

| Fund Strategy |

The Fund Manager's investment methodology is based upon the principle of Business Perspective Investing. We also run a concentrated portfolio of investments and try to keep portfolio turnover down. Companies selected for investment consideration must exhibit several important criteria:

- Comprehensible business model;
- Transparent financial statements;
- Enduring franchise with pricing power;
- Consistent operational performance with relatively predictable earnings;
- High returns on capital employed;
- Strong free cash flow;
- Strong balance sheet;
- Management focused on delivering shareholder value; and
- No undue reliance on acquisition-led growth.

| Fund Objectives |

To achieve an annual compounding rate of return over the long term which is superior to the performance of the UK stock market. The trade mark 'Buffettology' is the subject of an exclusive ten-year Licence covering the UK and Ireland. The Licensors are Mary Buffett and David Clark.



Performance Record



| Key Facts |

Fund Size: £19.2m
Launch Date: 28 March 2011
Sector: IA UK All Companies

| Top 10 Holdings |

	%
Bioventix	7.19
Cash	6.86
Scapa Group	5.93
Mattoli Woods	5.71
Trifast	5.36
NCC	5.34
Dart Group	5.01
Provident Financial Group	4.50
Air Partner	3.74
Domino's Pizza	3.46
TOTAL	53.1

| Asset Allocation |

	%
Financials	19.2
Travel & Leisure	12.2
Pharmaceuticals & Biotechnology	11.8
Chemicals	11.3
Support Services	11.1
Cash/Other	10.0
Industrial Engineering	9.0
Software & Computer Services	5.3
Food & Beverages	3.6
Retailers	3.3
Leisure Goods	3.2

Discrete Annual Performance (%)

Share Type	2015(YTD)	2014	2013	2012	2011
Income	13.9	1.5	36.0	34.2	-

Discrete Annual Performance to Quarter End 30 September 2015 (%)

Share Type	30/09/2014	30/09/2013	30/09/2012	30/09/2011	30/09/2010
Income	18.2	1.4	38.7	26.8	-

Cumulative Performance to 30 September 2015 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Income	2.4	9.5	18.2	66.3	-
Official Sector	-5.5	-5.0	1.9	32.4	47.5

Performance quoted on a total return, bid to bid, UK sterling basis. Past performance is not a guide to the future. The price of units and shares and the income from them may go down as well as up and you may get back less than you invested.

Source: Financial Express. 28/10/2015

ConBrio Sanford DeLand UK Buffettology

ConBrio OEIC

Fund developments and comments

Keith Ashworth-Lord, Investment Director & Fund Manager, Sanford DeLand



One of our long standing holdings is James Halstead. This year, the business turned 100 years old and it celebrated in style by posting record turnover, earnings after tax and dividends. What is it about a manufacturer of (largely vinyl) floorcoverings that makes it so reliable? I call it the Crombie overcoat of investing – never the height of fashion but it won't let you down in a storm. Let's look at the anatomy of another classic Buffettology company.

First of all, the business has built a global footprint on the back of innovative research. A good example would be the development of Polysafe flooring, which incorporates carborundum into its surface. This makes it ideal for applications where it is likely to get wet. It has become the market standard for non-slip applications. Having sold technically advanced products like this into the market for donkeys' years erects a barrier to entry. But also standing in the way of would-be competitors is the enormity of the group's manufacturing facilities, as one visit to the factory in Radcliffe confirms. Cost control is paramount, not least because energy costs are so large an input factor. Likewise distribution logistics; getting the product to the end destination on time. It is also worth pointing out that about 80% of demand comes from refurbishment and maintenance rather than prestigious new build projects with schools, hospitals and airports among the major customers.

This strong market position is reflected in the performance metrics on my spreadsheets going back to 1995. In the intervening 20 years, Halstead has grown sales organically from £72.7m to £227.3m and earnings from £6.9m to £33.9m. This has been helped by operating margins that have doubled as a result of scale economies and tight overhead control. Dividend growth is unbroken over 40 years. In the last twenty, the pay-out has been raised from 1.06p to 11.0p and there have been a further five specials since 2005 with another one likely soon.

