

CFP SDL UK Buffettology Fund

Factsheet - November 2019

Fund Information



Fund Manager:
Keith Ashworth-Lord

Number of Holdings:
35

Launch Date:
28th March 2011

Sector:	Fund Size:
IA UK All Companies	£1.19 bn

ACD:
Castlefield Fund Partners Limited

Platform Availability:
Aegon, AJ Bell, Alliance Trust, AllFunds, Ascetric, Aviva, Elevate, CoFunds, Fidelity, FNZ, Hargreaves Lansdown, James Hay, Nucleus, Novia, Pershing, Old Mutual, Self Trade, Seven IM, Standard Life, Transact, Zurich

Awards:






WINNER OF THE 2017 THOMSON REUTERS LIPPER FUND AWARDS UNITED KINGDOM

ADVISER INVESTMENT 100 CLUB Awards 2018 Winner UK Equity Fund of the Year

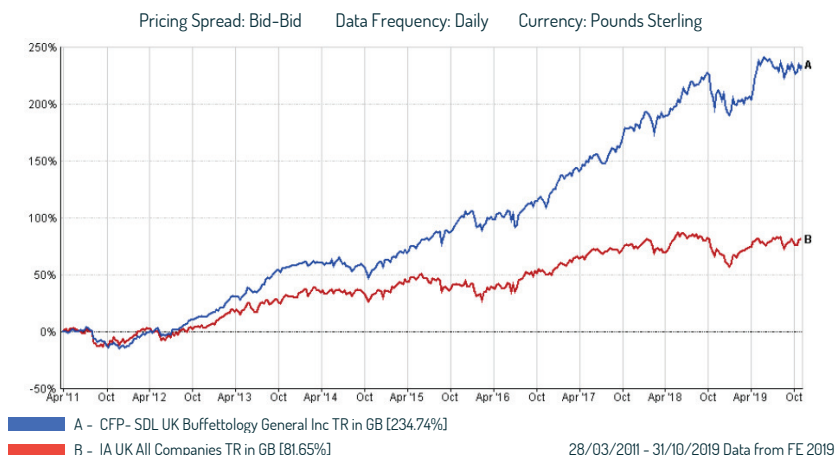
Rating:





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 5-10 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 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.



Cumulative Performance (%)

	1 Mth	3 Mths	1 Yr	3 Yrs	5 Yrs	Since Launch
UK Buffettology	-0.55	0.16	11.03	57.03	117.13	234.74
Sector	-0.28	-0.94	6.85	19.06	37.22	81.65
Rank	138/260	76/259	47/257	2/244	2/230	1/211
Quartile	3	2	1	1	1	1

Discrete Performance (%)

	2019 YTD	2018	2017	2016	2015	2014
UK Buffettology	14.36	0.37	25.60	11.85	27.86	1.78
Sector	13.88	-11.19	13.99	10.82	4.86	0.64
Rank	119/258	3/255	15/248	117/242	1/233	86/230
Quartile	2	1	1	2	1	2

Discrete Year to Quarter End Performance (%)

	Q3 2018	Q3 2017	Q3 2016	Q3 2015	Q3 2014
	Q3 2019	Q3 2018	Q3 2017	Q3 2016	Q3 2015
UK Buffettology	3.61	20.15	25.89	15.71	18.80

Share Class Information

Share Class	Min. Investment	Initial Charge	Investment Adviser Fee	Ongoing Charge	Payment Dates	ISA Eligible	ISIN	CITI CODE	BLOOMBERG	MEXID
General	£500	0%	1.0%	1.19%	30th Apr & 31st Oct	Yes	GB00BKJ9C676	K6LW	PRESINI:LN	BDAADV
General Accumulation	£500	0%	1.0%	1.19%	30th Apr & 31st Oct	Yes	GB00BFOLDZ31	05M6	CSUKBIA:LN	CFSMC

Holdings within other share classes of the Fund previously active were converted to the 'General Income Class' reflected within the document as of 1st July 2019. Source: Financial Express as at 31/10/2019.

Past Performance is not a guide to future performance.

