

Factsheet - July 2022

Fund Information



Fund Manager:

Keith Ashworth-Lord

Sector:

IA UK All Companies

Launch Date:

28/03/2011

Fund Size: £1.05bn

Number of Holdings: 31

ACD: ConBrio Fund Partners Limited

Platform Availability

Aegon, AJ Bell, Alliance Trust, AllFunds, Ascentric, Aviva, Elevate, CoFunds, Fidelity, Hargreaves Lansdown, James Hay, Nucleus, Novia, Pershing, Quilter, Self Trade, Seven IM, Standard Life, Transact, Zurich.

Ratings



Fund Manager

Keith Ashworth-Lord

Chief Investment Officer & Fund manager, Sanford DeLand.



The Fund Manager has over 35 years' equity market experience and is a seasoned practitioner of 'Business Perspective Investing' as championed by Benjamin Graham and Warren Buffett. Keith founded Sanford DeLand in 2010. He holds a BSc in Astrophysics and a MSc in Management Studies and is a Chartered Fellow of the Chartered Institute for Securities & Investment.

Investment Analysts

Eric Burns, Chief Analyst

Eric has over 25 years' experience of UK equity markets. He joined Sanford DeLand in 2020 to lead the stock research process for the UK Buffettology and Free Spirit funds. He is a Chartered Fellow of the CISI and was voted Analyst of the Year at the 2015 UK SmallCap Awards.

Chloe Smith, Investment Analyst

Chloe joined in October 2021 as an Investment Analyst, with experience in UK and European equity research, as well as in sustainable and responsible investment. She graduated with a Law degree and a MSc in International Financial Analysis from Newcastle University.

David Beggs, Investment Analyst

David joined Sanford DeLand in October 2020 as an Investment Analyst. He has a First Class Degree in Economics from Newcastle University and is a Level III candidate in the CFA program.

Share Class Information

Share class	Min.	Initial Charge	Investment	Ongoing Charge *	Payment	ISA Eligible	ISIN	CITI Code	Bloomberg	MEXID
General	£500	0.00%	0.95%	1.13%	30th Apr	Yes	GB00BKJ9C676	K6LW	PRESINI:LN	BDAADV
General	£500	0.00%	0.95%	1.13%	30th Apr	Yes	GB00BF0LDZ31	O5M6	CSUKBIA:LN	CFSCM

Fund Objective and Strategy

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

Pricing Spread: Bid-Bid Data Frequency: Daily Currency: Pounds



A—CFP—SDL UK Buffettology General Inc TR in GB [211.46%]

B—IA UK All Companies TR in GB [87.46%]

28/03/2011—30/06/2022 Data from FE fundinfo 2022

Cumulative Performance (%)

	1 Mth	3 Mths	1 Yr	3 Yrs	5 Yrs	Since Launch
Fund	-6.40	-12.14	-23.17	-6.44	24.48	211.46
Sector	-7.28	-8.26	-8.49	3.94	10.89	87.46
Rank	101/ 256	214/ 256	235/ 253	216/ 241	22/ 232	4/194
Quartile	2	4	4	4	1	1

Discrete Performance (%)

	2022 YTD	2021	2020	2019	2018	2017
Fund	-24.79	8.76	3.85	25.25	0.37	25.60
Sector	-12.76	17.25	-6.01	22.24	-11.19	13.99
Rank	226/ 255	235/ 247	32/ 244	74/ 240	3/234	15/ 229
Quartile	4	4	1	2	1	1

Discrete Year to Quarter End Performance (%)

	Q2 2021	Q2 2020	Q2 2019	Q2 2018	Q2 2017
	Q2 2022	Q2 2021	Q2 2020	Q2 2019	Q2 2018
Fund	-23.17	24.78	-2.40	7.30	24.39

Source of performance data: FE fundinfo as at 30/06/2022

Past performance is not a guide to future performance.

Investment in the Fund carries the risk of potential loss of capital.

Holdings within other share classes of the Fund previously active were converted to the 'General Income Class' reflected within the document as of 01/07/2019.

*The Ongoing Charge Figure has been calculated as of 31/08/2021.

Top Ten Holdings (%)

Games Workshop Group	6.51%
Focusrite	5.99%
Liontrust Asset Mgmt.	4.19%
Rollins	4.16%
Berkshire Hathaway 'A'	4.11%
Dechra Pharmaceuticals	4.01%
London Stock Exchange	3.91%
Relx	3.77%
Croda International	3.76%
Diageo	3.69%

Sector Allocation (%)

Support Services	14.09%
Financial Services	13.52%
Software & Computer Services	13.04%
Technology Hardware & Equipment	8.76%
Leisure Goods	7.94%
Pharmaceuticals & Biotechnology	7.48%
Industrial Engineering	6.76%
Chemicals	6.11%
Food & Beverages	6.05%
Construction & Materials	4.88%
Media	3.77%
Travel & Leisure	3.45%
Cash	4.15%

Contact Information

Authorised Corporate Director

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Fund Commentary

June was another dismal month for equity markets and both the Fund's Income (I) class and Accumulation (J) share classes fell by 6.4%; the former from 314.12p to 294.02p and the latter from 126.89p to 118.77p. This performance was marginally worse than the 6.2% fall for the UK stock market but better than the 7.3% decline registered by the IA UK All Companies sector. That we slightly outperformed the benchmark is of little consolation given the erosion of value that has once again taken place in our portfolio of quality businesses. We do not fall into the trap of calling an investment cheap because its share price has plummeted but at no point in the history of the Fund can I recall as many portfolio companies trading at so much below our estimation of their intrinsic value. That is not to call a bottom but it sure is a useful anchor line as we enter the second half.

