Sanford DeLand

ASSET MANAGEMENT

Business Perspective Investors

CFP SDL UK Buffettology Fund
CFP SDL Free Spirit Fund

Annual Report & Accounts

Sub-funds of Castlefield Funds OEIC

For the Year Ended 28 February 2019
A UK Authorised Investment Company with Variable Capital

CASTLEFIELD

THE THOUGHTFUL INVESTOR

Contents

Management & Administration

Registered office and directors

The Authorised Corporate Director ("ACD") and registered office of the Castlefield Funds ("the Company"):

Castlefield Fund Partners Limited:

111 Piccadilly,
Manchester, M1 2HY

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

Directors of the ACD:

John Eckersley (Managing Director)
Summayya Mosam (Head of Service Delivery)
Susan Cohen (Head of Finance)

Investment Adviser:

Castlefield Investment Partners LLP

111 Piccadilly,
Manchester, M1 2HY

Depositary:

Société Générale S.A. (London Branch),

SG House, 41 Tower Hill,
London, EC3N 4SG

Auditor:

Beever and Struthers

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

Administrator:

Société Générale Securities Services,

SG House, 41 Tower Hill,
London, EC3N 4SG

Registrar:

Maitland Institutional Services Limited

Hamilton Centre, Rodney Way,
Chelmsford, Essex, CM1 3BY

Company information

Castlefield 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 IC000234 and authorised by the Financial Conduct Authority with effect from 14 May 2003. Shareholders are not liable for the debts of the Company. At the period end the Company contained seven sub-funds.

The report and accounts contained within the below statements refer specifically to the CFP SDL UK Buffettology and CFP SDL Free Spirit sub-funds of the Company.

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.

Important notes

As of 1 September 2018 the ACD lowered the minimum fee and introduced a tiered fee structure based upon AUM levied per sub-fund for its services to the sub-funds.

Report of the ACD to the shareholders of the company

The ACD, as sole director, presents its report and the audited Financial Statements of the Company for the year from 1 March 2018 to 28 February 2019.

The Investment Objectives and Policies of each sub-fund 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 (see left).

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%.

Management & Administration

Remuneration disclosure

The provisions of the Undertakings in Collective Investment Schemes Directive ("UCITS V") took effect on 18 March 2016. The legislation made requirement for the Authorised Corporate Director ("ACD") to establish and maintain remuneration policies for its staff, the purpose of which is consistent with and to promote sound and effective risk management.

The ACD is part of a larger group of companies and subject to the formal Remuneration Policy of that Company. Any and all remuneration policies are subjected to annual review.

The Company avoids basing rewards on excessive variable remuneration but pays what is believed to be fair fixed remuneration. As an employee owned company, equity ownership amongst all colleagues is encouraged which creates a bias for reward based upon long term shareholder value creation.

The total remuneration of those individuals who are fully or partly involved in the activities of the UCITS scheme for the financial year ending 31 August 2018 is stated below and includes all members of staff that are considered to be senior management or others whose actions may have a material impact on the risk profile of the Fund.

Within the Group, all staff are employed by the parent company with none employed directly by the UCITS scheme. The costs included within the below, part of which is attributable to Directors of the management company, is allocated between the entities within the group.

Fixed Remuneration: £121,977

Number of Full Time Employees: 6

Management has reviewed the general principles of the Remuneration Policy and its application in the last year which has resulted in no material changes to the policy. The policy pertaining to the UCITS Management Company is disclosed on the Group website.

Statement of Authorised Corporate Director's responsibilities

The Open-Ended Investment Companies (Investment Companies with Variable Capital) Regulations 2001 (SI 2001/1228) ("the OEIC's Regulations") and the rules of the FCA contained in the COLL Sourcebook require the ACD to prepare Financial Statements for each accounting period which give a true and fair view of the financial position of the Company and of its net revenue and the net gains on the property of the Company for the period. The ACD is responsible for ensuring that, to the best of its knowledge and belief, there is no relevant audit information of which the Auditor is unaware. It is the responsibility of the ACD to take all necessary steps as a director to familiarise themselves with any relevant audit information and to establish that the Auditor is aware of that information.

In preparing the Financial Statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice – Financial Statements of Authorised Funds issued by the Investment Management Association in May 2014;
- follow generally accepted accounting practice and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the Financial Statements as prepared comply with the above requirements;
- take such steps as are reasonably open to it to prevent and detect fraud and other irregularities;
- make judgements and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

Statement of disclosure to the auditors

So far as the ACD is aware, there is no relevant audit information of which the Funds' Auditors are unaware. Additionally, the ACD has taken all the necessary steps that they ought to have taken as ACD in order to make themselves aware of all relevant audit information to establish that the Funds' Auditors are aware of the information.

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 Castlefield Fund Partners Limited.

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Castlefield Funds ("the Company") for the year 1 March 2018 to 28 February 2019.

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of income that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ("the OEIC Regulations"), the Company's Instrument of Incorporation and Prospectus, in relation to the pricing of, and dealings in, shares in the Company; the application of income of the Company; and the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the Authorised Corporate Director:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Sourcebook and, where applicable, the OEIC Regulations, the Instrument of Incorporation and Prospectus of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

Société Générale S.A. (London Branch)

28 February 2019

Management & Administration

Independent auditor's report

Report of the Independent Auditor to the Shareholders of Castlefield Funds

Year Ended 28 February 2019

Opinion

We have audited the financial statements of the Castlefield Funds ("the Company") for the year from 1 March 2018 to 28 February 2019 which comprise the statements of total return and statements of changes in net assets attributable to shareholders together with the balance sheet for each of the Company's sub-funds, the accounting policies of the Company set out on pages 10 to 11 and the related notes and the distribution tables for each of the Company's sub-funds. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice issued by the Investment Management Association (IMA) in May 2014 "Financial Statements of UK Authorised Firms".

In our opinion the Financial Statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 28 February 2019 and of the net revenue/deficit of revenue and the net capital gains/net capital losses on the property of the company comprising each of its sub-funds for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Instrument of Incorporation, the Statement of Recommended Practice issued by the IMA relating to UK Authorised Funds and the Collective Investment Scheme's Sourcebook rules.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Authorised Corporate Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;

  or
- the Authorised Corporate Director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Authorised Corporate Director for the Financial Statements

As explained more fully in the Authorised Corporate Directors' responsibilities statement on page 4, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view, and for such internal control and the Authorised Corporate Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation; and
- the information given in the Authorised Corporate Director's report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- proper accounting records have not been kept or that the financial statements are not in accordance with those records.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered to be material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Scheme's Sourcebook issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Beever & Struthers

Caroline Monk BA FCA

For and on behalf of Beever and Struthers, Chartered Accountant and Statutory Auditor

St George's House
215 – 219 Chester Road
Manchester
M15 4JE

27 June 2019

Management & Administration

About the investment adviser

Castlefield Investment Partners LLP (CIP) act as the appointed Investment Adviser to the sub-funds as referred to within this document. Sanford DeLand Asset Management (SDL) act as an Appointed Representative of CIP. In respect of two of the sub-funds, the Directors of SDL, noted within this document, act as Approved Persons of CIP for the purposes of acting as the lead day-to-day managers to the respective sub-funds.

