

CHELVERTON UK DIVIDEND TRUST PLC

Half-Yearly Report
for the six months ended 31 October 2021



CHELVERTON
ASSET MANAGEMENT

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Investment Objective and Policy

The investment objective of Chelverton UK Dividend Trust PLC ('the Company') is to provide Ordinary Shareholders with a high income and opportunity for capital growth, having provided a capital return sufficient to repay the full final capital entitlement of the Zero Dividend Preference shares issued by the wholly owned subsidiary company, SDV 2025 ZDP PLC ('SDVP').

Chelverton UK Dividend Trust PLC ('the Company'), and its subsidiary SDV 2025 ZDP PLC ('SDVP') ('the Subsidiary'), together form the Group ('the Group').

The Company's investment policy is that:

- The Company will invest in equities in order to achieve its investment objectives, which are to provide both income and capital growth, predominantly through investment in mid and smaller capitalised UK companies admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange Main Market or traded on AIM.
- The Company will not invest in preference shares, loan stock or notes, convertible securities or fixed interest securities or any similar securities convertible into shares; nor will it invest in the securities of other investment trusts or in unquoted companies.

Financial Highlights

	31 October 2021	30 April 2021	% change
Capital			
Total gross assets (£'000)	64,256	64,013	0.38
Total net assets (£'000)	47,238	47,345	(0.23)
Net asset value per Ordinary share	226.56p	227.07p	(0.22)
Mid-market price per Ordinary share	214.00p	220.00p	(2.73)
Discount	(5.54%)	(3.11%)	
Net asset value per Zero Dividend Preference share	116.26p	114.01p	1.97
Mid-market price per Zero Dividend Preference share	115.50p	116.00p	(0.43)
(Discount)/premium	(0.65%)	1.75%	
	Six months to 31 October 2021	Six months to 31 October 2020	% change
Revenue			
Return per Ordinary share	4.67p	2.80p	66.79
Dividends declared per Ordinary share*	5.50p	5.00p	10.00
Special dividends declared per Ordinary share	–	–	–
Total Return			
Total return on Group net assets**	2.21%	0.74%	

* Dividend per Ordinary share includes the first interim paid and second interim declared for the period to 31 October 2021 and 2020 and will differ from the amounts disclosed within the statement of changes in net equity, owing to the timings of payments.

** Adding back dividends distributed in the period.

Interim Management Report

This half-yearly report covers the six months to 31 October 2021. The net asset value per Ordinary share at 31 October 2021 was 226.6p down from 227.1p at 30 April 2021, a decrease of 0.2% during the period compared to the MSCI Small Cap Index which also decreased by 0.2%. As at 23 November 2021 the NAV per share had decreased to 224.16p.

From the beginning of the Company's financial year, the Ordinary share price had decreased from 220.0p to 214.0p at 31 October 2021, an decrease of 2.7%. Since the period end the shares have increased to 215.0p and as at 23 November 2021 the shares traded on a discount of 4.1%.

Dividend

Maintaining its record of increasing the annual core dividend paid by the company for 12 years, and in particular through the Covid-19 pandemic, the first interim dividend for the current year of 2.75p (2020: 2.5p) per Ordinary share was paid on 1 October 2021. The Board has declared a second interim dividend of 2.75p per Ordinary share (2021: 2.5p) payable on 2 January 2022 to Shareholders on the register on 13 December 2021, making a total for the half year of 5.5p per Ordinary share (2020: 5.0p) an increase of 10.0%. It is anticipated that the Company will maintain this level of dividend for the third and fourth quarter at 2.75p making a total core dividend declared of 11.0p for the year (2021: 10.0p) an increase of 10.0%.

