporate governance and, therefore, the Board has given discretionary powers to the Manager 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. They acknowledge that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner and the Directors, therefore, ensure that the Manager takes regular account of the social environment and ethical factors that may affect the performance or value of the Company's investments.

Communication with Shareholders

The Company places a great deal of importance on communication with its Shareholders. The Annual General Meeting is an event that all Shareholders are welcome to attend and participate in. The Notice of Meeting sets out the business of the Annual General Meeting and the Resolutions are explained more fully in the Directors' Report and in the Directors' Remuneration Report. Separate Resolutions are proposed for each substantive issue and Shareholders have the opportunity to put questions to the Board and to the Manager. The results of proxy voting are relayed to Shareholders after each Resolution has 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 posted to Shareholders at least twenty business days before the Annual General Meeting. 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. The Company's web pages are hosted on the Manager's website, and can be visited at www.mavencp.com/migvct5 from where Annual and Interim Reports, Stock Exchange Announcements and other information can be viewed, printed or downloaded. Access to further information about the Manager can be gained from www.mavencp.com.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgments 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 responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

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 30 November 2011 and for the year to that date; and
- 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.

By order of the Board
Maven Capital Partners UK LLP
Secretary

26 March 2012

Independent Auditor's Report to the Members of Maven Income and Growth VCT 5 PLC

We have audited the Financial Statements of Maven Income and Growth VCT 5 PLC for the period ended 30 November 2011 set out on pages 39 to 51. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of the Directors and the Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 36, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKP

Opinion on Financial Statements

In our opinion the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2011 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion 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;
- the information given in the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the information given in the Statement of Corporate Governance set out on pages 31 to 35 with respect to internal control and risk management systems in relation to financial reporting processes and about share capital structures is consistent with the Financial Statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Statement of Corporate Governance has not been prepared by the Company.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 27, in relation to going concern;
- the part of the Statement of Corporate Governance on pages 31 to 35 relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review;
- certain elements of the report to Shareholders by the Board on Directors' remuneration.

Gareth Horner (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
Edinburgh

26 March 2012

Income Statement

For the year ended 30 November 2011

	Notes	Year ended 30 November 2011 Revenue £'000	Capital £'000	Total £'000	Year ended 30 November 2010 Revenue £'000	Capital £'000	Total £'000
Losses on investments	8	-	(2,147)	(2,147)	-	(1,872)	(1,872)
Income from investments and deposit interest	2	194	-	194	183	-	183
Investment management fees	3	(67)	(201)	(268)	(109)	(329)	(438)
Other expenses	4	(298)	-	(298)	(286)	-	(286)
Net return on ordinary activities before taxation		**(171)**	**(2,348)**	**(2,519)**	**(212)**	**(2,201)**	**(2,413)**
Tax on ordinary activities	5	-	-	-	-	-	-
Return attributable to Equity Shareholders		**(171)**	**(2,348)**	**(2,519)**	**(212)**	**(2,201)**	**(2,413)**
Earnings per share (pence)		**(0.29)**	**(3.96)**	**(4.25)**	**(0.36)**	**(3.72)**	**(4.08)**

A Statement of Total Recognised Gains and Losses has not been prepared, as 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 derives its income from investments made in shares, securities and bank deposits.

The total column of this statement is the Profit and Loss Account of the Company.

Reconciliation of Movements in Shareholders' Funds

For the year ended 30 November 2011

	Notes	Year ended 30 November 2011 £'000	Year ended 30 November 2010 £'000
Opening Shareholders' funds		21,337	24,632
Net return for year		(2,519)	(2,413)
Proceeds of share issue		-	2,038
Repurchase and cancellation of shares		-	(1,881)
Share issue expense		(4)	(148)
Dividends paid - revenue	6	-	-
Dividends paid - capital	6	(889)	(891)
Closing Shareholders' funds		**17,925**	**21,337**

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

Balance Sheet

As at 30 November 2011

	Notes	30 November 2011 £'000	30 November 2010 £'000
Fixed assets			
Investments at fair value through profit or loss	8	16,289	20,936
Current assets			
Debtors	10	34	33
Cash and overnight deposits		1,645	489
		1,679	**522**
Creditors:			
Amounts falling due within one year	11	(43)	(121)
Net current assets		**1,636**	**401**
Net assets		**17,925**	**21,337**
Capital and reserves			
Called up share capital	12	5,928	5,928
Share premium account	13	1,384	1,388
Capital reserve - realised	13	(20,735)	(19,691)
Capital reserve - unrealised	13	(10,998)	(8,805)
Special distributable reserve	13	41,082	41,082
Capital redemption reserve	13	2,666	2,666
Revenue reserve	13	(1,402)	(1,231)
Net assets attributable to Ordinary Shareholders		**17,925**	**21,337**
Net asset value per Ordinary Share (pence)	14	**30.24**	**36.00**