CIP is part of the Castlefield family of investment and advisory businesses. CIP is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange.

Investment review of Castlefield Funds

The reporting period between March 2018 through to February 2019 has seen strong bouts of volatility. Starting with the European markets, March saw the inconclusive Italian elections, which despite having little impact on equities initially, resulted in markets becoming uneasy shortly after as fraught political tensions continued. Fears of a second snap election, however, were put to rest at the beginning of June after three months of negotiations as a coalition was formed between populist parties, Five Star and the League. Supposed threats to Italy's future membership of the European Union loomed, as anti-establishment party Five Star gained traction, whilst doubts over a commitment to the reduction of the country's budget deficit exacerbated the problem. The Italian government later proposed plans of a budget deficit target of 2.4% of GDP for 2019 through to 2021; whilst this is below the European Commission's 3% mandate, the Italian economy remains heavily indebted and the proposed plans came in above market expectations of a target below 2%. The proposal was met with heavy criticism and was ultimately rejected by the European Commission in November, stoking fears that Italy would be fined for non-compliance and causing concerns of a spill over to its European neighbours. This saw the spread between 10-year Italian BTPs (government bonds) and German Bunds widen to levels not seen since the beginning of 2013 and also led to credit rating agency Moody downgrading Italian debt from Ba2 to Ba3, just one grade above a junk rating. However, in a major U-turn at the eleventh hour on Saturday, 29 December, the Italian populist party declared defeat and had its contentious but revised budget passed by the Italian Parliament, providing some much-welcome relief for Italian risk assets into the new year.

Notwithstanding the Italian turmoil, the Eurozone's frenzied period saw increased volatility within the currency markets and was characterised by the Turkish Lira's decline spilling over into equity markets. With specific concerns about banks exposed to the Turkish Lira, a sell-off in European banks ensued over August. The Lira's significant depreciation against major global currencies was catalysed by US sanctions following Turkey's detention of an American pastor on conspiracy to commit terrorism. Such sanctions compounded the already pressurised currency as the Turkish Central Bank had previously refrained from increasing interest rates despite mounting inflationary pressures and further exacerbated by the country's large current account deficit and dollar-denominated debt. However, the Turkish Central Bank was forced to increase interest rates 625 basis points to 24% in the middle of September in a move to defend its currency and price stability, calming fears of global contagion somewhat. On the European Central Bank (ECB) front, interest rates were, unsurprisingly, unchanged at all Monetary Policy meetings. During the June meeting, the ECB also announced that the Governing Council expect interest rates to remain at current levels until the summer of 2019, beyond the horizon of the net asset purchase programme which was expected to conclude towards the end of 2018. However, into 2019 the ECB changed its tone, responding to increased recessionary fears with a promise to keep interest rates at historically low levels for at least the rest of the year. The ECB also announced the reintroduction of its asset purchase programme, which is designed to provide cheap loans and liquidity to the troubled European banking sector.

Across the pond, while other major equity markets experienced a sell off over much of 2018, US equities continued to defy gravity, hitting fresh all-time highs to become the longest-ever US equity bull market. This had been supported by strong overall economic growth and labour data as well as robust earnings growth, as the Trump tax cuts implemented at the end of 2017 start to feed into the numbers. This continued to grow the disparity between US returns and wider global equities. However, having previously warned of the possibility of an impending correction like that seen in February 2018 given the continued withdrawal of the Fed's supportive monetary policy combined with a growing fiscal deficit and the ongoing trade war rhetoric, this came to fruition in the final months of 2018. The decline was led by the richly-valued tech sector on fears of economic slowdown and a fall in the valuations which investors were prepared to pay for their investments, ultimately taking US returns into negative territory for the calendar year. Any hopes of a 'Powell Put' (the idea that the Fed will hold back on monetary tightening if equity and credit markets face a spell of turmoil) were quickly crushed as Chairman of the Fed, Jeremy Powell, suggested that rates were "nowhere near neutrality" in October, causing a spike in 10-year US Treasury yields to above 3.2%. However, whilst the Federal Reserve kept rates unchanged in November, his hawkish tone a month prior became more dovish, commenting that rates were now "just below" neutrality. As expected, rates were increased by a further 0.25% in December, taking interest rates to 2.5%. However, this time 10-year Treasury yields barely moved and ultimately continued to fall back as they had in November (meaning that their prices went up). Into 2019, despite noting "strong" ongoing growth in the labour market, the Fed unanimously left monetary policy unchanged in January with the Fed funds target range maintained at 2.25-2.50%. The Fed pointed to "muted inflation" and suggested they will be "patient" with regard to future moves in interest rates as well as hinting at retreatment of unwinding its balance sheet, leading to a recovery in US equities.

US-China trade tensions weighed on markets throughout much of 2018, which, combined with the ongoing deleveraging efforts, began to filter through to Chinese economic data, which showed weak manufacturing output and retail sales growth for November into December and led to a wider global sell off. The vulnerabilities of countries laden with dollar-denominated corporate debt, as is the case in China and in many developing economies, began to emerge as the Fed continued to tighten monetary policy. This move is, in part, caused by the strengthened dollar, which makes foreign-held dollar-denominated debt more expensive to repay. However, this worked in reverse in 2019 as the Fed changed its stance and a weaker US dollar saw sentiment towards emerging markets improve. In February, US President Donald Trump suspended a scheduled increase in tariffs on Chinese goods “until further notice” amid progress in their trade talks. Negotiators from both sides remain locked in talks as they inch towards an agreement that would avoid any escalation of the dispute which has seen them impose duties on $360bn of each other’s imports.

