

CFP Sanford DeLand Funds

Interim Report & Accounts

For the period from 28 February 2022 to 31 August 2022

A UK Authorised Investment Company with Variable Capital

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Management & Administration

Registered Office and Directors

Authorised Corporate Director ("ACD") and registered office of the CFP Sanford DeLand Funds ("the Company"):

ConBrio Fund Partners Limited

111 Piccadilly,
Manchester, M1 2HY

ConBrio Fund Partners Limited is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of The Investment Association ("IA").

Registrar

SS&C Financial Services Europe Limited
St Nicholas Lane
Basildon, Essex, SS15 5FS

Directors of the ACD

John Eckersley	(Managing Partner)
Kathryn Holland	(Head of Finance)
Andrew Knox	(Non-Executive Director Resigned 31 March 2022)
Carol Lawson	(Non-Executive Director Appointed 1 July 2022)
Timothy Saunt	(Non-Executive Director)
Richard Slattery-Vickers	(Partner)

Investment Adviser

Sanford DeLand Asset Management Ltd ("SDL")
7 Park Row,
Leeds, LS1 5HD
(Authorised and regulated by the FCA)

Depository

NatWest Trustee and Depository Services Limited
250 Bishopsgate, London
United Kingdom, EC2M 4AA
(Authorised by the Prudential Regulation Authority ("PRA")
and regulated by FCA and PRA)

Auditor

Beever and Struthers
St George's House
215-219 Chester Road, Manchester, M15 4JE

Administrator

Northern Trust Global Services SE, UK Branch
50 Bank Street, Canary Wharf,
London, E14 5NT

Management & Administration

Company Information

CFP Sanford DeLand Funds is an Investment Company with Variable Capital under regulation 12 of the Open-Ended Investment Company Regulations and incorporated in England and Wales under registered number IC027214 and authorised by the Financial Conduct Authority with effect from 5 May 2020. Shareholders are not liable for the debts of the Company. At the period end, the Company contained two sub-funds.

The Company is a UCITS scheme which complies with the Financial Conduct Authority's Collective Investment Schemes Sourcebook and is structured as an umbrella company so that different sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority and the agreement of the Depositary.

Report of the ACD to the Shareholders of the Company

The ACD, as sole director, presents its report and the unaudited financial statements of the Company for the period from 28 February 2022 to 31 August 2022.

The Investment Objectives and Policies of the sub-funds of the Company are covered in the section for each sub-fund. The names and addresses of the ACD, the Depositary, the Registrar, the Investment Adviser and the Auditor are detailed on page 2.

In the future there may be other sub-funds of the Company.

Where a sub-fund invests in other Collective Investment Schemes, the maximum annual management fee that may be charged to that Collective Investment Scheme is 5% of the net asset value of such a scheme, however, it is expected that the actual annual management fee will not exceed 2%.

Sub-fund Cross-holdings

No sub-fund held shares in any other sub-fund within the Investment Company with Variable Capital during the period.

Directors' Statement

In accordance with the regulations, we hereby certify the report on behalf of the directors of ConBrio Fund Partners Limited.



Richard Slattery-Vickers

Director (of the ACD)

28 October 2022

About the Investment Adviser

Sanford DeLand Asset Management Ltd ("SDL") acts as the appointed Investment Adviser of the sub-funds as referred to within this document.

SDL is a firm established with a view to managing sub-funds according to the philosophy of 'Business Perspective Investing' that seeks to build long term value for their shareholders. Further information regarding the company and investment process can be found on <https://www.sanford-deland.com/>.

CFP SDL UK Buffettology Fund

Sub-fund information

The Comparative Tables on pages 5 and 6 give the performance of each active share class in the sub-fund.

The 'Total return after operating charges' disclosed in the Comparative Tables are calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-fund's performance disclosed in the Manager's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

CFP SDL UK Buffettology Fund

Comparative Tables

For the financial period ended 31 August 2022

General Income Shares

	31/08/2022 (pence per share)	28/02/2022 (pence per share)	28/02/2021 (pence per share)
Change in net asset value per share			
Opening net asset value per share	328.87	349.15	312.97
Return before operating charges*	(30.16)	(13.95)	40.93
Operating charges*	(1.82)	(4.37)	(3.81)
Return after operating charges*	(31.98)	(18.32)	37.12
Distributions on income shares	(1.51)	(1.96)	(0.94)
Closing net asset value per share	295.38	328.87	349.15
After transaction costs of**:	0.03	0.08	0.17
Performance			
Total return after operating charges*	(9.72)%	(5.25)%	11.86%
Other Information			
Closing net asset value (£'000)	389,598	586,865	723,188
Closing number of shares	131,896,737	178,447,871	207,128,031
Operating charges*	1.15%	1.14%	1.19%
Direct transaction costs**	0.01%	0.02%	0.05%
Prices			
Highest share price	337.29	422.56	368.60
Lowest share price	286.35	319.30	231.65

* Operating charge, otherwise known as the Ongoing Charge Figure ("OCF") is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