It should be noted that prior to the Covid-19 pandemic it had been the manager's intention to deliver a 7% increase in the core dividend for the year to April 2021. However, given the unprecedented reduction in dividends and uncertainty across the market at the time of the first interim dividend decision, we prudently took a more conservative approach to dividend growth, delivering a 4.2% increase in the core dividend in the year. By the time of the full year results in June 2021 we had the confidence to boost the core dividend to the level originally planned via a special dividend of 0.272p. The intended 11.0p dividend for the year to April 2022 will represent a 7% increase on the total dividends paid in the year to April 2021.

Portfolio

In the last six months we have increased our investment in 12 of our existing holdings (2021: 23), taking advantage of lower share prices and shares being available in Appreciate Group, Contour Global, Curtis Banks Group, Duke Royalty, Hansard Global, iEnergizer, McColls Retail Group, Orchard Funding Group, RTC Group, Sabre Insurance, Smiths News and Vector Capital.

During the period we added three new names to the portfolio (2021: 4) – Kitwave Group - an independent food wholesaler which joined the Alternative Investment Market during the period, Topps Tiles – the UK's largest tile specialist, and financial markets intermediary TP ICAP.

Funds were raised from the outright sale of three our holdings, DX Group, Shoe Zone and Strix (2021: 6). The following holdings were reduced as they grew to become larger weightings on lower yields: Braemar Shipping Services, Centaur Media, Clarke (T.), Devro, Flowtech Fluid Power, Redde Northgate, Theworks.co.uk, UP Global Sourcing Holdings and Vertu Motors.

Outlook

Having recovered strongly from the depths of the pandemic, the market has paused for breath over the past 6 months, with fears over supply chain disruption, availability of skilled labour and rising inflation dampening expectations for the full year. It is important to remember that whilst we are small and mid-cap investors, the companies that we invest in are sophisticated in the industries in which they operate. While they are not immune from the well documented short-term problems, they do have the strength and depth of management and technical resource and ability to deal with the worst effects of the issues.

We continue to see compelling evidence our companies are, in the main, emerging from the pandemic as better companies with more efficient processes. It is likely that companies will need to present a “clean” set of results, unaffected by the pandemic, before they get the credit they deserve for improving their businesses over the course of the downturn, however this gives us confidence over the medium term.

Reassuringly dividends are returning to the boardroom agenda, although there is some way to go to get back to pre-pandemic levels of dividend income across the market. Having benefitted from the capital recovery in our lower-yielding holdings over the past 12 months, we are continuing to rotate the portfolio into higher yielding opportunities as dividends return. We continue to benefit from significant revenue reserves, allowing the company to increase its core dividend while this rotation occurs.

Chelverton Asset Management
25 November 2021

Principal Risks

The principal risks facing the Group are substantially unchanged since the date of the Annual Report for the year ended 30 April 2021 and continue to be as set out in that report on pages 11 to 13. Risks faced by the Group include, but are not limited to, market risk, discount volatility, regulatory risks, financial risk, political risk, climate change risk, the coronavirus pandemic and risks associated with accounting policies and gearing.

Going concern

Having assessed the principal risks and the other matters discussed in connection with the viability statement as set out on pages 14 and 15 of the Annual Report for the year ended 30 April 2021, including the additional risks related to the coronavirus pandemic, the Directors believe that the Group is well placed to manage its business risks successfully and it is appropriate to adopt the going concern basis in preparing the accounts.

Responsibility Statement of the Directors in respect of the Half-Yearly Report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in compliance with the IAS 34 'Interim Financial Reporting' and gives a true and fair view of the assets, liabilities and financial position of the Group; and
- the interim management report and notes to the Half-Yearly Report include a fair view of the information required by:
 - (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of the important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
 - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions described in the last annual report that could do so.

This Half-Yearly Report was approved by the Board of Directors on 25 November 2021 and the above responsibility statement was signed on its behalf by Lord Lamont, Chairman.