Closer to home and despite markets pricing in a 90% probability of an interest rate hike for the Bank of England’s (BoE) May meeting, rates remained unchanged as softer GDP data revealed a weakening in growth for the opening months of the year and a faster than expected deceleration in inflation. In June, although the Committee voted to keep rates unchanged once again, there appeared to be a clear change in consensus as three Committee members voted for an interest rate rise. This rise duly materialised in August, as the BoE unanimously agreed to increase rates to 0.75%. Against economic theory that a strengthened currency follows an increase in rates, sterling continued to depreciate following Mark Carney’s comments of an “uncomfortably high” chance of a ‘no-deal’ Brexit. Even with the decline in sterling, which is usually to the benefit of multi-national blue-chips as their foreign earnings become more valuable when repatriated to sterling, UK equities ebbed on Brexit fears and escalated trade tensions. While UK Gilt yields moved higher at the end of July into August on the expected rate hike, they fell back thereafter following dovish comments of a likely “gradual” path of future rate rises from the BoE. However, yields moved higher again towards the end of August as rumours circulated of an extended term for Governor Mark Carney to ensure continuity as the UK leaves the EU and ended broadly flat over the final quarter as policy rates unanimously remained unchanged at 0.75% during both November and December meetings. The Brexit conundrum posed more problems as Brexit Secretary, David Davis, announced his surprise resignation at the beginning of July, shortly followed by Foreign Secretary, Boris Johnson, both citing disagreement with the Chequers plan leaving a divided cabinet and Theresa May’s leadership hanging in the balance. Despite the government finally reaching a withdrawal agreement with the EU in November this led to further resignations including that of Brexit Secretary Dominic Raab, who had only taken office following David Davis’ departure in July, and sparked fears of a no-confidence vote. Predictably, domestically-focused equities were hit hardest by the widespread uncertainty as the Parliamentary vote on the Bill to enable the agreement was postponed from December to January 2019, just two months before the impending deadline. Amid the chaos of the vote being delayed due to insufficient support for the Prime Minister, she faced and won a leadership challenge from her own party. Positive equity market sentiment spread to the UK where the broadly-based index returned 9.4% despite ongoing turmoil in Parliament. Theresa May brought her Brexit deal back to the House on a further two occasions and had it resoundingly rejected in each instance. At the time of writing, we are now past the touted Brexit deadline of the 29th March and are no closer to a resolution nor are we any clearer to an outcome on the China-US trade war nor have they been indicative of an expectant timeframe. For the future, we maintain a vigilant eye and continue to prefer a cautious approach.

Management & Administration

Aggregated notes to the financial statements

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP).

2. Summary of Significant Accounting Policies

Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss. The principal accounting policies which have been applied consistently are set out below.

Functional and Presentation Currency

The functional and presentation currency of each sub-fund is Sterling.

Revenue Recognition

Revenue from collective investment schemes, quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend. Overseas revenue received after the deduction of withholding tax is shown gross of taxation, with the taxation consequences shown within the taxation charge. Accumulation of revenue relating to accumulation units or shares held in collective investment schemes is recognised as revenue and included in the amount available for distribution. Bank interest, interest on debt securities, underwriting commission and other revenue are recognised on an accruals basis. In the case of debt securities, the total revenue arising includes the amortisation of any premium or discount at the time of purchase spread over the life of the security, using the effective interest rate method. The gains and losses arising on investments in structured plans are allocated between revenue and capital according to the nature of the structured plan. This is depending on the extent to which the return is capital or revenue based.

Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the sub-fund. Any enhancement above the cash dividend is treated as capital.

Special Dividends

Special dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend.

Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of Investments) are charged against revenue for the year on an accruals basis with the exception of the B.E.S.T Sustainable Income Fund where all fees are charged against capital.

Distributions

Amounts distributable are calculated after excluding expenses borne by capital as agreed by the ACD and Depositary. The ACD and Depositary have agreed that 100% of the sub-fund's expenses are borne by revenue with the exception of the B.E.S.T Sustainable Income Fund where all fees are charged against capital. Equalisation received from the underlying investments has been treated as a reduction in the book cost of the investments and not distributed. All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the capital of the Fund.

Valuations

All investments are valued at their fair value at noon on 28 February 2019 being the last business day of the financial year. The fair value of equity and non-equity shares is bid price, excluding any accrued interest. The fair value of dual priced collective investment schemes managed by the ACD is their cancellation price and the fair value of dual priced collective investment schemes which are managed by other management groups is their bid price. The fair value of all single priced collective investment schemes is their single price, taking account of any agreed redemption charges. Delisted and unquoted investments are shown at the ACD's valuation.

Structured plans are valued at the latest price from the product provider.

Foreign Currencies

Assets and liabilities in currencies other than Sterling are translated into Sterling at the exchange rates prevailing at noon on the last working day of the accounting year. Transactions in foreign currencies are translated at the exchange rate prevailing at the transaction date.

Taxation

Corporation tax has been provided for at the prevailing tax rate. Deferred tax is provided in respect of timing differences that have originated but not been reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that they are more likely than not to be recoverable. Withholding tax on overseas dividends is accounted for when the security is quoted ex-dividend.

Dilution Levy

In certain circumstances the ACD may charge a dilution levy, in accordance with the Financial Conduct Authority Regulations, on all subscriptions and redemptions of shares, which is paid into the sub-funds and included in the Statement of Change in Net Assets Attributable to Shareholders. The levy is intended to cover certain dealing charges not included in the mid-market value of the sub-fund used in calculating the share price, which could have a diluting effect on the performance of the sub-fund.

3. Risk Management Frameworks

The ACD has a documented risk management framework which details the processes and procedures used to identify, measure, manage and monitor appropriately all risks to which the funds are or may be exposed. The risks covered by the framework include market risk, liquidity risk, credit/counterparty risk, operational risk and any other risks that might be material to the funds. The first three risks are primarily focused on the investment itself while operational risk refers to the risk of loss arising from inadequate or failed processes, people or systems including attempted fraud. The risk framework details:

- the techniques, tools and arrangements including systems and processes used;
- the content and frequency of reports; and
- the allocation of responsibilities between key staff and departments.

The main risk management system used by the ACD is fully integrated with the position keeping system for the funds and is used to measure and monitor market risk, credit / counterparty risk and liquidity risk. A separate system is maintained to track instances of operational risk and monitor amendments to controls made seeking to ensure that operational risk errors do not re-occur. The Board of the ACD formally reviews the risk profile, including market, credit, operational and liquidity risks, of each sub-fund and the compliance with its published objectives on a regular basis. As part of its governance processes, the ACD reviews the performance of the risk management framework and its associated arrangements, processes, systems and techniques on an annual basis, and the compliance of each sub-fund with the risk management framework. The risk management framework is updated by the ACD following any significant change in the business or in risk exposures and at least annually. It is also reviewed by the Depositary.