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Comparative Tables (continued)

For the financial period ended 31 August 2022

General Accumulation Shares

	31/08/2022 (pence per share)	28/02/2022 (pence per share)	28/02/2021 (pence per share)
Change in net asset value per share			
Opening net asset value per share	132.84	140.27	125.38
Return before operating charges*	(12.18)	(5.67)	16.42
Operating charges*	(0.73)	(1.76)	(1.53)
Return after operating charges*	(12.91)	(7.43)	14.89
Distribution on accumulation shares	(0.61)	(0.79)	(0.38)
Retained distribution on accumulation shares	0.61	0.79	0.38
Closing net asset value per share	119.93	132.84	140.27
After transaction costs of**:	0.01	0.03	0.07
Performance			
Total return after operating charges*	(9.72)%	(5.30)%	11.88%
Other Information			
Closing net asset value (£'000)	551,125	785,897	766,378
Closing number of shares	459,553,991	591,593,892	546,365,325
Operating charges*	1.15%	1.14%	1.19%
Direct transaction costs**	0.01%	0.02%	0.05%
Prices			
Highest share price	136.24	170.11	147.83
Lowest share price	115.67	128.54	92.80

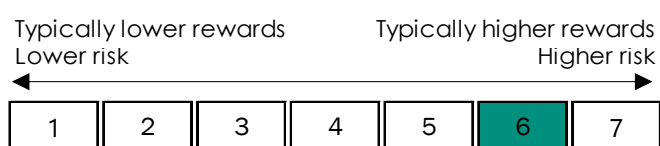
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Risk and Reward Indicator (RRI)

The Risk and Reward Indicator demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund.



The sub-fund is ranked as a 6 because it has experienced relatively high rises and falls in value historically. The risk number shown is not guaranteed and may change over time.

The lowest risk number does not mean a risk-free investment.

The sub-fund holds equities concentrated by number and location in the UK. Equities, as an asset class, tend to experience higher volatility than many other assets such as bonds or money market instruments. Sub-funds concentrated by number of assets and/or geographic location are more vulnerable to market sentiment impacting on one or more of those assets or location and can carry a higher risk than sub-funds holding more diversified assets.

The indicator may not take fully into account the following risks of investing in this sub-fund:

Liquidity risk: during difficult market conditions, some securities, such as structured investments, corporate bonds, and position in emerging markets, may become more difficult to sell at desired price.

Counterparty risk: arising from securities which require specific entity, usually a large bank, to honour its obligations to the sub-fund.

Operational risk: arising from investments in overseas markets, in particular emerging market countries, which may not have the same level of safekeeping and other controls as UK markets.

Legal or tax risk: arising from a change in legal regulations, tax rules or the application of them.

Investment Objective and Policy

The investment objective of the sub-fund is to seek to achieve an annual compounding rate of return over the long term, defined as 5 – 10 years, which is superior to the median performance of all of the funds forming the official peer group of which the sub-fund is part. 'Peer group' is defined as being the Investment Association sector to which the sub-fund has been allocated (currently being the UK All Companies Sector) or to which it may be allocated in future, as determined by that body. Investments will be made principally in UK equities, applying the methodology of Business Perspective Investing.

Business Perspective Investing identifies companies that exhibit criteria considered essential to the long term success of that business, and are expected to possess strong operating franchises and experienced management teams. Investments are to be made at a valuation deemed to provide shareholder value over the intended long term period of investment, not to be sold for short term profits.

Further information regarding the investment criteria adopted in Business Perspective Investing can be obtained directly from the Investment Adviser or at <https://www.sanford-deland.com/70/who-we-are/business-perspective-investing>.

The sub-fund may also invest in other transferable securities, money market instruments, units and/or Shares in other collective investment schemes, deposits, warrants, cash and near cash. The Investment Adviser will adopt a focused approach to investing in shares of those companies which it believes have strong operating franchises and experienced management teams and whose shares are undervalued and offer the potential for improved economic growth.

The sub-fund may also invest in derivatives and forward transactions (for hedging purposes). The sub-fund may borrow and may enter into stock lending and underwriting transactions in accordance with COLL.

Performance

The sub-fund's General Income (I) Class share price fell by 8.8% from 328.68p on 28 February to 299.91p on 31 August 2022. The General Accumulation (J) Class share price fell by 8.4% from 132.32p to 121.15p over the same period. This

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compared to a loss of 4.7% for the sub-fund's peer group, the IA UK All Companies sector, and 3.6% for the UK stock market. The sub-fund outperformed its benchmark, the IA UK All Companies sector, in three discrete months of the half-year. The share price recorded a high of 337.29p on 21 April and a low of 286.35p on 22 June.

At the end of this six-month period, FE Trustnet ranked the Fund 240th out of 255 funds in the IA UK All Companies sector over one year, 222nd out of 243 over three years, 31st out of 234 over five years and 4th out of 193 since inception on 28 March 2011.

