

Monthly Fact Sheet 30 September 2015

Launch Date	4th December 2006
Fund Size	£420.2m
Historic Yield (%)*	4.73

Share Price (as at 30.09.15)

Shares	Income	Accumulation
A Shares	103.94p	166.13p
B Shares	109.16p	180.79p



Fund Managers



David Horner

qualified as a chartered accountant in 1984 with Touche Ross & Co before joining 3i Corporate Finance Limited in 1986 where he was a manager giving corporate finance advice. In May 1993 he joined Strand Partners Limited, and was appointed a director in

January 1994, where he carried out a range of corporate finance assignments identifying, structuring and managing investments in quoted and unquoted companies. In October 1997 he left to set up Chelverton Asset Management Limited and was responsible for setting up, in May 1999, the Small Companies Dividend Trust, which he still manages. He has co-managed the Chelverton UK Equity Income Fund since launch.



David Taylor

began his career as an analyst in the research department at Wedd Durlacher and moved into fund management in 1987 with the Merchant Navy Officers Pension Fund. He joined Gartmore Investment Limited in 1991, during this time, he ran a combination of institutional funds and

investment trusts, namely the Clydesdale Investment Trust and London & Strathclyde Trust. In 1995, he moved to LGT to manage small cap retail funds and latterly spent nearly seven years as head of UK smaller companies at HSBC Asset Management. He joined Chelverton Asset Management in January 2006 and has co-managed the Chelverton UK Equity Income Fund since launch.

*The historic yield reflects distributions over the past 12 months as a percentage of the bid price of the A share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

PFS Chelverton UK Equity Income Fund

Investment Objective and Policy

The objective of the Fund is to provide a progressive income stream and achieve long-term capital growth by investing primarily in a portfolio of fully listed and AIM traded UK equities. The Fund will invest in UK companies which aim to provide a high initial dividend, progressive dividend payments and long term capital appreciation.

Monthly Manager Commentary

Worries over the extent of the economic slowdown in China continued to dominate investor's thoughts in the last month as global share prices remained volatile. Downward pressure on the headline indices continued from commodity-related stocks and this was compounded with the emergence of the issues at VW as auto-related stocks are a significant component of Eurozone equity indices. At the smaller end of the market, where we operate however it was very much 'business as usual', as companies with more domestically-orientated UK earnings streams remained relatively robust. The catalyst for this is the UK consumer and the positive effects of rising real incomes which looks set to continue. With the UK half year reporting season now out of the way, the message from our investee companies is generally positive and we believe that valuations based on long term cash flow and dividend growth prospects continue to remain relatively attractive. However, we acknowledge that the Global macro uncertainty is a proving to be a headwind for equity markets generally and that short term earnings momentum is becoming an increasing concern to investors.

We added one new stock to the fund, the retailer Halfords, which has been on our radar for some time, after a trading statement at the beginning of the month highlighted lower than consensus cycle sales but a robust motor performance. As a result expectations of short term earnings upgrades were disappointed and as the shares fell we were able to build up a holding at prices consistent with the yield requirement of our investment process. Our industrial and electronic distribution holdings were adversely affected by a poor statement and dividend cut from Premier Farnell and by worries of a wider fallout from the issues at VW. The share prices of Acal, Brammer and TT Electronics all fell and we took advantage of the weakness to add to our holdings in the latter two. The most positive contribution to performance in the month was Amlin which was the subject of an agreed cash offer, and DX Group and Epwin performed well after releasing figures. We reduced our exposure to 4Imprint after a strong run and sold our remaining shares in Marshalls. We added to our positions in Fenner, SThree, N.Brown and Debenhams amongst others.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	-0.75	-1.07	11.04	11.91	69.00	109.50
Sector Rank	32/85	9/85	4/84	6/82	3/77	2/66
Quartile Ranking	2nd	1st	1st	1st	1st	1st
IA UK Equity Income (%)	-1.23	-3.82	1.31	3.35	34.48	52.53