Management & Administration

Market Risk

Market risk is the risk of loss arising from fluctuations in the market value of investments held by a sub-fund attributable to changes in market variables, such as equity prices, foreign exchange rates, interest rates or the credit worthiness of an issuer. The risk management framework monitors the levels of market risk to which the sub-funds are exposed in relation to each sub-fund's investment objective and policy. A series of hard (strictly enforced) and soft (warning) limits are employed to ensure the fund stays within its published mandate. Market risk is also measured using gross leverage and global exposure (the "commitment approach"). The commitment approach is suitable for funds investing in traditional asset classes such as equities, fixed income, money market securities and collective investment schemes. It can also be used for sub-funds using derivatives in a simple manner and investing in instruments with embedded derivatives where no additional leverage is created. The commitment approach measures the incremental exposure of each derivative calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the guidelines set by the regulator, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

Liquidity Risk

Liquidity risk is the possibility that the sub-fund will not be able to sell its assets without incurring losses within the timeframe required to meet investor redemptions. The asset liquidity profile of each sub-fund is monitored on a regular basis and compared to both historical investor redemption patterns and potential redemption scenarios, with the aim of ensuring that the sub-fund will be able to meet any actual redemptions in a timely manner. The liquidity risk management process includes an assessment of the market turnover, percentage of an issue held by the sub-fund, credit rating of the issuer and/or the buy/sell spread of the market in the securities held where the information is available and is applicable. Liquidity profile stress tests under both normal and exceptional conditions are conducted on a regular basis. If market liquidity is perceived to be decreasing, the ACD might seek to take any of the following actions to improve the liquidity profile of a sub-fund: maintain higher cash balances; maintain a greater proportion of assets in securities which are traditionally more liquid; diversify the range of issue types and sizes held; hold shorter dated securities; or hold issues with a more diversified investor base.

Credit Risk

Credit risk comprises both credit issuer risk and counterparty risk. Credit issuer risk is the potential for loss arising from the issuer of a security failing to pay interest and principal in a timely manner. Counterparty risk is the potential for loss arising from the failure of a trading counterparty to honour an obligation to the sub-fund. The sub-funds manage credit issuer risk as a component of market risk. Counterparty risk arises primarily with the financial brokers through whom the sub-fund buys and sells securities. The sub-funds may only transact with brokers from an approved broker list maintained by the ACD. All brokers on the ACD approved list are subject to regular credit and general business checks. The sub-funds may also be exposed to counterparty risks arising from the use of forward currency instruments, usually transacted to decrease exposure to foreign currency. These risks are monitored daily and are subject to limits, in practice they are for small amounts typically less than 0.1% of a sub-fund's assets.

CFP SDL UK Buffettology Fund

Fund information

The Comparative table on pages 13 to 15 give the performance of each active share class in the sub-fund.

The 'return after charges' disclosed in the Comparative tables is 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.

Since 1 January 2018, the Castlefield Funds have not borne any research costs and any broker commission fees incurred are done so explicitly for the execution of transactions on behalf of 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.

Comparative table

For the financial year ended 28 February 2019:

General Income Share - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	279.07	231.73	191.83
Total return before operating charges *	15.50	53.94	45.51
Operating charges*	(5.21)	(4.71)	(3.68)
Total return after operating charges*	10.29	49.23	41.83
Distributions on income shares	(1.32)	(1.89)	(1.93)
Closing net asset per share	288.04	279.07	231.73
* After transaction costs (see page 30) of:	0.71	0.84	0.65
Performance			
Total return after operating charges	3.69%	21.25%	21.80%
Other information			
Closing net assets value (£'000)	42,369	35,797	33,019
Closing number of shares	14,709,347	12,827,000	14,249,429
Operating charges*	1.77%	1.83%	1.92%
Direct transaction costs**	0.23%	0.26%	0.28%
Prices			
Highest share price	315.51	286.66	236.37
Lowest share price	275.21	233.94	184.90

CFP SDL UK Buffettology Fund

Institutional Shares - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	280.02	232.48	192.39
Total return before operating charges *	15.34	53.54	45.75
Operating charges	(3.75)	(2.81)	(2.63)
Total return after operating charges	11.59	50.73	43.12
Distributions on income shares	(2.80)	(3.19)	(3.03)
Closing net asset per share	288.81	280.02	232.48
* After transaction costs (see page 30) of:	0.71	0.72	0.76
Performance			
Total return after operating charges	4.14%	21.82%	22.41%
Other information			
Closing net assets value (£'000)	446,581	228,100	78,679
Closing number of shares	154,629,109	81,457,082	33,843,743
Operating charges	1.27%	1.33%	1.42%
Direct transaction costs	0.23%	0.26%	0.33%
Prices			
Highest share price	316.75	288.15	237.65
Lowest share price	276.23	235.55	185.77

Institutional Shares - Accumulative

	28/02/2019 (pence per share)	28/02/2018 (pence per share)
Change in net asset value per share		
Opening net asset per share	110.03	100.00
Total return before operating charges *	5.33	11.46
Operating charges*	(1.47)	(1.43)
Total return after operating charges*	3.86	10.03
Distributions on accumulation shares	(1.11)	(0.69)
Retained distribution on accumulation shares	1.11	0.69
Closing net asset per share	113.89	110.03
* After transaction costs (see page 30) of:	0.28	0.19
Performance		
Total return after operating charges*	3.51%	10.03%
Other information		
Closing net assets value (£'000)	137,447	19,399
Closing number of shares	120,684,043	17,630,652
Operating charges*	1.26%	1.33%
Direct transaction costs**	0.23%	0.26%
Prices		
Highest share price	124.91	112.51
Lowest share price	108.54	100.00

* Operating charges, otherwise known as the Ongoing Charge Figure or "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 period'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.

CFP SDL UK Buffettology Fund

Risk and reward indicator (RRI)

The Risk and Reward Indicator table 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 coloured area in the table below shows the sub-fund's ranking on the Risk and Reward Indicator.

Typically lower rewards Lower risk						Typically higher rewards Higher risk
1	2	3	**4**	5	6	7

The sub-fund is ranked as a 4 because it has experienced relatively high rises and falls in value over the past five years.

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

The sub-fund holds equities concentrated by number and by 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.

A more detailed description of the risks identified as being applicable to the sub-fund are set out in the `Risk Factors' section of the Prospectus.

Terms Explained:

Income Shares: any income made by the sub-fund will be paid out to you.

Sub-funds: a general term used to describe collective investment schemes, such as unit trusts, open-ended investment companies and closed-ended investment companies.

You can buy, sell and switch shares in the sub-fund on any UK business day. We will need to receive your instruction before 12 noon to buy shares at that day's price.

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 which is superior to the performance of the UK stock market.

The sub-fund will invest principally within a portfolio of UK equities, and 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 focussed approach to investing in shares of those companies which it believe 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 enter into stocklending and underwriting transactions in accordance with COLL.

Performance

The sub-fund's Institutional Income (I) Class share price rose by 2.9% from 283.28p at the close on 28 February 2018 to 291.49p on 28 February 2019. This compared to a 2.3% fall in the UK stock market. The sub-fund outperformed its benchmark index in six discrete months of the financial year. Measured on a total return basis, with dividends reinvested, the I Class share price rose by 3.9% compared to a fall of 1.3% for the sub-fund's peer group, the IA UK All Companies sector. The share price reached a high of 316.75p on 26th September and touched a low of 276.23p on 23rd March.