Condensed Consolidated Statement of Comprehensive Income (unaudited)

for the six months ended 31 October 2021

	Six months to 31 October 2021			Year to 30 April 2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
						(audited)
Gains on investments at fair value through profit or loss	–	649	649	–	23,110	23,110
Investment income	1,214	–	1,214	1,708	–	1,708
Investment management fee	(83)	(248)	(331)	(124)	(372)	(496)
Other expenses	(144)	(5)	(149)	(280)	(10)	(290)
Net surplus/(deficit) before finance costs and taxation	987	396	1,383	1,304	22,728	24,032
Finance costs						
Preference shares	–	(326)	(326)	–	(630)	(630)
Net surplus/(deficit) before taxation	987	70	1,057	1,304	22,098	23,402
Taxation (see note 2)	(13)	–	(13)	(27)	–	(27)
Total comprehensive income/(expense) for the period	974	70	1,044	1,277	22,098	23,375
	Revenue pence	Capital pence	Total pence	Revenue pence	Capital pence	Total pence
Net return per:						
Ordinary share (see note 3)	4.67	0.34	5.01	6.12	105.99	112.11
Zero Dividend Preference share 2025 (see note 3)	–	2.25	2.25	–	4.34	4.34

The total column of this statement is the Statement of Comprehensive Income of the Group prepared in accordance with International Accounting Standards ('IAS') and in conformity with the requirements of the Companies Act 2006. All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All of the net return for the period and the total comprehensive income for the period is attributed to the Shareholders of the Group. The supplementary revenue and capital return columns are presented for information purposes as recommended by the Statement of Recommended Practice issued by the Association of Investment Companies ('AIC').

Six months to 31 October
2020

Revenue	Capital	Total
£'000	£'000	£'000

–	84	84
790	–	790
(52)	(156)	(208)
(139)	(5)	(144)
<hr/>		

599	(77)	522
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–	(314)	(314)
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599	(391)	208
(15)	–	(15)
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584	(391)	193
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Revenue	Capital	Total
pence	pence	pence

2.80	(1.87)	0.93
–	2.17	2.17
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Gains on investments at fair value
through profit or loss
Investment income
Investment management fee
Other expenses

**Net surplus/(deficit) before finance costs
and taxation**

Finance costs
Preference shares

Net surplus/(deficit) before taxation
Taxation (see note 2)

Total comprehensive income/(expense) for the period

Net return per:
Ordinary share
(see note 3)
Zero Dividend Preference share 2025
(see note 3)

Condensed Consolidated Statement of Changes in Net Equity (unaudited)

for the six months ended 31 October 2021

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Six months ended 31 October 2021						
30 April 2021	5,213	17,517	5,004	16,950	2,661	47,345
Total comprehensive income for the period	-	-	-	70	974	1,044
Dividends paid (see note 4)	-	-	-	-	(1,151)	(1,151)
31 October 2021	<u>5,213</u>	<u>17,517</u>	<u>5,004</u>	<u>17,020</u>	<u>2,484</u>	<u>47,238</u>
Year ended 30 April 2021 (audited)						
30 April 2020	5,213	17,517	5,004	(5,148)	3,448	26,034
Total comprehensive income for the year	-	-	-	22,098	1,277	23,375
Dividends paid	9	-	-	-	(2,064)	(2,064)
30 April 2021	<u>5,213</u>	<u>17,517</u>	<u>5,004</u>	<u>16,950</u>	<u>2,661</u>	<u>47,345</u>
Six months ended 31 October 2020						
30 April 2020	5,213	17,517	5,004	(5,148)	3,448	26,034
Total comprehensive (expense)/income for the period	-	-	-	(391)	584	193
Dividends paid (see note 4)	-	-	-	-	(1,022)	(1,022)
31 October 2020	<u>5,213</u>	<u>17,517</u>	<u>5,004</u>	<u>(5,539)</u>	<u>3,010</u>	<u>25,205</u>

