

Monthly Fact Sheet 31 May 2015

Launch Date	4th December 2006
Fund Size	£402.2m
Historic Yield (%)*	4.36

Share Price (as at 31.05.15)

Shares	Income	Accumulation
A Shares	108.34p	171.29p
B Shares	113.44p	185.93p



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.

Source & Copyright: CITYWIRE. David Horner & David Taylor are AAA rated by Citywire for their 3 year risk adjusted performance for the period 31/05/2012 - 31/05/2015.

*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

The strong relative performance of the fund in the last month was a reflection of our small and mid-cap mandate as, understandably, stocks with a strong domestic bias reacted positively to the result of the General Election. The fact that the UK centric companies that we invest in are now operating within the most 'business friendly' environment of all possible election outcomes is reassuring for investors as is the perceived continuity in macro policies. The issue for UK small and mid cap valuations now however is whether or not this was essentially just a short term 'relief' bounce in prices as a major uncertainty has been removed or the start of a more sustainable trend. The macro ingredients do appear to be in place for the latter and the bottom up evidence from the corporate world is one of steady if unspectacular improvement, although it should be noted that this was also largely the case before the election. The difference now is that investors are less nervous and are prepared therefore to afford relatively higher ratings to the earnings of stocks within our universe. This should continue as long as we see a commensurate pick up in underlying profitability. We do however appreciate that this recent improvement in investor confidence will remain fragile until there is tangible evidence of corporate earnings growth.

Unsurprisingly a number of our housing related stocks performed well as the market was relieved by the absence of a mansion tax and looked forward to a pickup in housing transactions which traditionally happens after an election. These included housebuilders, Galliford Try and Berkeley Group, estate agents Countrywide and Foxtons, and Epwin and Marshalls which are geared to housing repair maintenance and improvement spend. TalkTalk, Harvey Nash and Moss Bros all issued good trading updates and Intermediate Capital responded well to an improved dividend outlook. Majestic Wine continued to be rerated as investors digested the implications of the Naked Wines acquisition. On the downside UTV and Brewin Dolphin fell after results. We added to our holdings in a broad range of stocks including, Ashmore, Hilton Food, Bloomsbury, Cape and St.Ives and we took up our rights in Kier. We sold Ladbroke and reduced our exposure to the insurance sector by top slicing Hiscox and Beazley. As a point of interest we believe that the new found domestic political and macro stability should lead to a pickup in corporate activity as confidence improves around the board table and the economy continues to grow.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	5.76	7.19	14.50	11.66	95.90	138.45
Sector Rank	1/88	4/88	6/87	28/83	3/79	2/68
Quartile Ranking	1st	1st	1st	2nd	1st	1st
IA UK Equity Income (%)	3.12	4.21	10.77	10.56	61.49	81.23

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.05.2015

Discrete Annual Performance

	30.05.14	31.05.13	31.05.12	31.05.11	31.05.10
	29.05.15	30.05.14	31.05.13	31.05.12	31.05.11
Fund (%)	11.66	22.21	43.56	-4.45	27.38

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.05.2015

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				
	A Inc	0.72p				

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

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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	£100,000

* or any such lower amount agreed with the ACD

Dealing Line 0845 305 4217

Dealing Fax 0845 280 0188

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

Tel +44 (0)20 3195 0076

Email chelverton@springcapitalpartners.com

Visit springcapitalpartners.com

springcapital

PFS Chelverton UK Equity Income Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Ashmore	Investment Companies	2.00
2. Phoenix Group	Investment Companies	1.96
3. Galliford Try	Construction & Building Materials	1.95
4. Berkeley Group	Construction & Building Materials	1.56
5. Dairy Crest Group	Consumer Goods	1.53
6. Domino Printing Sciences	Software & Computer Services	1.47
7. Marston's	Leisure, Entertainment & Hotels	1.47
8. Low and Bonar	Household Goods	1.46
9. Debenhams	General Retailers	1.43
10. Majestic Wine	Beverages	1.43
11. Foxtons	Real Estate	1.41
12. Hill & Smith Holdings	Construction & Building Materials	1.4
13. WH Smith	General Retailers	1.37
14. Go-Ahead Group	Transport	1.33
15. Brewin Dolphin Holdings	Speciality & Other Finance	1.33
16. Segro	Real Estate	1.29
17. Hilton Food Group	Food Producers & Processors	1.28
18. Atkins (WS)	Engineering & Machinery	1.28
19. 4imprint	Media & Photography	1.27
20. Interserve	Support Services	1.26

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	34.14	28
£500m - £1bn	17.40	14
£250m - £500m	21.23	21
£100m - £250m	19.60	21
Below £100m	2.86	5
Cash and Income	4.77	-
Total	100.00	89

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.