At the period end, FE Trustnet ranked the sub-fund 21st out of 262 sub-funds in the IA UK All Companies sector over one year, 4th out of 249 over three years and 1st out of 256 over five years. Lipper, Morningstar and FE Trustnet currently give the sub-fund a 5 out of 5 rating. In July, Money Observer conferred on the sub-fund the accolade of Best UK Larger Growth sub-fund 2018, having won the Smaller category for the previous three years. For the fifth year running, the sub-fund was included in the Investors Chronicle Top 100 sub-funds. Meanwhile RSM, one of the premier agencies for rating sub-funds, included UK Buffettology in its list of Rated sub-funds for the first time and followed this up by making the award of Best Alpha UK Equity 2018.

Market review

The UK stock market touched a new all-time high on 22 May 2018 but it really was a year of contrasting fortunes. Conditions remained reasonably buoyant throughout the third calendar quarter but corrected by 11.0% in calendar Q4 before recovering ground in January and February. The period following the high was marked by increased volatility and this provided some excellent buying opportunities for sub-funds like ours, which has husbanded cash. As ever, the sub-fund has not been immune to profit warnings, which escalated in the early months of 2019. Such warnings go with the turf, making it imperative that our other investee companies take up the slack to drive overall performance. I am delighted to say that this is what happened with good results and trading statements elsewhere in the portfolio. Again I reiterate, success in investment comes from finding great companies that can be bought at fair prices and, hopefully, be held forever. Let compounding work its magic. Long-term investment success has absolutely nothing to do with the mood of Mr Market.

Portfolio activity

The sub-fund benefited from net inflows in every month of the financial year totalling £342.7m. As a result of this and the investment performance, the size of the sub-fund grew from £285.8m to £630.8m. As in previous years, much activity centred upon increasing existing holdings. Once more, I demonstrated a tendency (in my mind at least) of over-activity in introducing new companies into the portfolio. There were four new company purchases: Focusrite, Provident Financial (a repurchase following the sales in July & August 2017), Berkshire Hathaway & Experian, plus three complete divestments: Mattioli Woods, Domino's Pizza & Dixons Carphone. The sales were immediately successful in share price terms, preventing eroded capital and proving that protecting the downside is every bit as important in portfolio management as seeking the upside. They were responsible for our portfolio turnover ratio being 3.8% (based on the 12-month moving average). I consider than the implied average holding period of 26 years is satisfactory in the context of a long-term investment proposition.

I now want to discuss the new investments. Focusrite and Provident Financial were covered in the Interim Report. Warren Buffett's holding company, Berkshire Hathaway, is a microcosm of the US economy to which we now have direct exposure. The catalyst for buying was the announcement that the company was amending its share repurchase program. The previous condition was that the price paid would not exceed a 20% premium over the last stated book value of such shares. This was replaced by giving authority to both Buffett and Charlie Munger to act if, together, they believe that the repurchase price is below Berkshire's intrinsic value, i.e. forward-looking. They have since done this at prices above where I established our holding. Experian was a spin out from Great Universal Stores in 2006 and has been on the 'watch list' for some time. God bless December's correction. It is a global leader in providing information, and analytical and marketing services, to organisations and consumers to help improve credit risk management of commercial and financial decisions. The need for this service is not going to go away as we saw in the credit crunch; if anything it will increase. The business has a strong competitive advantage, earns juicy operating margins, is geographically well spread and generates plenty of cash. The last mentioned attribute fuels the acquisitive nature of this beast with its frequent bolt-on additions.

During the twelve-month period, the continuing investments that most benefited the sub-fund were AB Dynamics (share price up by 76.7%), Bioventix (65.2%), Craneware (42.3%) and Games Workshop (29.1%). There were four other double-digit and eight single-digit risers. The main detractors from performance were Revolution Bars (share price down by 50.9%), Restaurant Group (50.2%), Air Partner (42.8%) and NCC Group (39.1%). There were two other double-digit and eight single-digit fallers.

As currently constituted, the portfolio consists of seven companies in the FTSE 100 Index, seven in the FTSE Mid Cap 250, six smaller fully-listed companies, nine quoted on AIM and one in the S&P 500. At the financial year-end, the sub-fund held 15.0% of its assets in unrestricted cash and a further 0.6% set aside for dividend accrual.

Outlook

In a word, uncertain. My biggest worry is that following the hash made of Brexit by this 'Conservative' government there is an almighty reckoning lying in wait at the polls. The prospect of an alternative Labour government led by a pair of neo Marxists fills me with dread. It will truly be forward into the past and the UK economy will be severely damaged. The only way of bomb-proofing the portfolio against such an eventuality will be decreasing our exposure to domestically oriented businesses, which although low already, would not be low enough. Abroad, the sugar rush of President Trump's fiscal stimulus appears to have run its course and the 'R' word is on peoples' lips. Hence the rowing back on monetary tightening by the Fed and the inversion of the yield curve. If China falters badly, where is the locomotive to drive the global economy forwards? Having alluded to such potential bad scenarios, I would just say not to take them as inevitable. More importantly, don't obsess about matters over which you have no control. What control you do have is cautious selection of your investments. For me, that means only committing capital to outstanding companies where pricing opportunities prevail, i.e. the same old message.

Keith Ashworth-Lord

Sanford DeLand Asset Management Limited

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The Top Ten Purchases and Total Sales During The Year Were As Follows:

Purchases	Costs £'000	Sales	Proceeds £'000
FOCUSRITE PLC	16,341	DIXONS CARPHONE	7,636
EXPERIAN PLC	16,022	DOMINOS PIZZA GROUP PLC	7,280
ROLLINS	15,948	PROVIDENT FINANCIAL PLC	2,188
BERKSHIRE HATHAWAY A	15,170	MATTIOLI WOODS PLC	1,568
NCC GROUP	10,056	RENISHAW	204
GAMES WORKSHOP GROUP	9,746	GLAXOSMITHKLINE PLC	76
AB DYNAMICS PLC	9,510	THE RESTAURANT GROUP	8
CRANEWARE	9,460		
MJ GLEESON PLC	9,246		
CRODA INTERNATIONAL PLC	9,189		
Total purchases during the year were	**297,315**	**Total sales during the year were**	**18,960**

Portfolio of investments

as at 28 February 2019

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
		BASIC MATERIALS 7.60% (10.22%)		
		Chemicals 7.60% (10.22%)		
380,000		Croda International	18,134	2.87
4,650,000	*	Scapa Group	13,680	2.17
690,000		Victrex	16,174	2.56
			47,988	**7.60**
		CONSUMER GOODS 16.25% (11.25%)		
		Beverages 5.81% (5.47%)		
2,420,000		AG Barr	18,416	2.92
630,000		Diageo	18,254	2.89
			36,670	**5.81**
		Leisure Goods 7.55% (5.78%)		
3,650,000	*	Focusrite	16,060	2.58
950,000		Games Workshop Group	31,310	4.97
			47,370	**7.55**
		Household Goods & Home Construction 2.89% (0.00%)		
2,320,000		MJ Gleeson	18,189	2.89
			18,189	**2.89**
		CONSUMER SERVICES 12.74% (20.16%)		
		General Retailers 2.68% (4.74%)		
335,000		Next	16,924	2.68
			16,924	**2.68**
		Media 2.66% (2.21%)		
975,000		RELX	16,799	2.66
			16,799	**2.66**
		Travel, Leisure & Catering 7.40% (13.21%)		
10,400,000		Air Partner	8,341	1.37
2,390,000	*	Dart Group	19,419	3.08
9,250,000		Revolution Bars Group	7,451	1.18
9,100,000		Restaurant Group	11,129	1.77
			46,340	**7.40**