Condensed Consolidated Balance Sheet (unaudited)

as at 31 October 2021

	31 October 2021 £'000	30 April 2021 £'000 (audited)	31 October 2020 £'000
Non-current assets			
Investments at fair value through profit or loss	63,888	62,768	41,347
Current assets			
Trade and other receivables	181	757	123
Cash and cash equivalents	187	488	132
	<u>368</u>	<u>1,245</u>	<u>255</u>
Total assets	<u>64,256</u>	<u>64,013</u>	<u>41,602</u>
Current liabilities			
Trade and other payables	(160)	(136)	(181)
	<u>(160)</u>	<u>(136)</u>	<u>(181)</u>
Total assets less current liabilities	<u>64,096</u>	<u>63,877</u>	<u>41,421</u>
Non-current liabilities			
Zero Dividend Preference shares 2025	(16,858)	(16,532)	(16,216)
Total liabilities	<u>(17,018)</u>	<u>(16,668)</u>	<u>(16,397)</u>
Net assets	<u>47,238</u>	<u>47,345</u>	<u>25,205</u>
Represented by:			
Share capital	5,213	5,213	5,213
Share premium account	17,517	17,517	17,517
Capital redemption reserve	5,004	5,004	5,004
Capital reserve	17,020	16,950	(5,539)
Revenue reserve	2,484	2,661	3,010
Equity Shareholders' funds	<u>47,238</u>	<u>47,345</u>	<u>25,205</u>
Net asset value per: (see note 5)	pence	pence	pence
Ordinary share	<u>226.56</u>	<u>227.07</u>	<u>120.89</u>
Zero Dividend Preference share 2025	<u>116.26</u>	<u>114.01</u>	<u>111.84</u>

Condensed Consolidated Statement of Cash Flows (unaudited)

for the six months ended 31 October 2021

	Six months to 31 October 2021 £'000	Year to 30 April 2021 £'000 (audited)	Six months to 31 October 2020 £'000
Operating activities			
Investment income received	1,320	1,447	727
Investment management fee paid	(324)	(469)	(161)
Administration and secretarial fees paid	(34)	(64)	(27)
Other cash payments	(113)	(210)	(120)
Cash generated from operations (see note 7)	849	704	419
Purchases of investments	(5,079)	(9,266)	(3,962)
Sales of investments	5,080	9,848	3,431
Net cash inflow/(outflow) from operating activities	850	1,286	(112)
Financing activities			
Dividends paid	(1,151)	(2,064)	(1,022)
Net cash outflow from financing activities	(1,151)	(2,064)	(1,022)
Change in cash and cash equivalents for period	(301)	(778)	(1,134)
Cash and cash equivalents at start of period	488	1,266	1,266
Cash and cash equivalents at end of period	187	488	132
Comprised of:			
Cash and cash equivalents	187	488	132

Notes to the Condensed Half-Yearly Report

for the six months ended 31 October 2021

1 General information

The financial information contained in this Half-Yearly Report does not constitute statutory financial statements as defined in Section 434 of the Companies Act 2006. The statutory financial statements for the year ended 30 April 2021, which contained an unqualified auditors' report, have been lodged with the Registrar of Companies and did not contain a statement required under the Companies Act 2006. These statutory financial statements were prepared under International Accounting Standards ('IAS') and in accordance with the Statement of Recommended Practice ('SORP'): Financial Statements of Investment Trust Companies and Venture Capital Trusts issued by the AIC in April 2021.

The Group has financial resources which substantially exceed its expense commitments and therefore the Directors believe that the Group is well placed to manage its business risks and also believe that the Group will have sufficient resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing this report.

This report has not been reviewed by the Group's Auditors.

This report has been prepared using accounting policies adopted in the audited financial statements for the year ended 30 April 2021. This report has also been prepared in compliance with IAS 34 'Interim Financial Reporting' and the Companies Act 2006.

2 Taxation

The Company has an effective tax rate of 0% as investment gains are exempt from tax owing to the Company's status as an Investment Trust and there is expected to be an excess of management expenses over taxable income and thus there is no charge for corporation tax.

