



Chelverton

ASSET MANAGEMENT LTD

Monthly Fact Sheet 30 April 2013

Launch Date	4th December 2006
Fund Size	£72.0m
Historic Yield (%)*	5.03

Share Price (as at 30.04.13)

Shares	Income	Accumulation
Retail	83.64p	120.03p
Institutional	86.25p	128.35p

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.

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 longterm capital appreciation.

Monthly Manager Commentary

UK equities produced a small positive return in the last month with the domestic economy growing in the first quarter and survey evidence indicating an improving outlook for manufacturing and exports. The relative valuation case for equities remains intact although at the earnings level the ratio of upgrades to downgrades slipped back into negative territory. Dividend prospects however remain robust. Within our portfolio there were particularly strong contributions from Ashmore after a trading statement highlighting better than expected asset inflows, N Brown after a solid set of results and 4Imprint. On the downside the performance was adversely affected by downgrades at both Greggs and Mecom. Whilst we believe that underlying valuations within our portfolio are sustainable in the current climate we feel that we need to see evidence of a broadly based pick up in earnings before we will benefit from further multiple expansion.

With a positive funds flow we added to eighteen of our existing holdings in the last month which interestingly included stocks from thirteen different sectors. As we have discussed before with no sustained style or sector leadership within the UK equity market our approach is to retain a relatively balanced portfolio within the parameters of our investment process. It is reassuring that we can find value in, and add to, some of our higher beta and economically sensitive holdings such as Premier Farnell, UTV and STthree at the same time as increasing weightings in more defensive stocks such as Dee Valley, Marstons and Greene King. In addition to these we added more domestic exposure through Debenhams, Office2Office and Kcom, and more overseas earnings by adding to Braemar Shipping, Hill&Smith and RPC. We sold two stocks in their entirety Stadium and DS Smith and reduced Keller, Hiscox and Beazley after a period of strong performance. We invested in two new Companies, Bloomsbury the publishing business and National Express which provides transport in the UK, Spain and the US. Both of these were bought on yields comfortably in excess of four percent.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	0.33	7.83	13.44	30.92	59.23	60.18
Sector Rank	81/99	13/98	20/98	3/97	2/87	5/73
Quartile Ranking	4th	1st	1st	1st	1st	1st
IMA UK Equity Income (%)	0.90	5.76	11.58	19.98	35.40	34.42

Source: Lipper, NAV to NAV, Retail Inc shares, Total Return to 30.04.2013

Discrete Annual Performance

	30.04.12	29.04.11	30.04.10	30.04.09	30.04.08
	30.04.13	30.04.12	29.04.11	30.04.10	30.04.09
Fund (%)	30.92	-0.51	22.25	48.62	-32.31

Source: Lipper, NAV to NAV, Retail Inc shares, Total Return to 30.04.2013

Dividend History

		Q1	Q2	Q3	Q4	Total
2010	Institutional Shares	0.60p	0.80p	0.80p	1.67p	3.87p
	Retail Shares	0.60p	0.80p	0.80p	1.64p	3.84p
2011	Institutional Shares	0.63p	0.85p	0.85p	2.02p	4.35p
	Retail Shares	0.63p	0.85p	0.85p	1.97p	4.30p
2012	Institutional Shares	0.67p	0.90p	0.90p	1.83p	4.30p
	Retail Shares	0.67p	0.90p	0.90p	1.72p	4.19p
2013	Institutional Shares	0.69p				0.69p
	Retail Shares	0.69p				0.69p

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 30/04/2010 - 30/04/2013.



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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
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

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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	2.15
2. Cobham	Aerospace & Defence	2.08
3. Fidessa Group	Software & Computer Services	2.01
4. 4imprint	Media & Photography	1.96
5. Go-Ahead Group	Transport	1.94
6. Smiths News	Industrials	1.88
7. Chesnara	Insurance	1.84
8. Premier Farnell	Electronic & Electrical Equipment	1.77
9. Brown (N) Group	General Retailers	1.72
10. Micro Focus International	Software & Computer Services	1.68
11. Informa	Media & Photography	1.67
12. Intermediate Capital Group	Investment Companies	1.63
13. National Express	Transport	1.61
14. Close Brothers Group	Speciality & Other Finance	1.60
15. St.Ives	Support Services	1.59
16. Beazley	Insurance	1.56
17. Keller Group	Engineering & Machinery	1.55
18. Polar Capital Holdings	Investment Companies	1.54
19. GVC Holdings	Software & Computer Services	1.51
20. Amlin Plc	Speciality & Other Finance	1.49

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	21.42	15
£500m - £1bn	21.35	14
£250m - £500m	22.81	18
£100m - £250m	21.69	18
Below £100m	9.64	14
Cash and Income	3.10	-
Total	100.00	79

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 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. 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.