Halstead is a reliable generator of free cash with the conversion ratio from earnings being 81% over the last five years and 84% over the last ten. The return on equity is consistently above 30%. Not surprisingly with a shape like this, the balance sheet is built like Fort Knox. At the last year-end, there was net cash of £47.2m. Goodwill accounts for only 3% of net assets whilst retained earnings comprise 86% of shareholders' funds. The current ratio is a very healthy 2.65x. Just about the only negative is a pension fund deficit of £18.5m or about 2% of market capitalisation. Floor coverings might not sound racy but with a predictable business model like this, I want to be spared excitement.

In September, we had news of an £11 per share cash takeover for Latchways. This, and a handful of excellent trading updates or results from other investee companies, helped the Fund to post a 1.8% increase in its share price from 180.25p to 183.41p despite profit warnings from Rotork and A.G. Barr. This was set against a fall in the UK stock market of 2.9% over the month. It means that in the difficult third quarter, the Fund has risen by 2.2% compared to the 6.6% fall in the market.

During the month, we had 12 risers and 17 fallers. The major gainers were Latchways +50.7%, NCC +19.7% and Bioventix +17.9% whilst the major losers were Rotork -19.3% and Liontrust -18.3%. The holdings in Rotork, Dart Group and James Halstead were added to. At the month-end, FE Trustnet rated UK Buffettology 9th out of 271 funds in our peer group, the IA UK All Companies sector, based on performance over one year and 11th out of 265 over three years. For the second year running, the Fund was included in the Investors Chronicle Top 100 Funds selection.

Fund Information

Initial Charge	General & Institutional 0%
Investment Adviser Fee	General 1.5%pa & Institutional 1%
Annual Management Charge	Combined ACD & Admin fee 0.2%pa (min £45,000pa)
Accounting Dates	28 February, 31 August
Payment Dates	27 May, 27 November
Valuation Point	12 noon, daily
Sedol Code	General Inc: B3QQFJ6 Institutional Inc: BKJ9C67
Share Class	General Income & Institutional Income Shares
Published Price	www.theconbriofunds.co.uk
Min. Investment	General £500, £50pm & Institutional £250,000
ISA eligible	Yes, stocks & shares

Investment Team

I Sanford DeLand Asset Management Ltd I

Sanford DeLand is an Appointed Representative of Castlefield Investment Partners LLP. Castlefield Investment Partners LLP is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange. The trademark 'Buffettology' is a European registered trade mark, E8288251. Buffettology fund is a UK registered trade mark, 2558325 and Sanford DeLand is a UK registered trade mark 2557756. Please note that Premier Asset Management Ltd and its subsidiaries are not associated or affiliated with Sanford DeLand Asset Management Ltd in any capacity.



Sanford DeLand
ASSET MANAGEMENT
Business Perspective Investors

Issued by Premier Asset Management. Premier Asset Management is the marketing group for Premier Fund Managers Ltd and Premier Portfolio Managers Ltd, who are authorised and regulated by the Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. Please remember that performance is not a guide to future returns and the price of shares and the income from them may go down as well as up and you could get back less than you invested. Exchange rates will also cause the value of underlying investments to fall as well as rise. Tax concessions are not guaranteed and may be changed at any time, their value will depend on your individual circumstances. Reference to any particular stock does not constitute a recommendation to buy or sell the stock. A free, English language copy of the Fund's full prospectus, the Key Investor Information Document and Supplementary Information Document, which include all the important information you need to consider before making an investment decision, are available on the website or copies can be requested by using the contact details on this factsheet. The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market unit price of the fund, as at the date shown. Persons who do not have professional experience in matters relating to investments should speak with a financial adviser before making an investment decision. For your protection, calls may be monitored and recorded for training and quality assurance purposes.