

Monthly Fact Sheet 29 February 2016

Launch Date	20th October 2014
Fund Size	£19.1m

Share Price (as at 31.01.16)

Shares	Income	Accumulation
B Shares	127.02p	128.21p

Codes (B Shares)

	Income	Accumulation
Sedol	BP85595	BP855B7
ISIN	GB00BP855954	GB00BP855B75

Annual Management Fee (%)

B Shares	0.75
----------	------

Minimum Investment

B Shares	£1,000
----------	--------

Fund Managers



James Baker

a history graduate from Cambridge University, has over 30 years of equity market experience on both buy and sell sides, specialising for all of his career in UK Small and Mid caps stock selection. He has

worked for several organisations over the years, but most notably spent 11 years from 1999 to 2011 as part of the ABN Amro, Small Mid cap sales team, which was consistently top ranked by Extel. Prior to joining Chelverton he worked as the Assistant fund manager on the Rathbone UK Recovery Fund.



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 Taylor is AAA rated by Citywire for his 3 year risk adjusted performance for the period 28/02/2013 - 29/02/2016.

PFS Chelverton UK Equity Growth Fund

Investment Objective and Policy

The objective of the fund is to achieve long-term capital growth by investing primarily in a portfolio of fully listed and AIM traded UK equities.

Investment Approach

The fund managers are looking for companies that can both grow faster than the market and are highly cash generative enabling them to fund their own growth. Typically these companies will have some form of sustainable competitive advantage, such as a unique product, or a dominant position in a particular market, leading to high margins and the ability to generate surplus cash.

Monthly Manager Commentary

The dramatic sell-off that we saw in Equity markets in January carried on into the early part of the month after which markets rallied strongly driven by a very sharp rebound in mining stocks. Our lack of exposure to the mining sector and resource stocks generally meant the fund lagged the overall market bounce returning +0.74% underperforming the IA UK All Companies sector average, which returned +1.25%. Whilst reported trading for most of our companies has been satisfactory and the general consensus is that the prospect of any interest rise has moved out to the right, growing concerns over the outcome of the BREXIT vote and the implications it may have for the UK economy are increasingly occupying investors' minds with regard to domestic UK stocks. Although most companies we have spoken to are relatively sanguine about the outcome of the vote, with a good deal of the business they do in Europe being conducted through local subsidiaries with local staff, much like the run-up to the General Election in 2014, it seems to be proving to be a temporary dampener amongst UK focused mid and small caps.

There were very few themes with respect to individual stock performance in February. The recovery in the resources sector caused some of their industrial sector suppliers to recover and we saw Spectris rally hard from quite depressed levels, seen in early February, to be one of our best performers over the month. Two B2B media stocks performed well, UBM after good results and Ascential, an exhibition organiser and online subscription publishing business, got off to a strong start after its IPO. Conversely Centaur Media, another B2B publisher, performed poorly in the absence of any newsflow as its shares failed to rally with the wider market from the earlier sell-off, a fate also suffered by Mortgage Advice Bureau. We used this weakness to add to both holdings. Niggly issues caused a number of companies in the fund to underperform despite producing strong results. Dotdigital's numbers exceeded expectations, but management admitted to being behind schedule with the company's marketing investment in the USA. Matchtech's results were in line but its recent acquisition's performance was somewhat disappointing and Tristel pointed to a slowdown in growth in the UK hospital hygiene market, at a time when it is investing heavily to get its products approved in the USA.

As we go into March it is large caps, led by the resources sector, that continue to lead the market rally. We are encouraged to see large caps rally following the severe sell-off we saw earlier and feel it should make it easier for the wider UK market to move ahead at some point, particularly once the BREXIT vote is out of the way. As ever we feel confident that investing in a portfolio of profitable cash generative businesses that can grow faster than the overall market will stand us in good stead as we move through the year.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	Since Launch
Fund (%)	-3.13	0.74	-1.10	4.55	17.01	28.21
Sector Rank	99/261	170/261	7/260	6/258	1/256	3/253
Quartile Ranking	2nd	3rd	1st	1st	1st	1st
IA UK All Companies (%)	-3.96	1.25	-4.41	-1.70	-5.44	8.00

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 29.02.2016

Discrete Annual Performance

	27.02.15	28.02.14	28.02.13	29.02.12	28.02.11
Fund (%)	17.01	-	-	-	-
	29.02.16	27.02.15	28.02.14	28.02.13	29.02.12

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 29.02.2016

Monthly Fact Sheet
29 February 2016

ACD
Phoenix Fund Services (UK) Ltd

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Phoenix Fund Services (UK) Ltd

Income Paid Annually

XD Dates 31 December

Valuation 12 Noon

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 Growth Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Photo-Me	Technology	2.02
2. RWS Holdings	Support Services	1.89
3. Polypipe	Construction	1.81
4. Victrex	Industrials	1.81
5. Atkins (WS)	Support Services	1.75
6. Mortgage Advice Bureau	Financials	1.74
7. Dairy Crest	Consumer	1.70
8. Tyman	Construction	1.67
9. Wilmington	Media	1.66
10. Servelec	Technology	1.65
11. Synthomer	Industrials	1.60
12. Avon Rubber	Industrials	1.60
13. Eckoh	Technology	1.59
14. Curtis Banks	Financials	1.59
15. Ultra Electronics	Industrials	1.58
16. Ascential	Media	1.57
17. Dotdigital	Technology	1.51
18. Safestyle UK	Construction	1.50
19. XP Power	Industrials	1.46
20. NCC Group	Technology	1.45

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	23.9
Industrials	15.8
Financials	10.1
Construction	9.8
Consumer	9.5
Media	8.2
Support Services	7.0
Healthcare	6.5
Property	3.6
Telecoms	0.1
Cash	5.5

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	9.65	7
£500m-£1bn	15.67	11
£250m-£500m	17.01	13
£100m-£250m	32.28	26
Below £100m	19.86	19
Cash & Income	5.53	N/A
Total	100.00	76

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.