



Monthly Fact Sheet 30 June 2015

Launch Date	4th December 2006
Fund Size	£406.7m
Historic Yield (%)*	4.54

Share Price (as at 30.06.15)

Shares	Income	Accumulation
A Shares	106.21p	167.92p
B Shares	111.28p	182.40p



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.

Source & Copyright: CITYWIRE. David Horner & David Taylor are AAA rated by Citywire for their 3 year risk adjusted performance for the period 30/06/2012 - 30/06/2015.

*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

Despite a negative return over the last month the fund performed relatively well compared to the income sector due to its small and mid-cap mandate and its domestic sector exposure. After a short post election honeymoon investors began to worry about the implications of 'Grexit', as there is no precedent for the current situation, and not surprisingly Eurozone business and consumer confidence remains subdued. The weakness in the Euro remains a headwind to some of our holdings. At home rising real wages continue to provide a significant boost to the consumer and the good news is that the companies that we invest in are increasingly showing signs of an upturn in underlying earnings. As we have said before this was a trend that started ahead of the election but risk premiums have fallen since then and the ratings of small and mid caps have started to recover. Further evidence of an increased investor appetite for stocks in our universe is that May was the first month for over a year when there was positive fund flows into UK small company funds in aggregate.

Three of our best performing stocks over the month, Polar Capital, RPC and VP all responded well to good results and Menzies continued its recent recovery. On the downside UTV Media fell after announcing that losses at the new TV business would be greater than expected and Majestic Wine and Foxtons gave up some of their recent gains. We added three new holdings to the fund in the month, Bovis Homes, a house builder, Hogg Robinson, a leader in the global travel market and Brammer, a Pan European distributor of industrial components. Interestingly we had a position in this stock some time ago which we sold in June last year as the prospective yield approached the two percent threshold that triggers an automatic sale as part of our investment process. We have just bought it back a year later on a prospective yield of four percent as consensus earnings estimates suggest an increased dividend for this year on marginally reduced earnings per share. We believe that we can continue to add value for shareholders by applying our disciplined investment process to the small and mid cap universe where 'sentiment' can lead to short term extremes of undervaluation and overvaluation. The new additions to the portfolio were partially funded by monies received from the Domino Printing takeover and by top slicing our holding in Acal. We also added to a number of existing holdings including Bloomsbury, Debenhams and RPS.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	-1.97	6.82	12.25	10.71	88.92	132.37
Sector Rank	6/87	1/87	2/86	15/84	1/78	2/66
Quartile Ranking	1st	1st	1st	1st	1st	1st
IA UK Equity Income (%)	-4.98	-0.59	5.32	6.93	48.52	77.34

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

Discrete Annual Performance

	30.06.14	28.06.13	29.06.12	30.06.11	30.06.10
Fund (%)	10.71	22.47	39.33	-2.04	25.56

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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30 June 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	2.02
2. Phoenix Group	Investment Companies	2.01
3. Ashmore	Investment Companies	1.93
4. Berkeley Group	Construction & Building Materials	1.63
5. Dairy Crest Group	Consumer Goods	1.57
6. Kier Group	Construction & Building Materials	1.44
7. Marston's	Leisure, Entertainment & Hotels	1.39
8. Low and Bonar	Household Goods	1.36
9. Debenhams	General Retailers	1.36
10. Segro	Real Estate	1.34
11. Brown (N) Group	General Retailers	1.33
12. Hill & Smith Holdings	Construction & Building Materials	1.33
13. Atkins (WS)	Engineering & Machinery	1.31
14. Greene King	Beverages	1.31
15. FDM	Software & Computer Services	1.31
16. Hilton Food Group	Food Producers & Processors	1.30
17. WH Smith	General Retailers	1.30
18. Interserve	Support Services	1.29
19. Go-Ahead Group	Transport	1.28
20. Fidessa Group	Software & Computer Services	1.26

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	33.73	28
£500m - £1bn	15.35	13
£250m - £500m	23.34	23
£100m - £250m	20.01	22
Below £100m	2.84	5
Cash and Income	4.73	-
Total	100.00	91

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.