Investment Review

The half-year under review was one of the most inauspicious periods for our investment style that we have experienced since launch. Our predilection is to invest in high quality, compounding growth businesses that have long runways ahead of them. This approach has served us well in the past (and, we are confident, will again in the future) but it has been totally out of favour for the past year. Instead, investors have prized higher income yielding companies with dubious growth prospects ahead of them. Jam today with little promise of extra jam tomorrow. That is why oil & gas, utilities, banks and tobacco have had such a good run. On top of this at the sector level, we have had to battle against investors lowering their asset allocation to the UK and venturing elsewhere in the belief that the grass is greener on the other side. This is not something we judge will be conducive to good investment returns in the long-term. Time is the friend of the patient investor and the good company and the enemy of the speculator and the bad company.

Against this continuing difficult backdrop, we suffered further net outflows of £315.2 million. Compounded by the negative investment return, this led to the sub-fund contracting from £1,371 million to £953 million. In the circumstances, investment activity has been most concerned with ensuring that we retain a healthy amount of liquidity in the portfolio. We have succeeded in staying ahead of the curve to buttress the cash position but the consequence has been a spike in our portfolio turnover since partial liquidations count toward this figure. Measured over a rolling 12 months to 31 August 2022, this stood at 19.5%. One year earlier, it had been 12.5%.

Other than selling for liquidity purposes, we chose to make two complete disposals during the period - Homeserve and Rotork - and we finished selling our position in RM PLC during September. Homeserve accepted a cash offer from Brookfield Infrastructure Funds. The 1,200p offer represented a 71% premium to the undisturbed closing price of Homeserve on the day prior to the offer being announced. Once again, the short-termism of public equity markets has gifted one of our businesses to private equity. We have repeatedly warned about the stock market folly of driving down valuations of so many good companies in its current dash-for-trash phase.

Portfolio companies, RWS Holdings and Darktrace have also received bid approaches, though these did not come to fruition.

Rotork was more a case of time to move on. This disposal marked the culmination of some longstanding concerns we had over the business's ability to return to meaningful growth and continual deterioration in the financial ratios we hold so dear.

RM PLC's delayed interim results were a horror show. The business had struggled to regain its mojo post COVID-19 and the latest update revealed a plethora of other challenges relating to an ERP roll-out at the same time as school budgets coming under pressure from energy cost and salary inflation. Debt was up and banking covenants had to be reset; potentially a toxic combination of troubles. Worse still, the boardroom door keeps revolving and the directors have little 'skin in the game'. Thankfully, we had sold down some of our holding ahead of the horror show.

During the period, we made no new equity purchases.

Over the half-year, the strongest performers were London Stock Exchange Group (share price up by 24.6%); AB Dynamics (+23.2%); Darktrace (+16.8%); and Bioventix (+10.2%). There were five other single-digit risers. The worst performers were Liontrust Asset Management (share price down by 37.8%); Jet2 (-33.8%); Trifast (-30.0%); and MJ Gleeson (-29.5%). There were nine other double-digit and six single-digit fallers.

At the period end, in terms of banding by market capitalisation, we have the following. Five companies above £20 billion representing 21.2% of the portfolio, two between £5 billion-20 billion making up a further 8.7%, eight between £1 billion-5 billion making up 29.6% and fourteen under £1 billion making up 38.5%. The remaining 2.0% was in cash.

Outlook

Any comment written here regarding where markets may go from here is in danger of being out of date as soon as the ink dries. The six-month period under review has been one of the most challenging in my career. It has felt, at times, like death by a thousand cuts. If anything, political events in the UK post the period end have sped up (being generous) or exacerbated (being less so) the readjustment now taking place. Markets are finding their level quicker.

If there is one crumb of comfort from this step change, it is that we may be getting to the destination faster. Though the adjustment may for many be painful, it brings closer the day that investors can focus again on what matters. Investing in excellent businesses at prices that make sense and holding on for the journey. This is how we will continue to run this sub-fund.

Sanford DeLand Asset Management Ltd
03 October 2022

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Total Purchases and Top Ten Sales during the period were as follows:

Purchases	Cost £'000	Sales	Proceeds £'000
		HomeServe	31,621
		Rotork	31,079
		Focusrite	10,517
		Games Workshop Group	10,515
		Berkshire Hathaway	8,246
		Rollins	7,153
		Diageo	6,990
		London Stock Exchange Group	6,932
		Croda International PLC	6,919
		RELX PLC	6,749
Total purchases during the period	-	Total sales during the period	216,281

