M E E T I N G M I N U T E S

Meeting:	**Monthly Meeting - March 2014**		
Held at:	**Conference call**	Date:	**24th March 2014**
		Time:	**16:30 – 17:10**
Prepared by:	**Dave G**		
Chairman:	**Adrian T**		
Present:	Adrian T Chris B Dave G Kit P Richard W		
Apologies:	Simon B		

Chairman's Acceptance of Minutes

_____ ____ / _____ / ____

Signature *Date*

1 NEXT MEETING

Brocklebank, Crewe - Monday 14th March 2014.

2 MINUTES OF PREVIOUS MEETING

Agreed.

3 ACTIONS FROM PREVIOUS MEETING

3.1 Actions Closed Since Last Meeting

Action	Description / Comment	Status
RW/20140224/02	Sell Adept Telecom	COMPLETE
RW/20140224/03	Buy Colefax if spread is less than 5%, otherwise buy Renew Holdings	COMPLETE
CB/20140224/04	SRT review is now triggered – Chris to suggest approach	PICKED UP IN MEETING
SB/20140224/05	Copper review is now triggered – Simon to suggest approach	COMPLETE
DG/20140224/06	Put ETF Physical Silver onto a 'watchlist' and re-submit the buy proposal on a rise from a lower base position than $18	COMPLETE

4 TREASURER'S REPORT

4.1 Monthly Report Summary

A good outperformance of the FTSE this month (0.5% gain vs 3.7% loss). A big drop in Conviviality Retail, and also drops in Tesco and Sainsbury in response to declaration of supermarket "price wars". Big rises in Fyffes and Coffee of couse have been banked - so almost £19k (gross) and £16k (net) of realised gains this month.

Unit value is 1284.099 and total net assets are now £252,984 of which £127,564 is profit.

5 PORTFOLIO MANAGEMENT

5.1 Monthly Money Management Checks

Fundamental is too low at 20.8% v 25% min and we are too high in Witan with 10.7% of our holdings in that against a maximum of 10%.....but this has been caused by making two large sales this month (Coffee and Fyffes) thus reducing the total we currently have invested in holdings.

5.2 Mechanical Portfolio (RW)

From Richard's mail:

Thanks to Fyffes, the portfolio rose by 2.7% compared to the FTSE All Share's fall of 3.7%.

We sold Fyffes during the month.

Matchtech remains above its stop loss.

BP and Cropper James both reach their anniversary this month and are due to be sold. This would leave 2 vacancies in each of the value & growth sides of the portfolio.

No companies pass the value filters, nor do any pass the 1st relaxation. The 2nd relaxation gives:

Sainsbury (score 338.75, 31st in unfiltered rankings) BHP Billiton (325.55, 59th) Rio Tinto (318.69, 82nd)

We already hold Sainsbury and the others are ineligible as they are outside the top 50 in unfiltered rankings.

The 3rd relaxation adds no other companies whilst the 4th gives:

- Datatec (340.86, 21st)
- Sainsbury (338.75, 31st)
- Royal Dutch Shell (319.12, 79th)
- Tesco (297.55, 148th)

Datatec is otherwise valid but has a 12% (!) spread. Barclays won't give a quote for anything like the size we need so it is safe to assume it wouldn't be possible to purchase at an acceptable spread.

The 5th relaxation (hybrid filters) gives 21 companies headed by:

- Colefax (363.79, 6th)
- BP (349.91, 14th)
- Glencore Xstrata (340.02, 25th)
- SThree (332.06, 44th)
- Motivcom (320.87, 74th)

We already hold Colefax so the top eligible candidate is BP. Therefore we won't be selling it after all! (the spreadsheet will record it as a sale & repurchase however). One thing to decide is whether to purchase an additional amount to rebalance the holding. At present the value is ~ £8,050 whereas a standard repurchase amount would be ~£10,410. Given that the spread is minimal, I propose that we purchase an additional amount to bring the holding up to the average size.

nb: the hybrid filters are only to be used when there is more than one vacancy to fill. Therefore the 2nd one will cannot be filled this month and held over to at least April.

On the growth side, 21 companies pass the filters headed by:

- HR Owen (289.29, 8th)
- Colefax (282.29, 10th)
- Thorntons (260.42, 31st)
- Renew Holdings (259.11, 39th)
- Findel (254.32, 54th)

HR Owen & Colefax are already held.

