




## Fact sheet - January 2023

### Fund Information

	<b>Fund Manager:</b>
	Keith Ashworth-Lord
	<b>Sector:</b>
	IA UK All Companies
	<b>Launch Date:</b>
	28/03/2011
<b>Fund Size:</b>	£853.3m
<b>Number of Holdings:</b>	27
<b>ACD:</b>	ConBrio Fund Partners Limited
<b>Platform Availability</b>	
Aberdeen, Advance by Embark, Aegon, AJ Bell, Aviva, EQi, Fidelity, Hargreaves Lansdown, Interactive Investor, James Hay, M&G Wealth, Novia, Nucleus, Pershing, Quilter, Transact and 7IM.	
<b>Ratings</b>	
 	

### Fund Manager

**Keith Ashworth-Lord**  
Chief Investment Officer & Fund Manager



Keith 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.

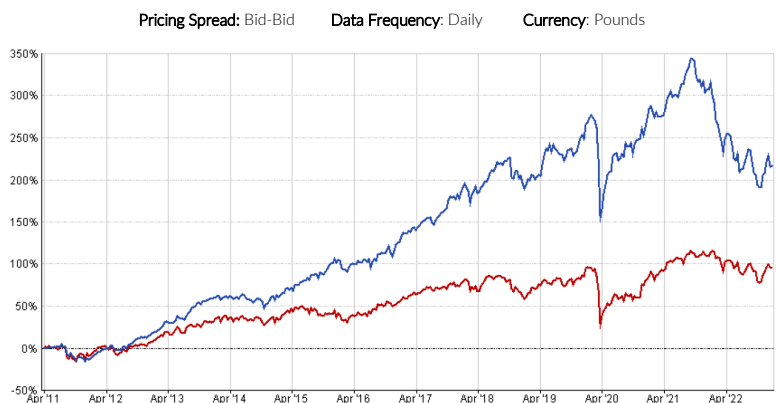
**David Beggs** **Investment Analyst**  
David joined Sanford DeLand in October 2020 as an Investment Analyst. He has a First Class Degree in Economics from Newcastle University and is a CFA Charterholder.

### Share Class Information

Share class	Min. Investment	Min. Saver*	Initial Charge	Investment Adviser Fee	Ongoing Charge **	Payment Dates	ISA Eligible	ISIN	CITI Code	Bloomberg	MEXID
General Income	£500	£50	0.00%	0.95%	1.15%	30 <sup>th</sup> Apr 31 <sup>st</sup> Oct	Yes	GB00BKJ9C676	K6LW	PRESINI:LN	BDAADV
General Accumulation	£500	£50	0.00%	0.95%	1.15%	30 <sup>th</sup> Apr 31 <sup>st</sup> Oct	Yes	GB00BFOLDZ31	O5M6	CSUKBIA:LN	CFSMC

### 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.



A—CFP—SDL UK Buffettology General Inc TR in GB [217.27%]

B—IA UK All Companies TR in GB [95.41%]

28/03/2011-30/12/2022 Data from FE fundinfo 2023

### Cumulative Performance (%)

	1 Mth	3 Mths	1 Yr	3 Yrs	5 Yrs	Since Launch
Fund	-1.74	8.71	-23.38	-13.46	8.79	217.27
Sector	-1.16	9.71	-9.06	0.22	8.80	95.41
Rank	203/257	181/256	226/254	219/244	131/234	4/193
Quartile	4	3	4	4	3	1

### Discrete Performance (%)

	2022 YTD	2021	2020	2019	2018	2017
Fund	-23.38	8.76	3.85	25.25	0.37	25.60
Sector	-9.06	17.25	-6.01	22.24	-11.19	13.99
Rank	226/ 254	235/ 247	32/ 244	74/ 240	3/ 234	15/ 229
Quartile	4	4	1	2	1	1

### Discrete Year to Quarter End Performance (%)

	Q4 2021	Q4 2020	Q4 2019	Q4 2018	Q4 2017
	Q4 2022	Q4 2021	Q4 2020	Q4 2019	Q4 2018
Fund	-23.38	8.76	3.85	25.25	0.37

Source of performance data: FE fundinfo as at 30/12/2022.

Past performance is not a guide to future performance.

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

\* £50 Regular saver minimum applies once the £500 minimum investment is met.

\*\* The Ongoing Charge Figure has been calculated as of 31/08/2022.

## Top 10 Holdings (%)

Games Workshop Group	9.05%
Liontrust Asset Mgmt.	5.54%
Focusrite	5.33%
Berkshire Hathaway 'A'	5.25%
Rollins	4.93%
Bioventix	4.92%
Croda International	4.43%
Relx	4.38%
Experian	4.26%
Diageo	4.26%

## Sector Allocation (%)

Financial Services	16.48%
Support Services	13.14%
Software & Computer Services	12.29%
Leisure Goods	10.85%
Pharmaceuticals & Biotechnology	8.36%
Technology Hardware & Equipment	7.95%
Food & Beverages	6.93%
Chemicals	5.34%
Media	4.38%
Industrial Engineering	4.22%
Construction & Materials	4.20%
Travel & Leisure	3.91%
Cash	1.95%

## Important Information

This document, which is approved and issued by Sanford DeLand Asset Management Limited (SDL), 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. SDL is the appointed Investment Adviser to the Fund. CFP and SDL are authorised and regulated by the Financial Conduct Authority (FCA).