CFP SDL UK Buffettology Fund

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
		FINANCIALS 10.41% (7.04%)		
		Financial Services 8.06% (7.04%)		
940,000		Hargreaves Lansdown	16,606	2.63
3,135,000		Liontrust Asset Management	18,810	3.01
2,500,000		Provident Financial	15,160	2.42
			50,576	**8.06**
		Nonlife Insurance 2.35% (0.00%)		
65		Berkshire Hathaway 'A' Shares	14,815	2.35
			14,815	**2.35**
		HEALTH CARE 9.96% (9.51%)		
		Pharmaceuticals & Biotechnology 9.96% (9.51%)		
751,500	*	Bioventix	27,430	4.41
775,030		Dechra Pharmaceuticals	18,771	2.98
1,040,000		Glaxosmithkline	16,241	2.57
			62,442	**9.96**
		INDUSTRIALS 22.20% (21.28%)		
		Construction & Materials 2.76% (5.24%)		
3,750,000	*	James Halstead	17,250	2.76
			17,250	**2.76**
		Industrial Engineering 9.88% (10.02%)		
1,944,000		AB Dynamics	29,549	4.81
5,965,000		Rotork	16,905	2.68
8,000,000		Trifast	14,960	2.39
			61,414	**9.88**
		Support Services 9.56% (6.02%)		
10,750,000	*	Driver Group	7,633	1.24
845,000		Experian	16,466	2.61
550,000		Rollins	16,242	2.57
4,260,000	*	RWS Holdings	19,766	3.14
			60,107	**9.56**

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
		TECHNOLOGY 5.26% (5.09%)		
		Software & Computer Services 5.26% (5.09%)		
880,000	*	Craneware	22,880	3.66
8,300,000		NCC Group	10,051	1.60
			32,931	**5.26**
		Total Value of Investments	**529,815**	**84.42**
		Net Other Assets	96,581	15.58
		Total Net Assets	**626,396**	**100.00**

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

* AIM Listed Securities.

CFP SDL UK Buffettology Fund

Statement of total return

For the year ended 28 February 2019

	Note	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Income					
Net capital gains	4		268		32,413
Revenue	5	9,835		4,731	
Expenses	6	(5,732)		(2,657)	
Finance Costs : Interest	7	(6)		-	
Net revenue before taxation		4,097		2,074	
Taxation	8	(7)		-	
Net revenue after taxation			4,090		2,074
Total return before distributions			**4,358**		**34,487**
Distributions	9		(4,090)		(2,074)
Change in net assets attributable to shareholders			**268**		**32,413**

Statement of change in net assets attributable to shareholders

For the year ended 28 February 2019

	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Opening net assets attributable to shareholders		**283,296**		**111,699**
Amounts received on creation of shares	456,808		204,088	
Amounts paid on cancellation of shares	(115,044)		(65,025)	
		341,764		139,063
Change in net assets attributable to shareholders' from investment activities		268		32,413
Retained distribution on accumulation shares		1,068		121
Closing net assets attributable to shareholders		**626,396**		**283,296**

Balance sheet

As at 28 February 2019

	Note	28/02/2019 £'000	28/02/2018 £'000
Assets			
Investment assets		529,815	239,435
Debtors	10	14,301	12,007
Cash and bank balances	11	89,189	34,399
Total Assets		**633,305**	**285,841**
Liabilities			
Creditors	12	(4,135)	(943)
Distribution payable on income shares		(2,774)	(1,602)
Total liabilities		**(6,909)**	**(2,545)**
Net assets attributable to Shareholders		**626,396**	**283,296**

Summary of material portfolio changes

For the year ended 28 February 2019

	28/02/2019 £'000
Total Purchases in period	297,315
Total Sales in period	(18,960)

The notes on pages 24 to 30 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

CFP SDL UK Buffettology Fund

Notes to the financial statements

1. Accounting Policies

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 10 to 12.

4. Net Capital Gains/(Losses)

	28/02/2019 £'000	28/02/2018 £'000
Non-derivative securities	382	32,417
Currency gains/(losses)	(108)	-
Transaction costs & handling charges	(6)	(4)
Net gains on investments	**268**	**32,413**

5. Revenue

	28/02/2019 £'000	28/02/2018 £'000
UK Dividends	9,578	4,623
Overseas Dividends	106	93
Bank interest	151	15
Total Revenue	**9,835**	**4,731**

6. Expenses

	28/02/2019 £'000	28/02/2018 £'000
Payable to the manager, associates of the manager and agents of either of them		
ACD fees	740	375
Investment Manager fees	4,569	2,059
	5,309	**2,434**
Payable to the depositary or associates of the depositary and agents of either of them		
Depositary fees	135	74
Safe Custody fees	32	14
	167	**88**
Other expenses		
Audit fees	5	5
Electronic messaging fees	-	1
Printing fees	2	-
Registration fees	249	129
	256	**135**
Total expenses	**5,732**	**2,657**

Irrecoverable VAT is included in the above expenses where relevant.

7. Finance Costs

	28/02/2019 £'000	28/02/2018 £'000
Interest on bank overdraft	6	-
Total interest payable and similar charges	**6**	**-**

8. Taxation

(a) Analysis of the tax charge in the year

	28/02/2019 £'000	28/02/2018 £'000
Corporation tax	-	-
Overseas tax	7	-
Total current tax charge	**7**	**-**
Deferred tax on Corporation tax (Note 8 (c))	-	-
Total taxation for the year	**7**	**-**

(b) Factors affecting current tax charge for the year

	28/02/2019 £'000	28/02/2018 £'000
Net revenue before taxation	4,097	2,074
Net revenue for the year multiplied by the standard rate of corporation tax (20%)	819	415
Effects of:		
Movement in excess management expenses	1,117	528
Overseas tax	7	-
Revenue not subject to corporation tax	(1,936)	(943)
Total tax charge (Note 8 (a))	**7**	**-**

(c) Deferred tax

	28/02/2019 £'000	28/02/2018 £'000
Deferred tax charge	-	-
Provision at start of year	-	-
Total Deferred tax	**-**	**-**

Authorised OEIC's are exempt from tax on capital gains made within the sub-fund.