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Portfolio of Investments

As at 31 August 2022

Holding	Investment	Market Value £'000	Total Value of Sub-fund %
BASIC MATERIALS 6.70% (5.97%)			
Chemicals 6.70% (5.97%)			
590,000	Croda International PLC	39,683	4.22
1,335,000	Victrex	23,362	2.48
		63,045	6.70
CONSUMER GOODS 8.45% (7.51%)			
Beverages 6.52% (5.23%)			
4,532,000	AG Barr	22,796	2.42
1,025,000	Diageo	38,581	4.10
		61,377	6.52
Household Goods & Home Construction 1.93% (2.28%)			
4,000,000	MJ Gleeson	18,200	1.93
		18,200	1.93
		79,577	8.45
CONSUMER SERVICES 19.90% (18.81%)			
Media 4.04% (3.28%)			
1,680,000	RELX PLC	38,001	4.04
		38,001	4.04
Travel & Leisure & Catering 15.86% (15.53%)			
5,950,684	Focusrite*	48,796	5.19
982,599	Games Workshop Group	69,617	7.40
3,600,000	JET2 PLC*	30,758	3.27
		149,171	15.86
		187,172	19.90
FINANCIALS 14.70% (13.77%)			
Financial Services 10.15% (10.10%)			
1,655,000	Hargreaves Lansdown	13,525	1.44
4,525,000	Liontrust Asset Management	41,404	4.40
500,000	London Stock Exchange Group	40,510	4.31
		95,439	10.15

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Portfolio of Investments

Holding	Investment	Market Value £'000	Total Value of Sub-fund %
Non-Life Insurance 4.55% (3.67%)			
118	Berkshire Hathaway	42,798	4.55
		42,798	4.55
		138,237	14.70
HEALTH CARE 7.92% (6.35%)			
Pharmaceuticals & Biotechnology 7.92% (6.35%)			
1,040,000	Bioventix*	34,320	3.65
1,155,000	Dechra Pharmaceuticals	40,148	4.27
		74,468	7.92
INDUSTRIALS 20.16% (21.28%)			
Construction & Materials 2.73% (2.75%)			
12,925,000	James Halstead*	25,721	2.73
		25,721	2.73
Industrial Engineering 4.82% (6.85%)			
2,400,000	AB Dynamics*	30,240	3.21
16,300,000	Trifast	15,159	1.61
		45,399	4.82
Support Services 12.61% (11.68%)			
1,330,000	Experian	34,872	3.71
3,369,998	PayPoint PLC	21,703	2.31
1,420,000	Rollins	41,258	4.39
6,020,000	RWS Holdings*	20,721	2.20
		118,554	12.61
		189,674	20.16
TECHNOLOGY 18.59% (16.93%)			
Software & Computer Services 15.64% (14.45%)			
1,410,000	Craneware*	21,996	2.34
7,650,000	Darktrace	39,107	4.16
16,099,377	NCC Group	31,555	3.35
9,351,667	RM PLC	4,348	0.46
2,765,000	Softcat PLC	35,807	3.81

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Portfolio of Investments

Holding	Investment	Market Value £'000	Total Value of Sub-fund %
3,758,967	Team17 Group*	14,284	1.52
		147,097	15.64
	Technology Hardware & Equipment 2.95% (2.48%)		
8,670,000	Quartix Holdings*	27,744	2.95
		27,744	2.95
		174,841	18.59
	Total Value of Investments	907,014	96.42
	Net Other Assets	33,709	3.58
	Total Net Assets	940,723	100.00

Figures in brackets represent sector distribution at 28 February 2022

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated

* AIM listed securities

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Statement of Total Return

For the period ended 31 August 2022

	31/08/2022		31/08/2021	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(120,588)		290,468
Revenue	12,445		13,238	
Expenses	(6,699)		(9,565)	
Net revenue before taxation	5,746		3,673	
Taxation	(40)		(30)	
Net revenue after taxation		5,706		3,643
Total return before distributions		(114,882)		294,111
Distributions		(5,706)		(3,643)
Change in net assets attributable to shareholders from investment activities		(120,588)		290,468

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 31 August 2022

	31/08/2022		31/08/2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,372,762*		1,489,566
Amounts received on creation of shares	22,304		146,857	
Amounts paid on cancellation of shares	(336,553)		(108,342)	
		(314,249)		38,515
Change in net assets attributable to shareholders from investment activities		(120,588)		290,468
Retained distribution on accumulation shares		2,798		1,971
Closing net assets attributable to shareholders		940,723		1,820,520

* The net assets for the current period do not equal the closing net assets for the comparative period as they are not consecutive periods.

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Balance Sheet

As at 31 August 2022

	31/08/2022 £'000	28/02/2022 £'000
Assets		
Investment assets	907,014	1,243,902
Debtors	23,273	1,529
Cash and bank balances	20,862	141,365
Total assets	951,149	1,386,796
Liabilities		
Creditors	(8,439)	(12,044)
Distribution payable on income shares	(1,987)	(1,990)
Total liabilities	(10,426)	(14,034)
Net assets attributable to shareholders	940,723	1,372,762

Summary of Material Portfolio Changes

For the period ended 31 August 2022

	31/08/2022 £'000	31/08/2021 £'000
Total purchases in period	-	75,575
Total sales in period	216,281	54,388

On behalf of ConBrio Fund Partners Limited



Richard Slattery-Vickers

Director (of the ACD)

28 October 2022

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Notes to the Financial Statements

1. Accounting Policies

The interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice "Financial Statements of Authorised Funds", issued by The Investment Association in May 2014, the Financial Conduct Authority's Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