Thorntons "is engaged in manufacturing, retailing and distribution of confectionery and other sweet foods. It offers Christmas gift items, chocolate, toffee, fudge, flowers and other gift hampers." I'll have a box of the continental selection please! Spread is 0.3% and Barclays gives a quote within the spread so we will be buying it.

The question then arises whether to also purchase another company. I suggest continuing to wait until we have a month with no other transactions.

nb: Renew "is engaged in engineering and specialist building. Its two segments are Specialist Engineering and Specialist Building. Its main activities are carried out in the United Kingdom with some development activities in the USA".

Its spread is 2.1% and Barclays gives a quote within the spread.

To summarise:

- sell Cropper James
- purchase additional BP to bring it up to the average holding size
- purchase Thorntons
- hold over the two remaining vacancies until next month

Action RW/20140324/01 – Sell Cropper James

Action RW/20140324/02 – Buy additional BP to bring it up to average size

Action RW/20140324/03 – Buy Thorntons

5.3 Monthly Reports for each company in Fundamental Portfolio

Reports were as follows:

Tesco	HOLD - Not yet met sell criteria (see table in 5.6 below)
National Grid	HOLD - Not yet met sell criteria (see table in 5.6 below)
Advanced Computer systems	HOLD - Not yet met sell criteria (see table in 5.6 below)
Aviva	HOLD - Not yet met sell criteria (see table in 5.6 below)
Conviviality	HOLD – Not yet met sell criteria (see table in 5.6 below)

5.4 Speculative Portfolio

Bet on Sports	Suspended – assumed worthless
Software Radio Tech	HOLD - Not yet met sell criteria (see table in 5.6 below)

5.5 Other Investments

Witan	HOLD
Murray International	HOLD

5.6 Stop Loss / Sell Criteria (as of date of treasurer's report)

The following is the summary of sell criteria for each stock held within the Speculative or Fundamental portfolios. The stop loss is invoked against the "end of day" price, but the sell decision may wait for the opening price to avoid rogue trades at the end of day.

Stock EPIC	Stock Name	Reportee	"High" Price	Stop Loss	Exit Criteria
TSCO	Tesco	Simon	362p	290p	20% trailing stop loss with a vote on breach but sell automatically if it falls below 290p
NG	National Grid	Chris	849p	679p	Review on 20% trailing stop loss
ASW	Advanced Computer Software	Simon	125.25	100.2p	Review on 20% trailing stop loss
AV.	Aviva	Richard	523.5	444.98p	Review on 15% trailing stop loss
SRT	Software radio Technology	Chris	34p	15p	Review @ 20p Sell @15p
CVR	Conviviality	Chris	196.5p	156.8p	Review on 20% trailing stop loss

Cash Alternative Investments				
EPIC	**Name**	**Price**	**Disc.**	**Exit Criteria**
WTAN	Witan	665.5p	-6.5	Sell when discount narrows to <5%
MYI	Murray International	1016p	+6.0	Sell if premium exceeds 12%.
	All above cash alternatives			Sell if cash is required for portfolio investments or redemption of units.

5.7 New Buy Proposals

Nothing to discuss.

6 SPENDING ON "FUN" AND "LEARNING"

Nothing to discuss.

7 AOB

Nothing to discuss.

ACTIONS CARRIED FORWARD TO NEXT MEETING

Ref.	Description & Progress	Target Date
SB/0919/01	Simon / Richard to audit 2007 – 2008	Apr 2014
SB/0919/02	Simon to verify 2006-2007 audit	Apr 2014
CB/0919/03	Chris to pass audit packs to Richard for 2008, 2009, 2010, 2011, 2013	Apr 2014
AT/20140224/01	Write up the minutes from January 2014 meeting	Apr 2014
CB/20140224/07	Review the Netcall results and resubmit the buy proposal if appropriate after that review.	Apr 2014
RW/20140324/01	Sell Cropper James	March 25th
RW/20140324/02	Buy additional BP to bring up to average size	March 25th
RW/20140324/03	Buy Thorntons	March 25th

MEETING MINUTES

PROPOSED AGENDA FOR NEXT MEETING.

RSIC Monthly Meeting Date 14 Apr 2014

Venue: Brocklebank, Crewe

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