The Financial Statements of Maven Income and Growth VCT 5 PLC, registered number 4084875 were approved and authorised for issue by the Board of Directors on 26 March 2012 and were signed on its behalf by:

Gordon Brough

Director

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

Cash Flow Statement

For the year ended 30 November 2011

	Notes	Year ended 30 November 2011 £'000	Year ended 30 November 2011 £'000	Year ended 30 November 2010 £'000	Year ended 30 November 2010 £'000
Operating activities					
Investment income received		177		225	
Deposit interest and other income received		1		17	
Investment management fees paid		(303)		(436)	
Secretarial fees paid		(115)		(69)	
Directors' expenses paid		(71)		(60)	
Other cash payments		(140)		(159)	
Net cash outflow from operating activities	15		**(451)**		**(482)**
Financial investment					
Purchase of investments		(1,180)		(4,739)	
Sale of investments		3,680		5,646	
Net cash inflow from financial investment			**2,500**		**907**
Equity dividends paid	6		**(889)**		**(891)**
Net cash inflow/(outflow) before financing			**1,160**		**(466)**
Financing					
Issue of Ordinary Shares		-		2,038	
Repurchase of Ordinary Shares		-		(1,881)	
Expense of the share issue		(4)		(160)	
Net cash outflow from financing			**(4)**		**(3)**
Increase/(decrease) in cash	16		**1,156**		**(469)**

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

Notes to the Financial Statements

For the year ended 30 November 2011

1. Accounting Policies - UK Generally Accepted Accounting Practice

(a) Basis of preparation

The Financial Statements have been prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the SORP) issued in January 2009. The disclosures on going concern in the Directors' Report form part of these Financial Statements.

(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 fixed 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 which 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 25% to revenue and 75% 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 which 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 substantially 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 Investments completed within the 12 months prior to the reporting date, 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 company or a substantial movement in the relevant sector of the stock market.
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 fully taxed 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 which 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.
4. Where there is evidence of impairment, a provision may be taken against the previous valuation of the investment.
5. 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.
6. All unlisted investments are valued individually by the Maven Capital Partners portfolio management team. The resultant valuations are subject to detailed scrutiny and approval by the Directors of the Company.
7. In accordance with normal market practice, investments listed on the Alternative Investment Market 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 - quoted prices in active markets for identical investments;
- Level 2 - other significant observable inputs (included quoted prices for similar investments, interest rates, prepayment speeds, credit risk etc); and
- Level 3 - significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments).

(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.

2. Income

Income from investments:	Year ended 30 November 2011 £'000	Year ended 30 November 2010 £'000
UK listed investment income	164	156
Income from unlisted investments	26	10
	190	**166**
Other income:		
Bank interest	4	10
Miscellaneous income	-	7
Total income	**194**	**183**

3. Investment management fees

	Year ended 30 November 2011			Year ended 30 November 2010		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Termination fee (Bluehone)	48	145	193	-	-	-
Investment management fees (Bluehone)	19	56	75	109	329	438
	67	**201**	**268**	**109**	**329**	**438**

Details of the fee basis are contained in the Directors' Report on pages 24 and 25.

4. Other expenses

	Year ended 30 November 2011			Year ended 30 November 2010		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Secretarial fees (F & C)	42	-	42	69	-	69
Secretarial fees (Maven)	56	-	56	-	-	-
Directors' remuneration	57	-	57	57	-	57
Fees to Auditor - audit services	20	-	20	18	-	18
Fees to Auditor - tax services	5	-	5	5	-	5
Miscellaneous expenses	118	-	118	137	-	137
	298	**-**	**298**	**286**	**-**	**286**

5. Tax on ordinary activities

	Year ended 30 November 2011			Year ended 30 November 2010		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Corporation tax	-	-	-	-	-	-

The tax assessed for the period is lower than the standard rate of corporation tax (26%). The differences are explained below:

	Year ended 30 November 2011			Year ended 30 November 2010		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return on ordinary activities before tax	(171)	(2,348)	(2,519)	(212)	(2,201)	(2,413)
Revenue return on ordinary activities multiplied by standard rate of corporation tax	(44)	(611)	(655)	(59)	(617)	(676)
Non taxable UK dividend income	(43)	-	(43)	(44)	-	(44)
Losses on investments	-	558	558	-	524	524
Disallowable expenditure	-	-	-	2	-	2
Increase in excess management expenses	87	53	140	101	93	194
	-	-	-	-	-	-

6. Dividends

	Year ended 30 November 2011 £'000	Year ended 30 November 2010 £'000
Capital dividends		
Final dividend for year ended 30 November 2010 of 1.0p (2009: 1.0p) paid on 28 April 2011	593	594
Interim dividend for year ended 30 November 2011 of 0.5p (2010: 0.5p) paid on 26 August 2011	296	297
	889	**891**

A final capital dividend of 1.0p per share has been proposed for payment on 27 April 2012.

Revenue dividends

We set out below the total revenue dividends proposed in respect of the financial year, which is the basis on which the requirements of Section 274 of the Income Tax Act 2007 are considered.

	2011	2010
Revenue available for distribution by way of dividends for the year	**(171)**	**(212)**
Final revenue dividend proposed for the year ended 30 November 2011 of nil (2010: nil)	-	-

7. Return per Ordinary Share

	Year ended 30 November 2011	Year ended 30 November 2010
The returns per share have been based on the following figures:		
Weighted average number of Ordinary Shares	59,277,137	59,272,902
Revenue return	(£171,000)	(£212,000)
Capital return	(£2,348,000)	(£2,201,000)
Total return	**(£2,519,000)**	**(£2,413,000)**

8. Investments

	Year ended 30 November 2011		
	Quoted prices £'000	Unlisted (unquoted inputs) £'000	Total £'000
Valuation at 1 December 2010	17,944	2,992	20,936
Unrealised losses/(gains)	8,813	(8)	8,805
Cost at 1 December 2010	26,757	2,984	29,741
Purchases	305	875	1,180
Sales	(3,666)	(14)	(3,680)
Realised gains/(losses)	100	(54)	46
Cost at 30 November 2011	23,496	3,791	27,287
Unrealised (losses)/gains	(11,221)	223	(10,998)
Valuation at 30 November 2011	**12,275**	**4,014**	**16,289**

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 the Financial Reporting Standard 29 "Financial Instruments: Disclosures".

The portfolio valuation **Held at market valuation**	**30 November 2011** **£'000**	**30 November 2010** **£'000**
Quoted equities	**12,275**	**17,944**
Unlisted at Directors' valuation:		
Unquoted unobservable equities	3,583	2,992
Unquoted unobservable fixed income	431	-
	4,014	**2,992**
Total	**16,289**	**20,936**
Realised gains based on historical basis	46	624
Unrealised movement	(2,193)	(2,496)
Losses on investments	**(2,147)**	**(1,872)**

9. Participating interests

The principal activity of the Company is to select and hold a portfolio of investments in listed and 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 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 30 November 2011 the Company held shares or units amounting to 20% or more of the equity capital of the following undertaking:

Investment	% of class held	% of equity held	Total cost £'000	Carrying Value £'000	Income from investment £'000	Latest accounts period end	Aggregate capital & reserves £'000	Profit/(loss) after tax for period £'000
Ideagen Plc								
10,939,231 ordinary shares	21.5	21.5	790	1,094	-	30/4/2011	6,135	570

The results of the above company have not been incorporated in the income statement except to the extent of any income received and receivable.

10. Debtors

	30 November 2011 £'000	30 November 2010 £'000
Prepayments and accrued income	34	33

11. Creditors

	30 November 2011 £'000	30 November 2010 £'000
Accruals	43	121

12. Share capital

	30 November 2011 Number	30 November 2011 £'000	30 November 2010 Number	30 November 2010 £'000
At 30 November the authorised share capital comprised:				
Allotted, issued and fully paid				
Ordinary Shares of 10p each:				
Balance brought forward	59,277,137	5,928	59,226,066	5,922
Repurchased and cancelled during year	-	-	(5,494,820)	(549)
Issued during the year	-	-	5,545,891	555
Balance carried forward	**59,277,137**	**5,928**	**59,277,137**	**5,928**