The sub-fund has not recognised a deferred tax asset of £2,080,000 (2018 £962,000) arising as a result of having unutilised management expenses. It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

CFP SDL UK Buffettology Fund

9. Distributions

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28/02/2019 £'000	28/02/2018 £'000
Interim Income		
Interim distribution	1,206	847
Final distribution	2,774	1,724
Interim Accumulation		
Interim accumulation	258	-
Final accumulation	810	-
Total Distribution	**5,048**	**2,571**
Add: Income deducted on cancellation of shares	267	240
Deduct: Income received on creation of shares	(1,225)	(737)
Net distribution for the period	**4,090**	**2,074**
Reconciliation of Net Income and Distributions		
Net Income after Taxation	4,090	2,074
Net distribution for the period	**4,090**	**2,074**

10. Debtors

	28/02/2019 £'000	28/02/2018 £'000
Accrued revenue	808	490
Amounts Receivable for creation of shares	13,493	3,175
Stock Sales awaiting settlement	-	8,342
Debtors	**14,301**	**12,007**

11. Cash And Bank Balances

	28/02/2019 £'000	28/02/2018 £'000
Sterling	89,183	34,399
US Dollar	6	-
Cash and bank balances	**89,189**	**34,399**

12. Creditors

	28/02/2019 £'000	28/02/2018 £'000
Accrued expenses	97	88
Amounts payable for cancellation of shares	2,194	855
Stock purchases awaiting settlement	1,844	-
Creditors	**4,135**	**943**

13. Related Parties

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is a tiered fee based on assets under management, subject to a minimum of £25,000 per annum and is payable monthly. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Details of shares cancelled and created by the ACD are shown in the Statement of Change in Net Assets Attributable to Shareholders.

Investment Adviser

Sanford DeLand Asset Management (SDL) act as an Appointed Representative of Castlefield Investment Partners (CIP). The Directors of SDL, noted within this document, act as Approved Persons of CIP for the purposes of acting as the lead day-to-day managers to the respective sub-funds. CIP is part of the group of companies to which the ACD belongs, Castlefield Partners Limited.

14. Contingent Liabilities And Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

15. Financial Instruments

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 11 to 12.

At 28 February 2019, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £26,490,750 (28 February 2018: £11,971,723).

Currency Exposure

There was no material direct foreign currency exposure within the sub-fund at the balance sheet date.

As at 28 February 2019	**Portfolio of Investments**	**Forward currency contracts**	**Net other assets**	**Total**	**Total Exposure**
Currency	**£'000**	**£'000**	**£'000**	**£'000**	**%**
Assets					
US Dollar	31,058	-	6	31,064	4.96
	31,058	**-**	**6**	**31,064**	**4.96**
Sterling	498,757	-	96,575	595,332	95.04
Total Net Assets	**529,815**	**-**	**96,581**	**626,396**	**100.00**

At 28 February 2019, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £310,640 (28 February 2018: Nil).

CFP SDL UK Buffettology Fund

Interest Rate Risk

The only interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to Sterling bank deposit rates or the international equivalent.

Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 11 to 12.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 11 to 12.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Valuation Technique

as at 28/02/2019	Assets £'000	Liabilities £'000
Level 1	529,815	-
Level 2	-	-
Level 3	-	-
Total	**529,815**	**-**

as at 28/02/2018	Assets £'000	Liabilities £'000
Level 1	239,435	-
Level 2	-	-
Level 3	-	-
Total	**239,435**	**-**

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable for the asset or liability).

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR Guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks. The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The Investment Adviser does not use derivative instruments to hedge the investment portfolio against risk.

16. Share Classes

The sub-fund currently has three types of share and the Investment Adviser's fee on each share class is as follows:

General Shares: 1.50%

Institutional Shares: 1.00%

Institutional Accumulation Shares: 1.00%

The following table shows the shares in issue during the year:

GENERAL CLASS	Income
Opening Shares	12,827,000
Shares Created	6,324,814
Shares Liquidated	(4,442,466)
Closing Shares	**14,709,348**

INSTITUTIONAL CLASS	Income
Opening Shares	81,457,082
Shares Created	101,035,854
Shares Liquidated	(27,863,827)
Closing Shares	**154,629,109**

INSTITUTIONAL CLASS	Accumulative
Opening Shares	17,630,652
Shares Created	120,380,025
Shares Liquidated	(17,326,634)
Closing Shares	**120,684,043**

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on page 13. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution table on page 31.

CFP SDL UK Buffettology Fund

17. Portfolio Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on pages 13 to 15.

PORTFOLIO TRANSACTION COSTS	28/02/2019 £'000	28/02/2018 £'000
Analysis of total purchase costs:		
Purchase in year before transaction costs	296,339	140,135
Commissions:		
Equities total value paid	191	107
Taxes:		
Equities total value paid	785	485
Total Purchase costs	**976**	**592**
Gross Purchase total	**297,315**	**140,727**
Analysis of total sale costs:		
Gross sales in year before transaction costs	18,970	21,642
Commissions:		
Equities total value paid	(10)	(16)
Taxes:	-	-
Total sale costs	**(10)**	**(16)**
Total sales net of transaction costs	**18,960**	**21,626**

PORTFOLIO TRANSACTION COSTS %	28/02/2019 %	28/02/2018 %
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.06	0.08
Taxes:		
Equities total value paid	0.26	0.34
Analysis of total sale costs:		
Commissions:		
Equities total value paid	0.05	0.07
Taxes:	-	-
Analysis of total costs:		
Commissions:	0.05	0.05
Taxes:	0.18	0.21

As at the balance sheet date, the average portfolio dealing spread was 1.025% (2018: 1.45%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Distribution tables

First Interim Dividend Distribution In Pence Per Share

GENERAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	0.3537	-	0.3537	-
Group 2	0.2103	0.1434	0.3537	-

INSTITUTIONAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	1.1019	-	1.1019	0.4984
Group 2	0.6101	0.4918	1.1019	0.4984

INSTITUTIONAL SHARES - ACCUMULATION

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	0.4382	-	0.4382	-
Group 2	0.2384	0.1998	0.4382	-

Final Dividend Distribution In Pence Per Share

GENERAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	28/02/2019	28/02/2018
Group 1	0.9628	-	0.9628	1.1032
Group 2	0.4864	0.4764	0.9628	1.1032

INSTITUTIONAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	28/02/2019	28/02/2018
Group 1	1.7022	-	1.7022	1.7927
Group 2	0.7089	0.9933	1.7022	1.7927

INSTITUTIONAL SHARES - ACCUMULATION

			Distribution Paid	
	Net income	Equalisation	28/02/2019	28/02/2018
Group 1	0.6713	-	0.6713	0.6889
Group 2	0.2731	0.3982	0.6713	0.6889

CFP SDL Free Spirit Fund

Fund information

The Comparative table on pages 32 to 33 give the performance of each active share class in the sub-fund.