Distribution Tables

Interim Dividend Distribution In Pence Per Share

Group 1 Shares purchased prior to 1 March 2022

Group 2 Shares purchased between 1 March 2022 to 31 August 2022

General Income Shares

	Net Income	Equalisation	Distribution Paid 31/10/2022	Distribution Paid 31/10/2021
Group 1	1.5067	–	1.5067	0.8436
Group 2	0.9092	0.5975	1.5067	0.8436

General Accumulation Shares

	Net Income	Equalisation	Distribution Paid 31/10/2022	Distribution Paid 31/10/2021
Group 1	0.6089	–	0.6089	0.3397
Group 2	0.3448	0.2641	0.6089	0.3397

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Sub-fund information

The Comparative Tables on pages 17 and 18 give the performance of each active share class in the sub-fund.

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CFP SDL Free Spirit Fund

Comparative Tables

For the financial period ended 31 August 2022

General Income Shares

	31/08/2022 (pence per share)	28/02/2022 (pence per share)	28/02/2021 (pence per share)
Change in net asset value per share			
Opening net asset value per share	160.38	163.03	136.21
Return before operating charges*	(12.77)	0.31	28.21
Operating charges*	(0.87)	(2.04)	(1.99)
Return after operating charges*	(13.64)	(1.73)	26.82
Distributions on income shares	(0.96)	(0.92)	–
Closing net asset value per share	145.78	160.38	163.03
After transaction costs of**:	0.01	0.29	1.20
Performance			
Total return after operating charges*	(8.50)%	(1.06)%	19.69%
Other Information			
Closing net asset value (£'000)	26,702	27,621	16,168
Closing number of shares	18,316,977	17,221,854	9,917,273
Operating charges*	1.13%	1.12%	1.27%
Direct transaction costs**	0.01%	0.16%	0.76%
Prices			
Highest share price	162.04	196.36	173.99
Lowest share price	140.92	157.38	103.55

* Operating charge, otherwise known as the Ongoing Charge Figure ("OCF") is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

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Comparative Tables (continued)

For the financial period ended 31 August 2022

General Accumulation Shares

	31/08/2022 (pence per share)	28/02/2022 (pence per share)	28/02/2021 (pence per share)
Change in net asset value per share			
Opening net asset value per share	163.32	165.19	138.02
Return before operating charges*	(13.00)	0.21	29.17
Operating charges*	(0.89)	(2.08)	(2.00)
Return after operating charges*	(13.89)	(1.87)	27.17
Distribution on accumulation shares	(0.97)	(0.92)	–
Retained distribution on accumulation shares	0.97	0.92	–
Closing net asset value per share	149.43	163.32	165.19
After transaction costs of**:	0.01	0.30	1.21
Performance			
Total return after operating charges*	(8.50)%	(1.13)%	19.69%
Other Information			
Closing net asset value (£'000)	64,589	79,105	57,380
Closing number of shares	43,224,502	48,434,849	34,734,560
Operating charges*	1.13%	1.12%	1.26%
Direct transaction costs**	0.01%	0.16%	0.76%
Prices			
Highest share price	164.99	199.67	176.30
Lowest share price	143.51	160.02	104.93

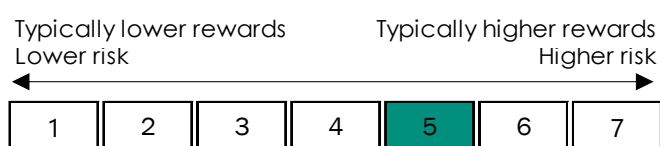
* Operating charge, otherwise known as the Ongoing Charge Figure ("OCF") is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

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Risk and Reward Indicator (RRI)

The Risk and Reward Indicator demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund.



The sub-fund is ranked as a 5 because it has experienced relatively medium to high rises and falls in value historically. The risk number shown is not guaranteed and may change over time.

Please note that even the lowest ranking does not mean a risk-free investment.

The sub-fund holds a concentrated portfolio of UK equities listed on the LSE or quoted on AIM/ISDX. Equities, as an asset class, tend to experience higher volatility than many other assets such as bonds or money market instruments. Sub-funds concentrated by number of assets and/or geographic location are more vulnerable to market sentiment impacting on one or more of those assets or location and can carry a higher risk than sub-funds holding more diversified assets.

Liquidity risk: during difficult market conditions some securities, such as structured investments, corporate bonds and positions in emerging markets, may become more difficult to sell at a desired price.

Counterparty risk: arising from securities which require a specific entity usually a large bank, to honour its obligations to the sub-fund.

Operational risk: arising from investments in overseas markets, in particular emerging market countries, which may not have the same level of safekeeping and other controls as UK markets.

Legal or tax risk: arising from a change in legal regulations, tax rules or the application of them.

Investment Objective and Policy

The investment objective of the sub-fund is to seek to maximise total returns over the long-term – 10 years. At least 80% of the sub-fund will be invested within UK equities, with an emphasis on smaller and mid capitalised companies. The sub-fund will have a concentrated portfolio of between 25 and 40 holdings when fully invested. The Investment Adviser will apply the methodology of Business Perspective Investing.