13. Reserves

	Share premium account £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Special distributable reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000
At 1 December 2010	1,388	(19,691)	(8,805)	41,082	2,666	(1,231)
Gains on sales of investments	-	46	-	-	-	-
Net decrease in value of investments	-	-	(2,193)	-	-	-
Investment management fees	-	(201)	-	-	-	-
Dividends paid	-	(889)	-	-	-	-
Expense of share issue	(4)	-	-	-	-	-
Net return on ordinary activities	-	-	-	-	-	(171)
At 30 November 2011	**1,384**	**(20,735)**	**(10,998)**	**41,082**	**2,666**	**(1,402)**

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 are calculated in accordance with the Articles of Association were as follows:

	30 November 2011		30 November 2010	
	Net asset value per share p	Net asset value attributable £'000	Net asset value per share p	Net asset value attributable £'000
Ordinary Shares	**30.24**	**17,925**	**36.00**	**21,337**

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

15. Reconciliation of net return before taxation to net cash outflow from operating activities

	Year ended 30 November 2011 £'000	Year ended 30 November 2010 £'000
Net loss before taxation	(2,519)	(2,413)
Losses on investments	2,147	1,872
(Increase)/decrease in debtors and accrued income	(6)	52
Decrease in prepayments	5	-
(Decrease)/increase in accruals	(78)	7
Net cash outflow from operating activities	**(451)**	**(482)**

16. Analysis of changes in net funds

	At 30 November 2010 £'000	Cash flows £'000	At 30 November 2011 £'000
Cash and overnight deposits	489	1,156	1,645

	At 30 November 2009 £'000	Cash flows £'000	At 30 November 2010 £'000
Cash and overnight deposits	958	(469)	489

17. Capital commitments, contingencies and financial guarantees

	At 30 November 2011 £'000	At 30 November 2010 £'000
Financial guarantees	-	-

18. Derivatives and other 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 rate or currency movement; (ii) interest rate risk; and (iii) liquidity risk. In line with the Company's investment objective, the portfolio comprises UK securities and, therefore, has no exposure to foreign currency risk.

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 22. Adherence to investment guidelines and to investment and borrowing powers set out in the management agreement mitigates the risk of excessive exposure to any particular type of security or issuer. These powers and guidelines include the requirement to invest 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 concentration and deal type analysis) is set out in the Analysis of Unlisted and Quoted Portfolio, Investment Manager's Review, Summary of Investment Changes, Investment Portfolio Summary and Largest Unlisted and Quoted investments.

(ii) Interest rate risk

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

		30 November 2011	
Sterling:	**Fixed interest £'000**	**Floating rate £'000**	**Non interest bearing £'000**
Listed fixed income	-	-	-
Unlisted and quoted	431	-	15,858
Cash	-	1,645	-
	431	**1,645**	**15,858**

		30 November 2010	
Sterling:	**Fixed interest £'000**	**Floating rate £'000**	**Non interest bearing £'000**
Listed fixed income	100	-	-
Unlisted and quoted	-	-	20,836
Cash	-	489	-
	100	**489**	**20,836**

The unlisted fixed interest assets have a weighted average life of 5.65 years (2010: nil years) and weighted average interest rate of 13.4% (2010: 0%).

It is the Directors' opinion that the carrying amounts of these financial assets represent the maximum credit risk exposure at the balance sheet date.

Maturity profile

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

At 30 November 2011	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
Fixed interest							
Listed	-	-	-	-	-	-	-
Unlisted	291	140	-	-	-	-	431
	291	**140**	**-**	**-**	**-**	**-**	**431**

Within "more than 5 years" there is a figure of £74.00 (2010: £nil) in respect of preference shares which have no redemption date.

At 30 November 2010	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
Fixed interest							
Listed	100	-	-	-	-	-	100
Unlisted	-	-	-	-	-	-	-
	100	**-**	**-**	**-**	**-**	**-**	**100**

All liabilities are due within one year and, therefore, no maturity profile has been provided.

(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 30 November 2011 in valuing the Company's investments carried at fair value.

Credit risk and interest rate risk are minimised by acquiring high quality government treasury stocks or other bonds which have a relatively short time to maturity 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 :

	30 November 2011 £'000	30 November 2010 £'000
Investments in fixed interest instruments	-	100
Investments in unlisted debt securities	431	-
Cash and cash equivalents	1,645	489
	2,076	**589**

All fixed interest assets which are traded on a recognised exchange and all the Company's cash balances are held by JP Morgan Chase (JPM), the Company's custodian. Should the credit quality or the financial position of JPM deteriorate significantly the Manager will move these assets to another financial institution.

