



Chelverton

ASSET MANAGEMENT LTD

Monthly Fact Sheet 30 April 2011

Launch Date	4th December 2006
Fund Size	£31.3m
Yield (%)*	5.34

Share Price (as at 31.03.11)

Shares	Income	Accumulation
Retail	72.71p	92.11p
Institutional	74.01p	97.30p

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 retail share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

CF 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 longterm capital appreciation.

Monthly Manager Commentary

The rise in the UK equity market in April was led by the mid 250 stocks as investors looked to domestic earners against a background of a declining US Dollar, and with our greater than average domestic focus this was relatively positive for the performance of the fund. Sectors geared to the UK consumer such as Retailers and Travel and Leisure reversed some of their recent declines, as prices were deemed to be oversold in the short-term. The fund benefited from a strong uplift in both WH Smith and N.Brown. As we have highlighted before, improving corporate profitability and cash flows continue to take the 'strain' of the deteriorating domestic macro environment. We expect this to continue for the foreseeable future as we do not believe that company directors, with the recent liquidity problems still fresh in their minds, will begin to increase corporate cost bases until there is tangible evidence of a sustained economic recovery.

Within the portfolio we began to reduce our exposure to a couple of holdings that have performed well and where the resulting dividend yield has fallen below our requirement, namely Low & Bonar and Filtrona. We reinvested the proceeds across ten of our existing holdings including BBA Aviation, Keller and Hilton Foods. Whilst there is no discernable sector leadership in the market at present we are reassured that we still have a substantial number of companies that, on a stock by stock basis, we believe represent good medium term value. As we continue to look through the increasingly volatile macro 'noise' to focus on the more stable cash flows of the companies that we invest in we believe that we will be well placed when risk premiums begin to fall.

Cumulative Performance

	1m	3 m	6 m	YTD	1 yr	3 yrs
Fund (%)	4.41	4.77	10.91	4.74	22.25	23.64
Sector Rank	5/102	44/100	11/100	30/100	3/99	9/85
Quartile Ranking	1st	2nd	1st	2nd	1st	1st
IMA UK Equity Income (%)	2.94	4.47	8.20	3.85	13.29	12.39
FTSE All Share (%)	3.11	4.73	9.09	4.17	13.68	13.55

Source: Lipper, NAV to NAV, Retail Inc shares, Total Return to 29.04.2011

Discrete Annual Performance

	30.04.10 29.04.11	30.04.09 30.04.10	30.04.08 30.04.09	30.04.07 30.04.08	28.04.06 30.04.07
Fund (%)	22.25	49.41	-32.31	-27.15	-

Source: Lipper, NAV to NAV, Retail Inc shares, Total Return to 29.04.2011

Dividend History

	Q1	Q2	Q3	Q4	Total
2010	0.60p	0.80p	0.80p	1.68p	3.88p
2011	0.63p				0.63p

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



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Investment Advisor
Chelverton Asset Management Ltd

Administrator
Capita Financial Administrators Ltd

Income Paid Quarterly

XD Dates 31st March, 30th June,
30th September, 31st December

Valuation 12 Noon, Daily

SEDOL Codes

	Income	Accumulation
Retail	B1FD624	B1Y9J46
Institutional	B1FD646	B1Y9J57

Initial Charge (%)

Retail	5.0
Institutional	0.0

Annual Management Fee (%)

Retail	1.5
Institutional	0.75

Minimum Investment

Retail	£1,000
Institutional	£100,000

Dealing Line 0845 922 0044

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Melrose	Industrial Engineering	3.06
2. RPC	General Industrials	2.58
3. Moneysupermarket	Media	2.55
4. UBM	Media	2.43
5. BBA Aviation	Industrial Transportation	2.40
6. Diploma	Support Services	2.39
7. Chesnara	Life Insurance	2.21
8. Cineworld	Travel & Leisure	2.20
9. Consort Medical	Health Care Equipment & Services	2.03
10. LSL Property Services	Real Estate	2.03
11. N Brown	General Retailers	2.02
12. Hill and Smith	Industrial Engineering	2.01
13. Braemar Seascope	Industrial Transportation	1.92
14. Keller	Construction & Materials	1.89
15. Hansard Global	Life Insurance	1.87
16. 4Imprint	Media	1.87
17. Morgan Sindall	Construction & Materials	1.86
18. Beazley	Life Insurance	1.86
19. Hilton Foods	Food Producers	1.83
20. Elementis	Chemicals	1.81

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No of Stocks
£1bn - £2bn	6.96	3
£500m - £1bn	20.51	13
£250m - £500m	24.10	13
£100m - £250m	25.47	21
Below £100m	20.24	21
Cash & Income	2.72	-
Total	100.00	71

Source: Chelverton Asset Management Limited

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

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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 Services 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. Capita Financial Managers Ltd are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email enquiries@capitafinancial.com or call 0845 922 0044.