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

Fund Commentary

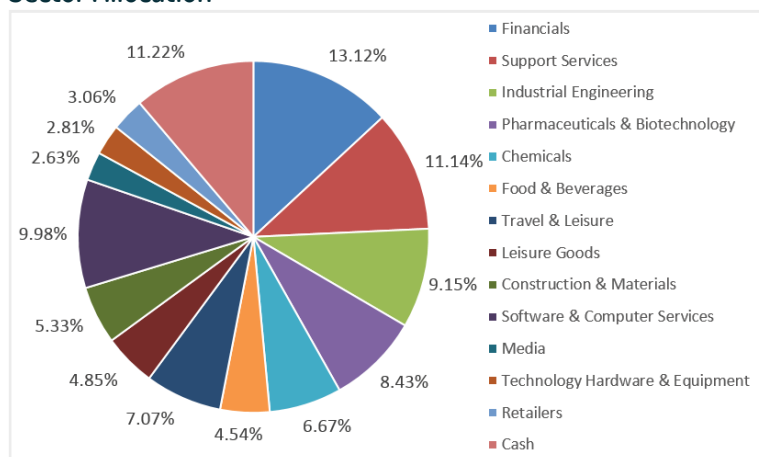
In October, the Income (I) Class fell by 0.5% from 322.07p to 320.30p. This was a little bit better than the performance of the UK stock market, which fell by 1.7%. There were 17 risers, two of which posted double-digit gains. Dart was the outstanding performer, up by 38.2%, following a trading statement on 11th October citing strengthening late season booking trends, and an expected beat of market expectations. This has doubtless been helped by Thomas Cook going under, and something we had anticipated when increasing our exposure to Dart in the weeks following TC's demise. The other large gainer was Rollins Inc, our US pest control business, up by 14.0% post the Q3 results. Rollins shows the folly of quarterly reporting. The Q2 results were poorly received and all 22 children on the pitch kicked the ball in the same direction and hared after it. After Q3 - which probably benefited from short-term timing differences - the ball went the other way and the kids had to do a volte face. Of the 18 fallers, three were double-digit, namely Trifast (-17.6%) on a mild automotive-related profit warning, Hargreaves Lansdown (-15.4%) with more negative publicity following the Woodford Funds gating and Bioventix (-10.1%) on profit taking following satisfactory final results.

Despite a very large single outflow following a portfolio rebalancing exercise, there were still net inflows totalling £3.0m. Investing £25.1m meant that net cash fell markedly during the month from 13.3% of NAV to 11.2%.

I have finally been able to complete the purchase of RM, a position that has been built up since late July. RM (market cap currently £242m) describes itself as a leading supplier of technology and resources to the education sector, operating through three divisions: (a) educational resources to "bring the curriculum to life" for teachers and students; (b) the supply of ICT software, technology and services to enhance the impact of technology on teaching and learning; and (c) the provision of digital assessment services, enabling e-marking, e-testing and the management and analysis of educational data. The rationale for the purchase is somewhat similar to that of PayPoint. This is a company that I have known and followed, on-and-off, since the late 1990s. It was a major player in the 'Building Schools for the Future' programme. When curtailed by George Osborne, this brought its own problems to a business already challenged by changes in its core market. It has subsequently reconfigured its offering and appears to be having a degree of success in this regard. In the context of modest organic top-line growth, operating margins have improved steadily from 2.5% at the 2011 nadir to 12.4% in 2018. Over the last five years, compound growth in EPS has been 16.5% p.a. and DPS 18.2% p.a. Terms of trade have improved with net working capital to sales down from 13.0% to 8.5%. ROAE has consistently exceeded 30% and cash conversion runs at around 70% (admittedly slightly beneath our ideal 80% target). Gearing is circa 10% enabling modest acquisitions to be made now and then - most recently that of SoNet in Australia. Enticingly, valuation work suggests we have been able to buy in at a 20% discount to estimated intrinsic value - a decent margin of safety. Final results are due in early February.

Source: Sanford DeLand 6th November 2019

Sector Allocation



Top Ten Holdings

1.	Games Workshop	4.85%
2.	AB Dynamics	4.71%
3.	Dart Group	4.06%
4.	Liontrust Asset Management	3.40%
5.	RWS Holdings	3.26%
6.	London Stock Exchange	3.20%
7.	Next	3.06%
8.	Bioventix	2.88%
9.	Experian	2.86%
10.	Focusrite	2.81%

Fund Manager

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

The fund manager has over 30 years of equity market experience and is a seasoned practitioner of 'Business Perspective Investing' as championed by Ben Graham and Warren Buffett. Prior to founding Sanford DeLand Asset Management, Keith worked with a variety of stockbroking, fund management and private investor clients. Keith is a graduate of Natural Sciences with a Masters in Management Studies and is a Chartered Fellow of the Chartered Institute of Securities & Investment. In 2017, Keith was conferred with Alpha Manager status by FE Trustnet.

Contact Information

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Important Information

This document provides information about the CFP SDL UK Buffettology Fund (the Fund). Castlefield Fund Partners Limited (CFP) is the Authorised Corporate Director (ACD) of the Fund and Castlefield Investment Partners LLP (CIP) is the appointed Investment Adviser. Both CFP and CIP are authorised and regulated by the Financial Conduct Authority. Keith Ashworth-Lord, a director of Sanford DeLand Asset Management Limited (SDL), is an Approved Person of CIP for the purposes of acting as the lead day-to-day manager of the Fund. SDL is an Appointed Representative of CIP. This document does not constitute or form part of and should not be construed as, an initiation to buy or sell shares 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.castlefield.com or direct from Castlefield.

