

Elite Webb Capital Smaller Companies Income & Growth Fund

Fund Manager's Commentary

The Fund continues to perform well and does not look out of place in the IA UK Smaller Companies Sector where it has recently moved to from the IA UK All Companies Sector. As part of this process your Manager will be gradually selling down larger company investments and re-investing the proceeds in micro-cap companies.

News from our companies has been free flowing during the past month. The only setback being at XL Media where sales have been adversely impacted by changes in gambling regulation in overseas markets and consolidation amongst operators within the UK. Elsewhere, our companies have been extremely busy with deals and contract wins coming thick and fast. Results from Oxford Instruments, Gordon Dadds, Harvey Nash, RWS Holdings, CML Microsystems and Caretech all met our expectations. It is also encouraging to see so many management teams focusing on improving companies from within and delivering operational and financial improvements by doing things better than they have done before.

Acquisitions play an important role in the growth of many quoted companies and AFH Financial, RWS Holdings, Arena Events Group, XP Power, Gordon Dadds and Xpediator have all recently made use of the capital readily available from institutions.

Avation, the aircraft leasing company; PCF Bank, the asset finance lender and Lighthouse Group, the IFA have so far pursued organic growth without reverting to acquisitions. Arbuthnot, the challenger Bank is a bit of a hybrid funding acquisitions from its own resources as is Safestay, a pan-European hostel owner and operator.

The fact is that it takes all types of companies to make up a good portfolio. I am very happy with our mix of opportunities. As highlighted in recent fact sheets we do need to be aware of changing patterns in demand in more cyclical sectors of the UK economy but in an everchanging world the UK smaller companies sector offers investors more choice than most to continue to win in a whole range of economic scenarios.

Your Manager is very confident in the market positioning of the Fund and believes that its focus on growth and value will continue to deliver good returns for investors in the months and years ahead. Our investment style is one designed to deliver steady outperformance relative to markets overall, immediate competition and other asset classes in both the medium and long term.

10 largest holdings as at 30 Jun 2018 (Source: Peterhouse Capital)

Stock Name	% Fund	Stock Name	% Fund
Lighthouse Group Plc	6.50%	Bilby Plc	4.82%
Xpediator Plc	5.70%	Avation Plc	4.64%
1PM Plc	5.66%	Arena Events Group Plc	4.58%
Private & Commercial Finance Group Plc	4.88%	XP Power Ltd	4.54%
Arbuthnot Banking Group Plc	4.83%	Zotefoams Plc	4.46%

Fund Fact Sheet

Jun 2018

Issue 067

Fund Objective

The objective of the Fund is to achieve a rising income combined with capital growth from a portfolio made up of investments in UK smaller companies. The managers actively manage the portfolio in order to achieve the objective with exposure to ordinary shares, preference shares and convertible instruments. The managers will not invest in companies capitalised above £1bn at the time of investment.

Unit Price (p) (change m-o-m)

Income 133.56 (1.61%)

Acc 158.00 (1.61%)

Income 'B' 167.28 (1.61%)

Acc 'B' 190.13 (1.61%)

Fund Size (NAV)

£3.64m

Number of holdings

27

Investment Manager

Peterhouse Capital Asset Management

ACD

Fund Partners Limited

Depository

Northern Trust Limited

Structure

Open Ended Investment Company
(OEIC)
Non-UCITS regulated
Eligible for ISA

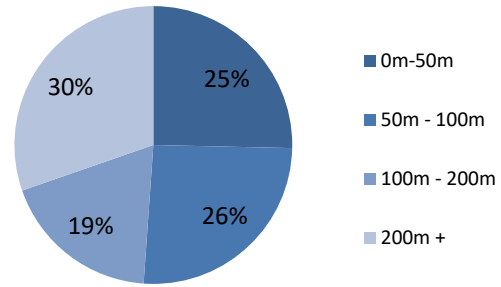
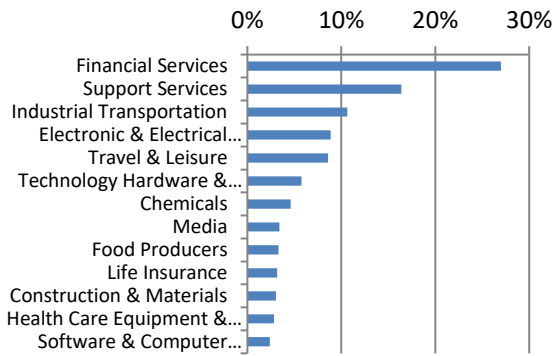
Fees

Annual Management Fee 1.0%

Initial Charge 0.0%

Fund sector breakdown as at 30 Jun 2018

Holdings by Market Cap, £ as at 30 Jun 2018

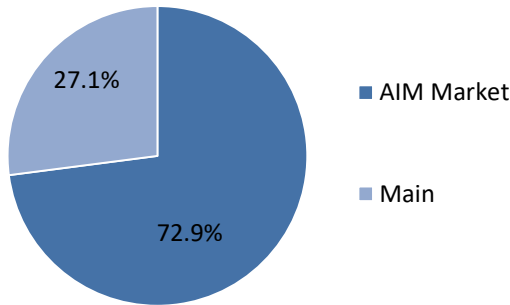


Source: Peterhouse Capital

Source: Peterhouse Capital

Fund breakdown by listing as 30 Jun 2018

Performance to 30 Jun 2018



Source: Peterhouse Capital

Dealing details and forms

Launch Date	30/11/2010
Webb Capital Website	www.webbcapital.com
WAY Fund Managers	01202 855 856
Cofunds	0845 644 8001

ISIN Accumulation B	GB00BFRSWB62
SEDOL Accumulation B	BFRSWB6
ISIN Income B	GB00BFRSW948
SEDOL Income B	BFRSW94

ISIN Accumulation	GB00B63JD951
SEDOL Accumulation	B63JD95
ISIN Income	GB00B6253G17
SEDOL Income	B6253G1

RISK WARNING

Please note that past performance and any forecast estimates in this publication are not reliable indicators of future results, and should not be taken as so. Any forward looking statements in this publication are opinions and do not constitute forecasts.

The value of your investment can go down as well as up and you may lose a significant portion of your investment.

Webb Capital is not authorised to give advice. This publication does not constitute investment advice and if you are in any doubt as to the suitability of an investment, you should seek the guidance of an independent financial adviser.