This document does not constitute or form part of, and should not be construed as, an invitation or offer 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 a professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from [www.conbriofunds.com](http://www.conbriofunds.com) or direct from ConBrio Fund Partners Limited.

All data as at 30/12/2022 unless otherwise stated.

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## Fund Commentary

There will be few in the investment world who will mourn the passing of 2022. It was by some way the most difficult backdrop since the inception of the Fund in 2011 and indeed one of the toughest in my 40-year investment career. Without going over old ground, it is the de-rating of the great companies we own that has caused the damage this year rather than anything wrong with the businesses themselves. All but a handful have navigated the well-known macro challenges admirably and go into 2023 in fine fettle to weather, and indeed prosper, from whatever is thrown at them. We are firm believers in Economic Darwinism, the principle that in challenging times, the strong get stronger. The rotation into so-called value and cyclical, such as Energy and Utilities, will run its course, as it always does. In the meantime, I can assure our investors that we will remain true to our investment philosophy of buying quality growth businesses at fair prices, however unfashionable that might seem at the moment.

December saw a resumption of the trend that existed throughout much of 2022, following the brighter months of October and November. The Fund's Income and Accumulation classes fell by 1.7%, the former from 303.26p to 297.98p and the latter from 123.12p to 120.98p. This was slightly worse than the 1.6% fall in the UK stock market and a 1.2% decrease in the IA UK All Companies sector, the Fund's benchmark.

The month was typically quiet with only a handful of updates from portfolio constituents. During the month there were eight gainers, of which three were double-digit. The standout was Games Workshop (+15.9%), which announced an agreement in principle with Amazon to develop its Warhammer IP into film and television productions as well as granting Amazon the associated merchandising rights. It should be noted that contracts have not yet been entered into and commercial terms have still to be disclosed. However, assuming the agreement doesn't fall at the final hurdle, it is a hugely significant development for the business. Henry Cavill is set to star and be an executive producer, an ideal figurehead given his well-publicised love of Warhammer and mainstream star power. In Amazon, Games has a partner with the financial resources to do the IP justice and the ability to reach over 200 million Prime members globally. In addition to the potential income from Amazon, there is a real long-term opportunity to reach new customers and grow the hobby. However, one should caution it will likely be years rather than months before we see Warhammer hit the screens.

Focusrite (+0.6%) announced results for the year ended 31st August. The headline figures saw sales advance by 6% but diluted earnings per share fell by 10% as margins returned to more normalised levels following an exceptional FY21. These results should be considered in the context of the past three years, which saw Covid lockdowns boost demand but also brought significant supply chain and cost inflation challenges that management has navigated adeptly. Looking over a 3-year period in order to strip out the Covid impact, the CAGR's for sales, operating profit and diluted earnings per share are +29%, +32%, and +29% respectively – excellent stats by any measure. Subsequently, Focusrite also announced its first audio software acquisition, buying Sonnox Limited for £7m (net of cash acquired), in-keeping with its successful playbook of making small bolt-on acquisitions of businesses that can significantly benefit from being part of a larger group at modest multiples (8x pre-tax profit in this case). Sonnox is a leading designer of audio processing software plug-ins for professional audio engineers. Reassuringly, founder Rob Densham, and his entire team of 16 employees will stay with the business post acquisition.

Full-year results from RWS Holdings (+12.2%) were in line with previously-lowered expectations but, perhaps more encouragingly for 2023, the business looks to be on a more even keel after a period of upheaval that has included integrating the SDL acquisition, changes in the executive team and a takeover approach from private equity.

There were 20 fallers, of which four were double-digit. These included Darktrace (-25.6%) and Craneware (-12.7%) on no newsflow and Victrex (-10.8%) following another uninspiring set of results. London Stock Exchange Group (-12.0%) also fell despite announcing a potentially very significant strategic partnership with Microsoft to architect LSEG's data infrastructure using the Microsoft Cloud, and to jointly develop new products and services for data and analytics. Microsoft will take a 4% stake in LSEG and appoint a non-executive director to the board, signalling its commitment to the relationship.

In times like these, just as when that black swan called Covid hit us in March 2020, we redouble our efforts to wargame how robust our companies are faced with a fundamental change in the macro environment. Fundamental change – which we define as something that has deteriorated and isn't likely to get better anytime soon – is one of our key Sell disciplines and something we stick to steadfastly. It was this that led to the sale of both Rotork and RM earlier this year and our exit from Trifast, concluded just before Christmas. Trifast has literally been in the portfolio from Day 1. It was a business that successfully combined modest organic growth with decent-sized acquisitions where 2+2 equalled more than 4. Latterly, the acquisitions have dried up, profits have fallen, returns on equity are single-digit and cash conversion has gone awry. Debt has escalated and stock levels are at historic highs. Not the place to be entering a recession.

Sources: Sanford DeLand Asset Management and FE fundinfo 30/12/2022.

**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.**

## Contact Information

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