

Monthly Fact Sheet 30 June 2014

Launch Date	4th December 2006
Fund Size	£338.0m
Historic Yield (%)*	4.68

Share Price (as at 30.06.14)

Shares	Income	Accumulation
A Shares	100.68p	151.68p
B Shares	104.70p	163.54p



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

In the last month there was little difference between small, mid and large cap performance. The UK economy continues to perform increasingly well but investors remain nervous with respect to corporate earnings growth and we fully expect this to continue until the final quarter of the year. Although there does still appear to be liquidity driven downward pressure on mid cap prices it is noticeable that some of the highest profile share price casualties of the past few weeks have been amongst highly rated 'growth' stocks. Earnings growth forecasts for this year are now in mid single digits across all size bands which seems to be reasonable but the key to further progress lies in the ability of the corporate sector to deliver an increased rate of growth through next year.

Whilst a number of the house builders recovered from fears relating to earlier than expected interest rate rises the market remained largely directionless and once again there was a mixed bag with respect to performance attribution. VP performed well after a good set of final figures and a positive outlook statement, RM rose ahead of results and SThree responded positively to a trading update. On the downside Debenhams fell after updating the market and Domino Printing reacted poorly as fears were raised of margin pressure looking through into next year. We raised funds from the sale of our stakes in BBA Aviation, Greggs, Randall & Quilter and Brammer. We added Jupiter Fund Management to the fund as it goes through the process of increasing its payout to investors and we took advantage of the current good value in the IPO market to purchase River&Mercantile, another fund management business and FDM Group, an IT services provider. All stocks were bought on yields of at least five percent. One of our smaller weightings, MECOM, a publishing business was the subject of a cash bid and we see this as a 'one off' rather than the start of a trend of takeovers as we believe we are probably still some eighteen months away from a more widespread upturn in takeover activity.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	-1.13	-0.19	1.71	22.47	67.16	183.72
Sector Rank	18/88	64/88	39/87	5/87	1/80	2/73
Quartile Ranking	1st	3rd	2nd	1st	1st	1st
IMA UK Equity Income (%)	-1.67	0.68	1.35	14.29	35.43	97.67

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 30.06.2014

Discrete Annual Performance

	28.06.13	29.06.12	30.06.11	30.06.10	30.06.09
	30.06.14	28.06.13	29.06.12	30.06.11	30.06.10
Fund (%)	22.47	39.33	-2.04	25.56	35.18

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 30.06.2014

Dividend History

		Q1	Q2	Q3	Q4	Total
2011	B Inc	0.63p	0.85p	0.85p	2.02p	4.35p
	A Inc	0.63p	0.85p	0.85p	1.97p	4.30p
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			1.75p
	A Inc	0.70p	1.05p			1.75p

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

Source & Copyright: CITYWIRE. David Horner & David Taylor are AAA rated by Citywire for their 3 year risk adjusted performance for the period 30/06/2011 - 30/06/2014.

Monthly Fact Sheet
30 June 2014

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	0.0

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. Phoenix Group	Investment Companies	1.62
2. WH Smith	General Retailers	1.59
3. Ashmore	Investment Companies	1.56
4. Connect Group	Industrials	1.51
5. Kier Group	Industrials	1.48
6. Go-Ahead Group	Transport	1.47
7. Soco International	Oil & Gas	1.47
8. Berkeley Group	Construction & Building Materials	1.43
9. Majestic Wine	Food Producers & Processors	1.41
10. Galliford Try	Construction & Building Materials	1.40
11. Marston's	Leisure, Entertainment & Hotels	1.38
12. St.Ives	Support Services	1.37
13. Electrocomponents	Support Services	1.36
14. Brown (N) Group	General Retailers	1.36
15. Cineworld Group	Leisure, Entertainment & Hotels	1.35
16. Premier Farnell	Electronic & Electrical Equipment	1.33
17. Fidessa Group	Software & Computer Services	1.33
18. Dairy Crest Group	Consumer Goods	1.31
19. Micro Focus	Software & Computer Services	1.29
20. UBM	Media & Photography	1.28

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	35.40	31
£500m - £1bn	15.12	14
£250m - £500m	23.27	22
£100m - £250m	15.89	18
Below £100m	5.10	9
Cash and Income	5.22	-
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.