Source: Lipper, NAV to NAV, A Shares Acc, Total Return to 30.09.2015

Discrete Annual Performance

	30.09.14	30.09.13	28.09.12	30.09.11	30.09.10
	30.09.15	30.09.14	30.09.13	28.09.12	30.09.11
Fund (%)	11.91	6.95	41.20	22.19	1.45

Source: Lipper, NAV to NAV, A Shares Acc, Total Return to 30.09.2015

Dividend History

		Q1	Q2	Q3	Q4	Total
2012	B Inc	0.67p	0.90p	0.90p	1.83p	4.30p
	A Inc	0.67p	0.90p	0.90p	1.72p	4.19p
2013	B Inc	0.69p	1.00p	1.00p	2.12p	4.81p
	A Inc	0.69p	1.00p	1.00p	1.96p	4.65p
2014	B Inc	0.70p	1.05p	1.05p	2.09p	4.89p
	A Inc	0.70p	1.05p	1.05p	1.90p	4.70p
2015	B Inc	0.72p	1.15p	1.15p		
	A Inc	0.72p	1.15p	1.15p		

History of dividends declared per share. Source: Chelverton Asset Management Limited

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CHELVERTON
ASSET MANAGEMENT

Monthly Fact Sheet
30 September 2015

ACD
Phoenix Fund Services Ltd

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Phoenix Fund Services Ltd

Income Paid Quarterly

XD Dates 31 March, 30 June
30 September, 31 December

Valuation 12 Noon, Daily

SEDOL Codes

	Income	Accumulation
A Shares	B1FD624	B1Y9J46
B Shares	B1FD646	B1Y9J57

Initial Charge (%)

A Shares	5.0*
B Shares	5.0*

Annual Management Fee (%)

A Shares	1.5
B Shares	0.75

Minimum Investment

A Shares	£1,000
B Shares	£1,000

* or any such lower amount agreed with the ACD

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FURTHER INFORMATION

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springcapital

PFS Chelverton UK Equity Income Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Phoenix Group	Investment Companies	1.97
2. Ashmore	Investment Companies	1.92
3. Galliford Try	Construction & Building Materials	1.81
4. Dairy Crest Group	Consumer Goods	1.76
5. Berkeley Group	Construction & Building Materials	1.61
6. FDM	Software & Computer Services	1.49
7. Clipper Logistics	Industrials	1.47
8. Connect Group	Industrials	1.39
9. Segro	Real Estate	1.39
10. Cobham	Aerospace & Defence	1.35
11. Hill & Smith Holdings	Construction & Building Materials	1.34
12. Kier Group	Construction & Building Materials	1.34
13. Marston's	Leisure, Entertainment & Hotels	1.33
14. Headlam	Construction & Building Materials	1.31
15. Pennon Group	Water	1.30
16. WH Smith	General Retailers	1.30
17. Games Workshop Group	Leisure, Entertainment & Hotels	1.28
18. Brown (N) Group	General Retailers	1.28
19. Debenhams	General Retailers	1.27
20. Low and Bonar	Household Goods	1.26

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	34.26	30
£500m - £1bn	17.40	15
£250m - £500m	21.05	21
£100m - £250m	20.02	22
Below £100m	3.45	6
Cash and Income	3.81	-
Total	100.00	94

Source: Chelverton Asset Management Limited

Disclaimer: This fund invests in smaller companies and carries a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The fund can also invest in smaller companies listed on the Alternative Investment Market (AIM) which also carry the risks described above. This document is provided for information purposes only and should not be interpreted as investment advice. If you have any doubts as to the suitability of an investment, please consult your financial adviser. The information contained in this document has been obtained from sources that Chelverton Asset Management Limited ("CAM") considers to be reliable. However, CAM cannot guarantee the accuracy or completeness of the information provided, and therefore no investment decision should be based solely on this data. Past performance is not a guide to future performance. This document is issued by CAM, Authorised and regulated by the Financial Conduct Authority. This document does not represent a recommendation by CAM to purchase shares in this Fund. We recommend private investors seek the services of a Financial Adviser. Phoenix Fund Services (UK) Ltd are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email pfsinfo@phoenixfundservices.com or call +44 (0) 1245 398 950.