Deferred tax assets in respect of unrelieved excess expenses are not recognised as it is unlikely that the Group will generate sufficient taxable income in the future to utilise these expenses. Deferred tax is not provided on capital gains and losses because the Company meets the conditions for approval as an investment trust company.

3 Earnings per share

Ordinary shares

Revenue earnings per Ordinary share is based on revenue on ordinary activities after taxation of £974,000 (30 April 2021: £1,277,000, 31 October 2020: £584,000) and on 20,850,000 (30 April 2021: 20,850,000, 31 October 2020: 20,850,000) Ordinary shares, being the weighted average number of Ordinary shares in issue during the period.

Capital earnings per Ordinary share is based on the capital profit of £70,000 (30 April 2021: £22,098,000, 31 October 2020: loss of £391,000) and on 20,850,000 (30 April 2021: 20,850,000, 31 October 2020: 20,850,000) Ordinary shares, being the weighted average number of Ordinary shares in issue during the period.

Zero Dividend Preference shares

Capital earnings per Zero Dividend Preference share 2025 is based on allocations from the Company of £326,000 (30 April 2021: £630,000, 31 October 2020: £314,000) and on 14,500,000 (30 April 2021: 14,500,000, 31 October 2020: 14,500,000) Zero Dividend Preference shares 2025 being the weighted average number of Zero Dividend Preference shares in issue during the period.

Notes to the Condensed Half-Yearly Report (continued)

for the six months ended 31 October 2021

4 Dividends

During the period, a fourth interim dividend of 2.50p per Ordinary share and a special dividend of 0.272p per Ordinary share were paid to Shareholders in respect of the financial year ended 30 April 2021.

In respect of the year ended 30 April 2022, a first interim dividend of 2.75p per ordinary share has been paid to the Shareholders.

In addition, for the year ended 30 April 2022, the Board has declared a second interim dividend of 2.75p per Ordinary share payable on 4 January 2022 to Shareholders on the register at 10 December 2021 (ex-dividend date 9 December 2021).

5 Net asset values

Ordinary shares

The net asset value per Ordinary share is based on assets attributable of £47,238,000 (30 April 2021: £47,345,000, 31 October 2020: £25,205,000) and on 20,850,000 (30 April 2021: 20,850,000, 31 October 2020: 20,850,000) Ordinary shares being the number of shares in issue at the period end.

Zero Dividend Preference shares

The net asset value per Zero Dividend Preference shares is based on assets attributable of £16,858,000 (30 April 2021: £16,532,000, 31 October 2020: £16,216,000) and on 14,500,000 (30 April 2021: 14,500,000, 31 October 2020: 14,500,000) Zero Dividend Preference shares being the number of shares in issue at the period end.

6 Fair value hierarchy

Financial assets and financial liabilities of the Company are carried in the condensed Consolidated Balance Sheet at their fair value. The fair value is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than a forced or liquidation sale. For investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange quoted market bid prices and Stock Exchange Electronic Trading Services ('SETS') at last trade price at the Balance Sheet date, without adjustment for transaction costs necessary to realise the asset.

The Company measures fair values using the following hierarchy that reflects the significance of the inputs used in making the measurements. Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant assets as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

An active market is a market in which transactions for the asset or liability occur with sufficient frequency and volume on an ongoing basis such that quoted prices reflect prices at which an orderly transaction would take place between market participants at the measurement date. Quoted prices provided by external pricing services, brokers and vendors are included in Level 1, if they reflect actual and regularly occurring market transactions on an arm's length basis.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 2 inputs include the following:

- quoted prices for similar (i.e. not identical) assets in active markets;

6 Fair value hierarchy (continued)

- quoted prices for identical or similar assets or liabilities in markets that are not active. Characteristics of an inactive market include a significant decline in the volume and level of trading activity, the available prices vary significantly over time or among market participants or the prices are not current;
- inputs other than quoted prices that are observable for the asset (for example, interest rates and yield curves observable at commonly quoted intervals); and
- inputs that are derived principally from, or corroborated by, observable market data by correlation or other means (market-corroborated inputs).

Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

As at 31 October 2021, 30 April 2021 and 31 October 2020 all of the Company's investments are classified as Level 1.

7 Reconciliation of net return before and after taxation to cash generated from operations

	31 October 2021 £'000	30 April 2021 £'000	31 October 2020 £'000
Net return before taxation	1,057	23,402	208
Taxation	(13)	(27)	(15)
Net return after taxation	1,044	23,375	193
Net capital return	(70)	(22,098)	391
Decrease/(increase) in receivables	119	(223)	(44)
Increase in payables	9	32	40
Interest and expenses charged to the capital reserve	(253)	(382)	(161)
Cash generated from operations	849	704	419

8 Related party transactions

The Group's investments are managed by Chelverton Asset Management Limited. The amounts paid to the Investment Manager in the period to 31 October 2021 were £331,000 (year ended 30 April 2021: £496,000, six months to 31 October 2020: £208,000).

At 31 October 2021 there were amounts outstanding to be paid to the Investment Manager of £92,000 (year ended 30 April 2021: £86,000, six months to 31 October 2020: £105,000).

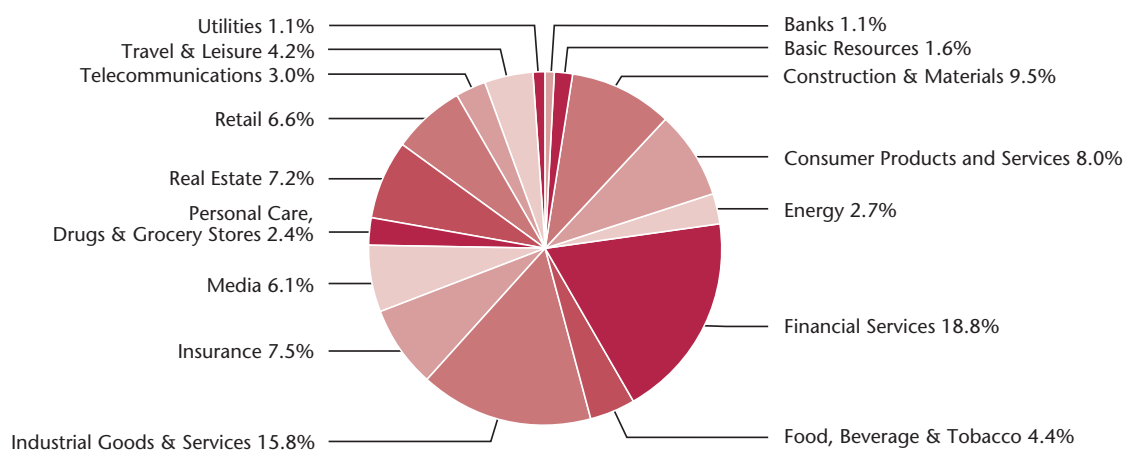
Portfolio Investments

as at 31 October 2021

Security	Sector	Market value £'000	% of portfolio
Belvoir Lettings	Real Estate	2,600	4.1
Alumasc Group	Construction & Materials	1,800	2.8
Diversified Gas & Oil	Energy	1,728	2.7
Randall & Quilter	Insurance	1,424	2.2
UP Global Sourcing Holdings	Consumer Products and Services	1,377	2.2
Jarvis Securities	Financial Services	1,375	2.2
DFS Furniture	Retail	1,226	1.9
STV	Media	1,220	1.9
MTI Wireless Edge	Telecommunications	1,188	1.9
Brewin Dolphin Holdings	Financial Services	1,129	1.8
Vertu Motors	Retail	1,098	1.7
Bloomsbury Publishing	Media	1,086	1.7
Coral Products	Industrial Goods & Services	1,085	1.7
Finncap Group	Financial Services	1,080	1.7
Premier Miton Group	Financial Services	1,080	1.7
Devro	Food, Beverage & Tobacco	1,075	1.7
MP Evans Group	Food, Beverage & Tobacco	1,050	1.6
Vistry Group	Media	1,050	1.6
Polar Capital Holdings	Financial Services	1,038	1.6
Redde Northgate	Industrial Goods & Services	1,019	1.6
Personal Group Holdings	Insurance	1,002	1.6
Chesnara	Insurance	997	1.6
Kitwave Group	Personal Care, Drugs & Grocery Stores	956	1.5
Clarke (T.)	Construction & Materials	936	1.5
Epwin Group	Construction & Materials	910	1.4
Castings	Industrial Goods & Services	895	1.4
Severfield	Construction & Materials	895	1.4
Regional REIT	Real Estate	878	1.4
Gattaca	Industrial Goods & Services	848	1.3
