

Monthly Fact Sheet 31 March 2015

Launch Date	4th December 2006
Fund Size	£354.7m
Historic Yield (%)*	4.71

Share Price (as at 31.03.15)

Shares	Income	Accumulation
A Shares	100.15p	157.21p
B Shares	104.71p	170.45p



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 positive domestic macro trends continued last month with employment levels and real incomes both improving and manufacturing activity picking up. At the same time with a weak oil price putting continued downward pressure on inflation the prospect of rate rises now seems to be a discussion for next year amongst most commentators. Stable interest rates and a 'robust' domestic economy should provide a good background for relative small and mid-cap performance from current levels of valuation. The busy March results season has delivered a small aggregate upgrade in earnings forecasts for small and mid-caps although we believe that expectations have been tempered by the impending election. Once again dividend payments continued to surprise on the upside. This is becoming increasingly relevant as questions arise over the sustainability of the dividends of some of the UK markets largest dividend distributors. Elsewhere it is noticeable that sentiment is continuing to improve towards the Eurozone economies after the recent depreciation of the euro and GDP growth forecasts there have been revised upwards

In the last month there were a number of strong contributors to performance. The most significant was Domino Printing which was subject to an agreed cash offer for the company and interestingly there does now appear to be the first tentative signs of a pickup in corporate activity as Directors confidence gradually improves and company balance sheets are particularly strong. Marshalls, 4Imprint and Hilton Food all responded well to good figures and positive outlook statements. The price of Hill and Smith rose strongly after reassuring results and the placing of a stock overhang in the market and we added to our position in the fund. Alongside additional purchases of W S Atkins this increases our exposure to infrastructure spend both here and in the US which we expect to be strong over the next few years. On the downside SOCO fell as reserves were downgraded and N.Brown reacted very badly to a relatively poor trading statement. Cobham fell after results, RPS gave up some of its recent gains and RWS suffered as a result of its exposure to the Euro. We added one new stock to the fund, Mortgage Advice Bureau which offers independent advice from a network of over 600 UK based advisors. We added to our holdings in Cape, FDM and DX, completed the sale of Cineworld and reduced exposure to Kier and raised funds from Balfour Beatty.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	-1.63	5.08	5.08	3.44	70.36	123.56
Sector Rank	84/91	66/90	66/90	80/86	5/79	2/70
Quartile Ranking	4th	3rd	3rd	4th	1st	1st
IA UK Equity Income (%)	-0.35	5.86	5.86	8.13	45.18	63.69

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.03.2015

Discrete Annual Performance

	31.03.14	29.03.13	30.03.12	31.03.11	31.03.10
Fund (%)	3.44	27.01	29.67	4.53	25.53

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.03.2015

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 (e)				
	A Inc	0.72p (e)				

History of dividends declared per share; (e) is estimated. Source: Chelverton Asset Management Limited
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31 March 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. Galliford Try	Construction & Building Materials	2.12
2. Phoenix Group	Investment Companies	1.88
3. Ashmore	Investment Companies	1.73
4. Domino Printing Sciences	Software & Computer Services	1.72
5. Hill & Smith Holdings	Construction & Building Materials	1.56
6. Dairy Crest Group	Consumer Goods	1.52
7. Berkeley Group	Construction & Building Materials	1.49
8. Shoe Zone	General Retailers	1.47
9. Informa	Media & Photography	1.46
10. Marston's	Leisure, Entertainment & Hotels	1.39
11. Electrocomponents	Support Services	1.38
12. Segro	Real Estate	1.37
13. 4imprint	Media & Photography	1.36
14. Connect Group	Industrials	1.35
15. Brewin Dolphin Holdings	Speciality & Other Finance	1.34
16. Interserve	Support Services	1.31
17. Premier Farnell	Electronic & Electrical Equipment	1.31
18. Low and Bonar	Household Goods	1.30
19. Go-Ahead Group	Transport	1.30
20. WH Smith	General Retailers	1.29

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	32.65	27
£500m - £1bn	19.80	18
£250m - £500m	19.91	19
£100m - £250m	22.86	24
Below £100m	2.21	5
Cash and Income	2.56	-
Total	100.00	93

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.