Business Perspective Investing identifies companies that exhibit criteria considered essential to the long term success of that business, and are expected to possess strong operating franchises and experienced management teams. Investments are to be made at a valuation deemed to provide shareholder value over the intended long term period of investment, not to be sold for short term profits.

Further information regarding the investment criteria adopted in Business Perspective Investing can be obtained directly from the Investment Adviser or at <https://www.sanford-deland.com/70/who-we-are/business-perspective-investing>.

Performance

The sub-fund's General Income (H) class decreased by 7.8% during the six months to 31 August 2022 from 160.18p to 147.66p and the General Accumulation (G) class decreased by 7.7% from 162.88p to 150.36p. This compared to a fall of 4.7% for the peer group, the IA UK All Companies Sector, and 3.6% for the UK stock market. The G class share price recorded a high of 164.99p on 6 April and a low of 143.51p on 22 June.

Whilst this performance meant that the sub-fund was ranked in the fourth quartile over the six-month period, I would reiterate that its objective is to maximise returns over the long-term, which we define as at least five years. With this in mind, it is worth noting that the sub-fund has returned 50.4% since inception on 10 January 2017, ranking it in the Top 10 out of 230 of its peers over that period.

Investment Review

The six months under review were characterised by a severe and sustained sell-off of quality growth assets, driven by fears of inflation, higher interest rates and many of the macro factors that we try to look through when selecting businesses to buy and hold for the long-term.

With the sub-fund entering the period with a healthy cash position of £9.5 million, or 8.9% of its net assets, it was well prepared for these headwinds. As an open-ended investment company, our investors can buy and sell their units daily, which we witnessed as

CFP SDL Free Spirit Fund

net outflows of £6.3 million during the period – not out of kilter with the experience of many other UK equity focused funds such as ours. The cash weighting of 2.7% at the end of the period reflected these flows but also the strategic exit of an overlapping position (held in common with the CFP SDL UK Buffettology Fund) and the addition of one new holding, more on which later.

Over the half-year, the strongest performers were Calnex Solutions (share price up by 31.2%); London Stock Exchange Group (+24.6%); QinetiQ Group (+19.2%); Aveva Group (+14.0%); and Bloomsbury Publishing (+11.0%). There was one other single-digit gainer. The worst performers were XP Power (share price down by 55.1%); Treatt (-47.4%); Dotdigital (-40.1%); Intertek Group (-24.8%); and Michelmersh Brick (-20.1%). There were six other double-digit and eight single-digit fallers.

Most pleasing of all was Calnex Solutions, which was the biggest contributor to performance having only been purchased last December. Despite its relatively small size, Calnex Solutions plays a key role in mobile network testing equipment, supplying large multi-national network operators and OEMs, supported by the rollout of 5G. The share price performance was aided by a significant upgrade to financial year 2023 expectations in March, coupled with very solid 2022 results released in May.

London Stock Exchange Group was next, providing just reward for our patience post the purchase of Refinitiv. The jury had been out on this super-sized acquisition for most of last year but a strong set of results alongside a £750m share buyback programme has helped to restore the faith.

QinetiQ Group is naturally a perceived beneficiary of heightened military tensions across the globe and this, supported by a positive trading update early in the period, is likely the main driver of its share price performance. More recently, the company has announced a major US acquisition in the cyber security and data analytics space. Given management's strategic ambition to double its US business over the next five years, this US acquisition didn't come as much surprise.

Towards the end of the period, industrial software specialist Aveva Group found itself on the receiving end of an approach by Schneider Electric to acquire the remaining 41% of the company it does not already own. This led to an immediate increase in the share price, which had fallen from above £40 a year ago. Share price weakness, enhanced by a weak currency, has made takeovers of UK quoted businesses even more attractive. Whilst a positive to the short-term performance of the Fund, it would represent yet another unwelcome exit of a technology business from the UK stock market.

Of the losers, XP Power was beset by supply chain challenges impacting both sales, due to delays in shipping orders, and gross margin, due to measures to mitigate the disruption such as additional costs for air freight. Investment into working capital, combined with two acquisitions in January and costs associated with an ongoing legal case, led to a rise in net debt, further compounding pressure on the share price.

Treatt found itself having to downgrade current year profit expectations by around a third in August due to a combination of lower sales of higher margin tea products, 20% raw material price inflation and extreme GBP/USD weakness since the start of the year. Though there is never a good time for a profit warning, the timing of this was particularly unfortunate, coming less than two months after a successful Capital Markets Day showing off its new state-of-the-art facility in Bury St Edmunds. On a positive note, the order book remains strong and is said to be up around 25% year-on-year.