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 30 November 2011 or 30 November 2010.

(v) Price risk sensitivity

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

At 30 November 2011, if market prices of listed or 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 £1,228,000 (2010: £1,794,000) due to the change on valuation of financial assets at fair value through profit or loss.

At 30 November 2011, 22.4% (2010: 14%) of the portfolio comprised investments in unquoted companies held at fair value. The valuation methods used by the Company include cost and realisable value. Therefore, it is not considered meaningful to provide a sensitivity analysis on the net asset position and total return for the year due to the fact any such movements would be immaterial to users of the Financial Statements.

Corporate Summary

Company profile

Maven Income and Growth VCT 5 PLC (formerly known as Bluehone AiM VCT2 plc) is a venture capital trust (VCT) and a constituent of the FTSE All-Share Index. It has one class of share and was incorporated on 3 October 2000.

Investment objective

The Company aims to achieve long term capital appreciation and generate maintainable levels of income for Shareholders.

Benchmark

There is no meaningful venture capital trust index against which to compare the performance of the Company. However, for reporting to the Board and Shareholders, the Manager uses comparisons with appropriate indices and the Company's peer group.

Capital structure

The Company's issued share capital as at 30 November 2011 consisted of 59,277,137 Ordinary Shares of 10p each.

Total assets and net asset value per share

At 30 November 2011, the Company had net assets of £17,925,000 and a net asset value of 30.24p per share.

Dividend

A final dividend of 1.0p per share has been proposed in respect of the year ended 30 November 2011 to be paid on 27 April 2012 to Shareholders on the register at close of business on 30 March 2012.

Continuation date

The Articles of Association 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 2016 or, if later, at the Annual General Meeting following the fifth anniversary of the latest allotment of new shares.

Risks and uncertainties

Investments in unlisted and quoted companies carry substantially greater risk, in terms of price and liquidity, than investments in larger companies or companies listed on the Official List. In addition, many of the businesses in which the Company invests may be exposed to the risk of political change, exchange controls, tax or other regulations that may affect their value and marketability. The levels and bases of tax reliefs may change. As the volume of the Company's shares traded on the market is likely to be small, the shares may trade at a significant discount to net asset value.

In order to qualify as a VCT, the Company has to comply with a number of specific criteria. However, the Company may invest in a number of companies which are not considered to be qualifying investments for a VCT.

Further details of the Company's risk profile are contained in the Directors' Report and Note 18 to the Financial Statements.

Management agreement

The Company has an agreement with Maven Capital Partners UK LLP for the provision of management, company secretarial and administrative services. Please refer to the Directors' Report and Notes 3 and 4 to the Financial Statements for details of the management and secretarial fees payable.

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.

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-tradable, 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 Financial Services Authority (FSA), the following precautions are suggested:

- obtain the name of the individual or organisation calling;
- check the FSA register to confirm if the caller is authorised;
- call back using the details on the FSA 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 cold calls with an offer to buy or sell shares to the FSA and the City of London Police.

Useful contact details:

- **Action Fraud**

  Telephone: 0300 123 2040

  Website: www.actionfraud.org.uk

- **FSA**

  Telephone: 0845 606 1234

  Website: www.fsa.gov.uk

  Register: www.fsa.gov.uk/pages/register

  Boiler room warning: www.fsa.gov.uk/consumerinformation/scamsandswindles

Corporate Information

Directors

Gordon Brough (Chairman)

Gordon Humphries

Jamie Matheson

Steven Mitchell

Manager and Secretary

Maven Capital Partners UK LLP
Sutherland House
149 St Vincent Street
Glasgow G2 5NW

Telephone: 0141 306 7400

E-mail: enquiries@mavencp.com

Points of Contact

The Chairman and/or the Company Secretary at:
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149 St Vincent Street
Glasgow G2 5NW

Registered Office

9-13 St Andrew Street
London EC4A 3AF
Registered in England and Wales

Company Registration Number: 04084875

Registrars

Capita Registrars
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
West Yorkshire HD8 0LA

Website: www.capitaregistrars.com

Shareholder Helpline: 0871 664 0300

(Calls cost 10p per minute plus network extras; lines are open 8.30am until 5.30pm, Monday to Friday)

Auditor

KPMG Audit Plc

Bankers

J P Morgan Chase Bank

Solicitors

Martineau

Stockbrokers

Matrix Corporate Capital LLP

Website

www.mavencp.com/migvct5

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