Numis Corporation	Financial Services	843	1.3
Curtis Banks Group	Financial Services	840	1.3
Duke Royalty	Financial Services	820	1.3
iEnergizer	Industrial Goods & Services	816	1.3
Centaur Media	Media	808	1.3
Wilmington Group	Media	798	1.2
Marston's	Travel & Leisure	795	1.2
TP ICAP	Financial Services	777	1.2
Ramsdens Holdings	Financial Services	765	1.2
Smiths News	Industrial Goods & Services	750	1.2
Tyman	Construction & Materials	747	1.2
Kier Group	Construction & Materials	746	1.2
Braemar Shipping Services	Industrial Goods & Services	735	1.2
Aferian	Telecommunications	729	1.1
Essentra	Industrial Goods & Services	726	1.1
Close Brothers Group	Banks	720	1.1
Appreciate Group	Financial Services	717	1.1
Crest Nicholson	Consumer Products and Services	712	1.1
Bakkavor	Food, Beverage & Tobacco	693	1.1

Security	Sector	Market value £'000	% of portfolio
Sabre Insurance	Insurance	683	1.1
Contourglobal	Utilities	682	1.1
Headlam Group	Consumer Products and Services	681	1.1
Portmeirion Group	Consumer Products and Services	670	1.0
Flowtech Fluid Power	Industrial Goods & Services	667	1.0
Photo-me International	Consumer Products and Services	662	1.0
Palace Capital	Real Estate	652	1.0
Orchard Funding Group	Financial Services	650	1.0
Brown (N) Group	Retail	649	1.0
Anglo Pacific	Basic Resources	648	1.0
RTC Group	Industrial Goods & Services	645	1.0
Babcock International	Industrial Goods & Services	638	1.0
Hargreaves Services	Industrial Goods & Services	630	1.0
TheWorks.co.uk	Retail	630	1.0
Topps Tiles	Retail	630	1.0
Vector Capital	Financial Services	630	1.0
RPS Group	Industrial Goods & Services	625	1.0
Hansard Global	Insurance	618	1.0
McColl's Retail Group	Personal Care, Drugs & Grocery Stores	585	0.9
Saga	Travel & Leisure	546	0.9
Restaurant Group	Travel & Leisure	530	0.8
Town Centre Securities	Real Estate	472	0.7
Revolution Bars Group	Travel & Leisure	450	0.7
Go-Ahead Group	Travel & Leisure	393	0.6
Chamberlin	Basic Resources	390	0.6
Sancus Lending Group	Financial Services	250	0.4
Total Portfolio		63,888	100.0

Breakdown of portfolio by industry



Shareholder Information

Financial calendar

Group's year end	30 April
Quarterly dividends paid	July, October, January and April
Annual results announced	July
Annual General Meeting	September
Group's half year	31 October
Half-Year results announced	November

Share prices and performance information

The Company's Ordinary (SDV.L) and Zero Dividend Preference shares issued through SDVP (SDVP.L) are listed on the London Stock Exchange Main Market.