DotDigital Group PLC was an early casualty, warning in early March with its interim results that revenue growth was expected to slow after a turbo-charged COVID-19 period. The share price reaction was savage but we kept the faith. The business remains sound and will continue to grow, albeit not as quickly as the analysts may have thought. Furthermore, the balance sheet is rock solid with over £40 million of cash. Our loyalty was repaid with a better-than-expected full year trading update in July. Like Aveva Group, here is another successful technology business that we would not be surprised to see attract takeover interest, especially given the consolidation that has taken place in this market over the last couple of years.

Share sales during the period totalled £2.5 million whilst purchases totalled £3.9 million.

The sales are straightforward to explain, comprising two holdings. For some time, it has been the strategic ambition to reduce the number of overlapping holdings between Free Spirit and its larger sibling, the UK Buffettology Fund. As part of this approach, we took the decision to exit our position in healthcare software business, Craneware, which we had held from the very first days of the sub-fund.

The other sale was of a tiny holding in Trellus Health, an early-stage healthcare business involved in the support of a number of chronic conditions such as IBD and ulcerative colitis. For the avoidance of doubt, this is not a holding we purchased as it would fall outside our strict Business Perspective Investing approach. Instead, we received a small allocation in the company as a dividend in-specie from our long-term holding in EKF Diagnostics, similar to that with Renalytix AI a few years ago.

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The majority of the £3.9 million cash deployed into the market was for a new holding established during the summer. Fevertree Drinks is a company that had been on our watch list for several years and although it passed our quantitative and qualitative assessment, valuation was always the challenge. The opportunity to build a position came following a trading update in July which highlighted ongoing cost pressures, restricted glass availability and labour shortages within the US. We regard all these factors as 'known unknowns'. What has been overlooked, in our opinion, is just how well the brand is doing in the all-important US market, up 9% year-on-year in constant currency terms, despite all these challenges. Fevertree Drinks ticks a lot of boxes for us, not least it is a product asked for by name where the consumer will happily pay a premium price. We know through our holding in Diageo within the UK Buffettology Fund that the trend for premiumisation in the drinks market continues. Founders Charles Rolls and Tim Warrillow, who set up the business in 2004, remain well invested in the business, with Warrillow remaining at the head as CEO; another appealing attribute.

As at 31 August, 10.5% of the portfolio was invested in Mega Caps, being defined as market capitalisations of £20 billion or over; 11.0% in Large Cap (£5 billion to £20 billion); 28.6% Mid Cap (£1 billion to £5 billion); and 47.2% in Small and Micro Cap (less than £1 billion). Cash at the period end was 2.7%.

Outlook

Any comment written here regarding where markets may go from here is in danger of being out of date as soon as the ink dries. The six-month period under review has been one of the most challenging in my career. It has felt, at times, like death by a thousand cuts. If anything, political events in the UK post the period end have sped up (being generous) or exacerbated (being less so) the readjustment now taking place. Markets are finding their level quicker.

If there is one crumb of comfort from this step change, it is that we may be getting to the destination faster. Though the adjustment may for many be painful, it brings closer the day that investors can focus again on what matters. Investing in excellent businesses at prices that make sense; and holding on for the journey. This is how we will continue to run this sub-fund.

Sanford DeLand Asset Management Ltd

03 October 2022

CFP SDL Free Spirit Fund

Total Purchases and Sales during the period were as follows:

Purchases	Cost £'000	Sales	Proceeds £'000
Fevertree Drinks	3,467	Craneware	2,460
Morgan Advanced Materials	257	Trellus Health	12
Treatt	170		
Total purchases during the period	3,894	Total sales during the period	2,472

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Portfolio of Investments

As at 31 August 2022

Holding	Investment	Market Value £'000	Total Value of Sub-fund %
BASIC MATERIALS 2.62% (4.09%)			
Chemicals 2.62% (4.09%)			
462,500	Treant	2,396	2.62
		2,396	2.62
CONSUMER GOODS 7.90% (3.30%)			
Beverages 3.86% (0.00%)			
385,000	Fevertree Drinks*	3,521	3.86
		3,521	3.86
Personal Goods 4.04% (3.30%)			
94,000	Unilever	3,690	4.04
		3,690	4.04
		7,211	7.90
CONSUMER SERVICES 22.18% (19.95%)			
Media 19.46% (17.50%)			
650,000	Auto Trader Group	4,237	4.64
1,400,000	Bloomsbury Publishing	5,880	6.44
172,000	RELX PLC	3,891	4.26
380,000	YouGov*	3,762	4.12
		17,770	19.46
Travel & Leisure & Catering 2.72% (2.45%)			
35,000	Games Workshop Group	2,480	2.72
		2,480	2.72
		20,250	22.18
FINANCIALS 15.16% (14.27%)			
Financial Services 15.16% (14.27%)			
1,015,000	AJ Bell	2,982	3.27
26,000	London Stock Exchange Group	2,106	2.31
425,000	Mortgage Advice Bureau Holding*	3,952	4.33

