

Monthly Fact Sheet 30 September 2014

Launch Date	4th December 2006
Fund Size	£339.1m
Historic Yield (%)*	4.86

Share Price (as at 30.09.14)

Shares	Income	Accumulation
A Shares	97.87p	147.44p
B Shares	101.85p	159.09p



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, whilst the headlines have centred on the marked slowdown in the Eurozone economies, the reality is that there has been a more widespread reduction in global growth expectations and equity risk premiums have risen. There has been a notable increase in investor caution which has put pressure on small and mid cap valuations and has resulted in a number of potential IPO's being postponed. Despite this the balance of earnings upgrades to downgrades remained positive in the month for small caps which is largely a reflection of their relative domestic bias. As investors have sought increased liquidity however it has not been enough to attract new monies to the sector as Company Directors have remained understandably reluctant to talk up their prospects.

The prices of a number of our fund management holdings came under pressure, including Polar Capital, Jupiter and Ashmore which fell after releasing final results. Both Debenhams and N.Brown were hit by worries with respect to the affect of the mild weather on clothing retailers and the price of Soco was adversely affected by the falling oil price. Balfour Beatty released a profit warning citing continued problems in a number of its older UK construction contracts, but has been buoyed recently with the appointment of a new chief executive. On a positive note Micro Focus reacted well to the proposed acquisition of Attachmate and the declaration of a special dividend. As a generalisation, UK small and mid caps balance sheets remain strong, cash generation is robust and dividend growth remains above expectation. However as investors are increasingly nervous with respect to the macro outlook we expect that the prices of UK small and mid caps will remain volatile for the foreseeable future.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	-2.12	-2.13	-0.45	6.93	84.42	130.13
Sector Rank	51/89	82/89	58/86	50/86	1/80	2/72
Quartile Ranking	3rd	4th	3rd	3rd	1st	1st
IMA UK Equity Income (%)	-2.04	-0.59	0.76	7.33	51.44	64.17

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 30.09.2014

Discrete Annual Performance

	30.09.13	28.09.12	30.09.11	30.09.10	30.09.09
Fund (%)	6.93	41.13	22.20	1.38	23.09

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 30.09.2014

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	1.05p		2.80p
	A Inc	0.70p	1.05p	1.05p		2.80p

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 30/09/2011 - 30/09/2014.

Monthly Fact Sheet
30 September 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	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. Galliford Try	Construction & Building Materials	1.77
2. Phoenix Group	Investment Companies	1.76
3. Go-Ahead Group	Transport	1.64
4. WH Smith	General Retailers	1.62
5. Micro Focus	Software & Computer Services	1.57
6. Kier Group	Industrials	1.57
7. Marston's	Leisure, Entertainment & Hotels	1.42
8. Fidessa Group	Software & Computer Services	1.41
9. GVC Holdings	Software & Computer Services	1.40
10. Ashmore	Investment Companies	1.37
11. Cineworld Group	Leisure, Entertainment & Hotels	1.36
12. Intermediate Capital Group	Investment Companies	1.36
13. Epwin Group	Construction & Building Materials	1.35
14. Dairy Crest Group	Consumer Goods	1.34
15. Berkeley Group	Construction & Building Materials	1.34
16. Soco International	Oil & Gas	1.34
17. Electrocomponents	Support Services	1.34
18. Brown (N) Group	General Retailers	1.32
19. Premier Farnell	Electronic & Electrical Equipment	1.30
20. Majestic Wine	Food Producers & Processors	1.30

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	33.98	29
£500m - £1bn	17.64	16
£250m - £500m	18.65	18
£100m - £250m	21.43	22
Below £100m	3.60	7
Cash and Income	4.70	-
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.