

Monthly Fact Sheet 31 July 2015

Launch Date	4th December 2006
Fund Size	£412.2m
Historic Yield (%)*	4.54

Share Price (as at 31.07.15)

Shares	Income	Accumulation
A Shares	106.19p	169.74p
B Shares	111.39p	184.49p



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

The last month was dominated by macro news. There was no GREXIT 'relief bounce' at home as the Greek situation was resolved as an acceptable outcome had already been priced into the market. The Chancellors budget was largely 'more of the same' although the introduction of the new living wage did have analysts focussing on the increased cost implications for a wide range of domestic earners. It was also noticeable that the noises coming from the Bank of England Governor were becoming more hawkish although we continue to believe that a rate rise is a story for next year rather than this one. At the sector level commodity prices continued to fall with knock on effects for oil and gas and mining stocks and a number of the large cap 'bond proxy' holdings performed well. The improving trend in corporate upgrades was negatively impacted by sterling strength as a wide range of overseas earners were downgraded on currency grounds. On the other hand the domestic economy, particularly the service sector, continues to perform well and consumer confidence remains high supported by evidence of real wage growth.

As the volume of company results picked up in the latter part of the month, the most positive contributors to performance were a number of stocks that released figures or a trading update. This is consistent with a trend that we have highlighted before that, at points in the year when trading volumes are low, small caps and even some mid caps have a tendency to 'tread water' until trading updates act as the catalyst for short term share price moves. Clipper, 4Imprint, and FDM all announced impressive results and Segro and Games Workshop were buoyed by positive dividend surprises. On the downside the share prices of Fenner, Cape, RPS and SOCO continued to be under pressure from the fall out in the global oil and gas sector, Talk Talk's figures were not well received and Premier Farnell fell after a poor update. On the trading front we top sliced Hiscox and added to positions in Bovis, Cobham and Connect.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	1.07	4.78	13.44	13.51	85.72	129.98
Sector Rank	61/86	4/86	4/85	13/83	2/78	2/66
Quartile Ranking	3rd	1st	1st	1st	1st	1st
IA UK Equity Income (%)	1.62	-0.37	7.05	9.04	47.12	70.43

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 30.06.2015

Discrete Annual Performance

	31.07.14	31.07.13	31.07.12	29.07.11	30.07.10
	31.07.15	31.07.14	31.07.13	31.07.12	29.07.11
Fund (%)	13.51	12.85	44.97	0.88	22.76

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 30.06.2015

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			
	A Inc	0.72p	1.15p			

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

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31 July 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	£100,000

* or any such lower amount agreed with the ACD

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FURTHER INFORMATION

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PFS Chelverton UK Equity Income Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Phoenix Group	Investment Companies	2.06
2. Galliford Try	Construction & Building Materials	2.03
3. Ashmore	Investment Companies	1.86
4. Dairy Crest Group	Consumer Goods	1.67
5. Berkeley Group	Construction & Building Materials	1.62
6. FDM	Software & Computer Services	1.52
7. Segro	Real Estate	1.47
8. Clipper Logistics	Industrials	1.44
9. Kier Group	Construction & Building Materials	1.42
10. Majestic Wine	Beverages	1.39
11. 4imprint	Media & Photography	1.37
12. Low and Bonar	Household Goods	1.37
13. Hill & Smith Holdings	Construction & Building Materials	1.35
14. Brewin Dolphin Holdings	Speciality & Other Finance	1.33
15. Pennon Group	Water	1.33
16. Connect Group	Industrials	1.33
17. Atkins (WS)	Engineering & Machinery	1.33
18. WH Smith	General Retailers	1.33
19. Games Workshop Group	Leisure, Entertainment & Hotels	1.32
20. Debenhams	General Retailers	1.32

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	34.06	28
£500m - £1bn	15.00	13
£250m - £500m	25.27	24
£100m - £250m	19.17	21
Below £100m	3.48	6
Cash and Income	3.02	-
Total	100.00	92

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.