CFP SDL Free Spirit Fund

Portfolio of Investments

Holding	Investment	Market Value £'000	Total Value of Sub-fund %
1,245,000	Tatton Asset Management*	4,793	5.25
		13,833	15.16
HEALTH CARE 5.41% (5.24%)			
Health Care Equipment & Services 5.41% (5.24%)			
6,375,000	EKF Diagnostics Holdings*	2,595	2.84
750,000	Tristel*	2,325	2.55
127,500	Verici Dx*	24	0.02
		4,944	5.41
INDUSTRIALS 23.81% (23.51%)			
Aerospace & Defence 4.83% (3.45%)			
1,265,000	QinetiQ Group	4,407	4.83
		4,407	4.83
Construction & Materials 2.90% (3.09%)			
2,941,000	Michelmersh Brick*	2,647	2.90
		2,647	2.90
Electronic & Electrical Equipment 4.96% (5.82%)			
1,260,000	Morgan Advanced Materials	3,339	3.66
61,000	XP Power	1,191	1.30
		4,530	4.96
Industrial Engineering 7.44% (7.51%)			
165,000	Diploma	4,145	4.54
67,000	Intertek Group	2,652	2.90
		6,797	7.44
Industrial Support Services 3.68% (3.64%)			
1,825,000	Fintel*	3,358	3.68
		3,358	3.68
		21,739	23.81

CFP SDL Free Spirit Fund

Portfolio of Investments

Holding	Investment	Market Value £'000	Total Value of Sub-fund %
TECHNOLOGY 20.50% (20.74%)			
Software & Computer Services 15.10% (17.23%)			
115,000	AVEVA Group	3,220	3.53
870,000	Bytes Technology Group	3,626	3.97
2,360,000	Dotdigital Group PLC*	2,034	2.23
360,000	Kainos Group	4,899	5.37
		13,779	15.10
Technology Hardware & Equipment 5.40% (3.51%)			
3,200,000	Calnex Solutions*	4,928	5.40
		4,928	5.40
		18,707	20.50
Total Value of Investments		89,080	97.58
Net Other Assets		2,211	2.42
Total Net Assets		91,291	100.00

Figures in brackets represent sector distribution at 28 February 2022

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated

* AIM listed securities

CFP SDL Free Spirit Fund

Statement of Total Return

For the period ended 31 August 2022

	31/08/2022		31/08/2021	
	£'000	£'000	£'000	£'000
Income				
Net capital (losses)/gains		(9,566)		16,470
Revenue	1,164		959	
Expenses	(555)		(576)	
Net revenue before taxation	609		383	
Taxation	–		–	
Net revenue after taxation		609		383
Total return before distributions		(8,957)		16,853
Distributions		(609)		(383)
Change in net assets attributable to shareholders from investment activities		(9,566)		16,470

Statement of Change in Net Assets Attributable to Shareholders

For the period ended 31 August 2022

	31/08/2022		31/08/2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		106,726*		73,548
Amounts received on creation of shares	4,450		42,622	
Amounts paid on cancellation of shares	(10,738)		(2,820)	
		(6,288)		39,802
Change in net assets attributable to shareholders from investment activities		(9,566)		16,470
Retained distribution on accumulation shares		419		341
Closing net assets attributable to shareholders		91,291		130,161

* The net assets for the current period do not equal the closing net assets for the comparative period as they are not consecutive periods.

CFP SDL Free Spirit Fund

Balance Sheet

As at 31 August 2022

	31/08/2022 £'000	28/02/2022 £'000
Assets		
Investment assets	89,080	97,224
Debtors	174	183
Cash and bank balances	2,678	9,679
Total assets	91,932	107,086
Liabilities		
Creditors	(466)	(318)
Distribution payable on income shares	(175)	(42)
Total liabilities	(641)	(360)
Net assets attributable to shareholders	91,291	106,726

Summary of Material Portfolio Changes

For the period ended 31 August 2022

	31/08/2022 £'000	31/08/2021 £'000
Total purchases in period	3,894	36,081
Total sales in period	2,472	4,739

On behalf of ConBrio Fund Partners Limited



Richard Slattery-Vickers

Director (of the ACD)

28 October 2022

CFP SDL Free Spirit Fund

Notes to the Financial Statements

1. Accounting Policies

The interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice "Financial Statements of Authorised Funds", issued by The Investment Association in May 2014, the Financial Conduct Authority's Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

Distribution Tables

Interim Dividend Distribution In Pence Per Share

Group 1 Shares purchased prior to 1 March 2022

Group 2 Shares purchased between 1 March 2022 to 31 August 2022

General Income Shares

	Net Income	Equalisation	Distribution Paid 31/10/2022	Distribution Paid 31/10/2021
Group 1	0.9569	–	0.9569	0.6791
Group 2	0.7291	0.2278	0.9569	0.6791

General Accumulation Shares

	Net Income	Equalisation	Distribution Paid 31/10/2022	Distribution Paid 31/10/2021
Group 1	0.9697	–	0.9697	0.6795
Group 2	0.7763	0.1934	0.9697	0.6795

8th floor
111 Piccadilly,
Manchester, M1 2HY
0161 233 4555
www.conbriofunds.com