Only six holdings ended the month in positive territory, albeit not a single one had any news flow, with the other 25 falling in share price. The biggest gainer was Craneware (+34.3%), which we can only put down to read-across from the recommended cash offer for another highly profitable healthcare technology business - EMIS Group - at a sizeable 49% premium to its share price. Followers will be aware that we are on the receiving end of a recommended takeover ourselves for one of our holdings - Homeserve - which succumbed in May to an offer at a 71% premium to its share price immediately before announcement. It's interesting to note others see the same valuation disparities we do.

The biggest losers during the month were Jet2 (-21.4%); Darktrace (-17.4%); and RM (-17.3%). Again, no news. In fact, only three holdings provided trading updates or results during the month. After confirming that takeover talks had ceased last month, the focus was back on operating performance at RWS Holdings (-16.6%), which reported interims. RWS is one of only two holdings that have disappointed operationally this year. At a capital markets day in March it was flagged that FY22 results were expected to be at the lower end of expectations, primarily due to the impact of the upcoming introduction of the European Unitary Patent on the IP Services division. The interim results were in-line with revised expectations and revealed 3% organic constant currency sales growth across the three divisions that make up 85% of Group sales (Language Services, Regulated Industries and Language & Content Technologies), offset by the known weakness in IP Services (-8%). Action is already being taken to reduce the cost base in IP Services and there were positives elsewhere with the pre-tax margin increasing from 15.5% to 17.0%, interim dividend increased by 13% and free cash flow conversion of 91%. With net cash of £38m on the balance sheet, RWS is exceptionally well positioned to continue acting as a consolidator in a highly fragmented market.

Games Workshop (-9.9%) announced that core revenue for the year to 29 May was expected to be not less than £385m (up 9% year-on-year), royalties receivable of £28m (+75%) and profit before tax of not less than £155m (+3%). Demand clearly remains strong with sales in H1 (£191.5m) and H2 (£193.5m) both exceeding the lockdown high of H1 FY21 (£186.8m). The more muted profit growth was due to increased freight and raw material costs during the period. After deciding initially to wait and see if these cost pressures in the supply chain were transitory, it put through average price increases of 5% across 3,000+ products in March. The full impact of these price increases will be reflected in the current financial year to May 2023.

Liontrust Asset Management (-15.5%) announced final results which showed substantial growth in average AUM (+43%), revenue (+41%), dividends per share (+53%) and free cash flow (+122%). The reaction of Liontrust's share price - which will be seen by the teenage scribblers in the City as *high beta* - is symptomatic of current market sentiment. As a result, the shares trade on a trailing free cash flow yield of 15% and a trailing dividend yield of 8%. Talk about "value".

To end on a positive. Covid robbed us and many other investors of the opportunity to see our businesses in person and give the tyres a proper kicking. You can learn far more by seeing operations in the flesh, and speaking to those at the coal face, than you can through a 24 inch screen. Our tour of Britain continued in June with a visit to Focusrite in High Wycombe, which reaffirmed our conviction in the company and its very capable management team. Supply chain disruption has been managed adeptly, while price increases to offset cost inflation have had no impact on volumes thus far with product registrations running at 30-45% higher than pre-Covid levels. Sensible bolt-on acquisitions are sought that can benefit from being part of a larger group, particularly with its established routes to market. Reassuringly, there is no appetite for the sort of "transformational" acquisition that we dislike, and that so often fails to deliver, other than for the vendor and their advisors. The team will be back on the road again this month.

Sources: Sanford DeLand Asset Management and FE fundinfo 30/06/22.

Past performance is not a guide to future performance. Any views expressed are the Fund Manager's and as such are subject to change, without notice, at any time.

Important Information

This document provides information about the CFP SDL UK Buffettology Fund (the Fund). ConBrio Fund Partners Limited (CFP) is the Authorised Corporate Director (ACD) of the Fund and Sanford DeLand Asset Management Limited (SDL) is the appointed Investment Adviser. Both CFP and SDL are authorised and regulated by the Financial Conduct Authority.

This document does not constitute or form part of and should not be construed as, an initiation to buy or sell units in the Fund and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever.

The value of shares and the income generated from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally subscribed. Equity investments should always be considered as long term.

Investors should not purchase shares in the Fund except on the basis of information contained in the Fund's Prospectus. We recommend that investors who are not professional investors should contact their professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from www.conbriofunds.com or direct from ConBrio Fund Partners Limited.

All data as at 30/06/2022 unless otherwise stated.

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