The net asset values are announced daily to the London Stock Exchange and published monthly via the AIC.

Information about the Group can be obtained on the Chelverton website at www.chelvertonam.com. Any enquiries can also be e-mailed to cam@chelvertonam.com.

Share register enquiries

The register for the Ordinary shares and Zero Dividend Preference shares are maintained by Share Registrars Limited. In the event of queries regarding your holding, please contact the Registrar on 01252 821390. Changes of name and/or address must be notified in writing to the Registrar.

Capital Structure

Chelverton UK Dividend Trust PLC ('the Company')

Chelverton UK Dividend Trust PLC was registered on 3 September 2003 with registered number 03749536. The Company has in issue one class of Ordinary share. In addition, it has a wholly owned subsidiary SDV 2025 ZDP PLC, which was registered on 25 October 2017 with number 11031268, through which Zero Dividend Preference shares have been issued.

Ordinary shares of 25p each (SDV.L) – 20,850,000 in issue as at 31 October 2021

The Company has only one class of share and this figure represents 100% of the Company's share capital and voting rights.

Dividends

Holders of Ordinary shares are entitled to dividends.

Capital

On a winding-up of the Company, Ordinary Shareholders will be entitled to all surplus assets of the Company available after payment of the Company's liabilities including the capital entitlement of the Zero Dividend Preference shares.

Voting

Each holder, on a show of hands, will have one vote and on a poll will have one vote for each Ordinary share held.

SDV 2025 ZDP PLC ('SDVP')

Ordinary shares of 100p each (SDVP.L) – 50,000 in issue (partly paid up as to 25p each)

The ordinary shares are wholly owned by the Company. References to Ordinary shares within this Half-Yearly Report are to the Ordinary shares of Chelverton UK Dividend Trust PLC.

Capital

Following payment of any liabilities and the capital entitlement to the Zero Dividend Preference Shareholders, ordinary Shareholders are entitled to any surplus assets of SDVP.

Voting

Each holder, on a show of hands, will have one vote and on a poll will have one vote for each ordinary share held.

Zero Dividend Preference shares of 100p each – 14,500,000 in issue as at 31 October 2021

Dividends

Holders of Zero Dividend Preference shares are not entitled to dividends.

Capital

On a winding up of SDVP, after the satisfaction of prior ranking creditors and subject to sufficient assets being available, Zero Dividend Preference Shareholders are entitled to an amount equal to 100p per share increased daily from 8 January 2018 at such compound rate as will give an entitlement to 133.18 pence per share at 30 April 2025.

Voting

Each holder of Zero Dividend Preference shares on a show of hands will have one vote at meetings where Zero Dividend Preference Shareholders are entitled to vote and on a poll will have one vote for each Zero Dividend Preference share held.

Holders of Zero Dividend Preference shares are not entitled to attend, speak or vote at General Meetings unless the business of the meeting includes a resolution to vary, modify or abrogate the rights attached to the Zero Dividend Preference shares.

Directors and Advisers

Directors	Lord Lamont of Lerwick (Chairman) William van Heesewijk Howard Myles Andrew Watkins
Investment Manager	Chelverton Asset Management Limited 11 Laura Place Bath BA2 4BL Tel: 01225 483030
Secretary and Registered Office	Maitland Administration Services Limited Hamilton Centre Rodney Way, Chelmsford Essex CM1 3BY Tel: 01245 398950
Registrar and Transfer Office	Share Registrars Limited Molex House Millennium Centre Crosby Way Farnham Surrey GU9 7XX Tel: 01252 821390 www.shareregistrars.uk.com
Auditors	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX
Brokers	Shore Capital Cassini House 57 St James's Street London SW1A 1LD
Custodian	Jarvis Investment Management Limited 78 Mount Ephraim Tunbridge Wells Kent TN4 8BS

Registered in England
No. 3749536

A member of the Association of Investment Companies