The 'return after charges' disclosed in the Comparative tables is 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.

Since 1 January 2018, the Castlefield Funds have not borne any research costs and any broker commission fees incurred are done so explicitly for the execution of transactions on behalf of 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.

Comparative table

For the financial year ended 28 February 2019:

General Shares - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	117.95	98.60	100
Total return before operating charges *	3.58	22.18	(0.95)
Operating charges*	(1.81)	(2.83)	(0.45)
Total return after operating charges*	1.77	19.35	(1.40)
Distributions on income shares	(0.87)	-	-
Closing net asset per share	118.85	117.95	98.60
* After transaction costs (see page 47) of:	0.33	0.82	0.35
Performance			
Total return after operating charges*	1.50%	19.62%	(1.40)%
Other information			
Closing net assets value (£'000)	1,078	560	317
Closing number of shares	906,854	474,283	321,101
Operating charges*	1.51%	2.60%	1.40%
Direct transaction costs**	0.27%	0.75%	0.35%
Prices			
Highest share price	129.34	120.35	100.09
Lowest share price	109.64	98.59	98.41

General Share - Accumulative

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	117.97	98.60	100
Total return before operating charges *	2.38	22.01	(0.95)
Operating charges*	(1.83)	(2.64)	(0.45)
Total return after operating charges*	0.55	19.37	(1.40)
Distributions on accumulation shares	(0.87)	-	-
Retained distribution on accumulation shares	0.87	-	-
Closing net asset per share	118.52	117.97	98.60
* After transaction costs (see page 47) of:	0.35	0.85	0.35
Performance			
Total return after operating charges*	0.47%	19.65%	(1.40)%
Other information			
Closing net assets value (£'000)	12,981	9,249	1,719
Closing number of shares	10,952,806	7,840,720	1,748,826
Operating charges*	1.52%	2.40%	1.40%
Direct transaction costs**	0.27%	0.75%	0.35%
Prices			
Highest share price	129.63	120.36	100.09
Lowest share price	109.88	98.60	98.42

* Operating charges, otherwise known as the Ongoing Charge Figure or "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 period'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.

CFP SDL Free Spirit Fund

Risk and reward indicator (RRI)

The Risk and Reward Indicator table 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 coloured area in the table below shows the sub-fund's ranking on the Risk and Reward Indicator

Typically lower rewards — Typically higher rewards
Lower risk — Higher risk

1	2	3	**4**	5	6	7

The sub-fund is ranked as a 4 because it has experienced relatively high rises and falls in value over the past five years.

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

As there is less than five years of available data for this sub-fund, for illustrative purposes a similar type of investment has been used to calculate the risk/reward profile.

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.

A more detailed description of the risks identified as being applicable to the sub-fund are set out in the `Risk Factors' section of the Prospectus.

Investment objective and policy

The investment objective of the sub-fund is to seek to achieve real growth in capital and income over the long term. The sub-fund will invest mainly in a portfolio of UK equities listed on the LSE or quoted on AIM/ISDX and 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.

Real growth means growth in excess of inflation, defined as the UK Consumer Price Index (CPI) +2% per annum on average and long term means over a minimum investment horizon of five years. It is likely that the portfolio will contain between 25 and 40 holdings when fully invested.

The Investment Adviser will adopt a focused approach to investing in the shares of those businesses with a clear and sustainable competitive advantages that are difficult to replicate, thereby erecting a barrier to new entrants and generating superior returns on operating assets. In addition, these companies are likely to possess sound finances and experienced management teams focused on the creation of long term value for shareholders.

The Investment Adviser will seek to invest in such companies at valuations which offer the potential for long term appreciation in income and capital value. If valuations are not deemed attractive, cash levels within the sub-fund may rise until suitable investment opportunities are found. The sub-fund may also invest in derivatives and forward transactions (for efficient portfolio management purposes). The sub-fund may borrow and may enter into underwriting transactions in accordance with COLL

Performance

The sub-fund's Accumulation Class share price rose by 0.8% from 118.48p on 28th February 2018 to 119.41p on 28th February 2019. This lagged the stated benchmark of CPI+2% per annum over the year, which resulted in a benchmark increase of 3.8%, but outperformed a 2.3% fall in the capital value of the UK stock market. Average month end cash balances in the year were 14.2%. During this time, the sub-fund's peer group, the IMA UK All Companies Sector, declined by 1.3%. The sub-fund was placed 91st out of 262 constituents in this sector. Since inception, in January 2017, the Accumulation Class units have risen by 19.4% which is twice the 9.7% rate of increase in the benchmark(CPI+2% per annum), and compares to a 1.4% decline in the capital value of the UK stock market. Since inception the sub-fund ranks 14th out of 257 names in the IA UK All Companies Sector.

Market review

The year under review has been dominated by negative rhetoric about an impending trade war between China and the US, and in the UK by rising uncertainty about Brexit. The first of these worries has affected the valuation of industrial companies, and the second has hit an already embattled UK retail sector. On top of this, concerns about rising interest rates in the US came to a head in the fourth quarter of 2019, with the sell off wiping out gains for the year for all but a handful of UK equity sub-funds. The auditing profession has also come under greater scrutiny in the UK with the collapse into administration of two high profile public companies: Conviviality Retail and Patisserie Valerie.

Investment review

The sub-fund has continued to grow steadily in size in its second full year, from £9.8m of net assets at the end of February 2018 to £14.15m at the end of February 2019. The sub-fund exceeded £15.5m in value at the end of September 2018 but then suffered some declines in underlying company valuations as worries about Brexit and rising US interest rates reached their height. A particular feature of performance this year has been the marked divergence between winners and losers. On the positive side there were very strong performances from companies in the software and IT services sector, the largest single sector represented in the sub-fund. Notable were US hospital software provider Craneware (+42.3%) and Kainos (+33.2%), a provider of digitalisation services to UK Central government and implementation services for Workday software which is taking over the ERP market from Oracle and SAP. Other technology-rich businesses also did well, for example Auto Trader (+30.9%), the leading platform for advertising second-hand cars, and Games Workshop (+29.1%), the designer of miniatures for table top and device-based fantasy war games. Furnishings retailer Dunelm (+41%) bucked the intense pressures on many UK retailers due to an improving online offering.

On the negative side, the threat of a trade war between the US and China affected many industrial companies, including Trifast (-26.2%) and Victrex (-11.5%). The share price of Revolution Bars halved as it failed to achieve anticipated revenues in its eponymous bars and decided to abandon new openings and the dividend while it revitalises the core Revolution format. Superdry also failed to deliver the expected growth in brand revenues and a change of design and product strategy fell foul of the two founders, leading to conflict and distraction and a marked derating of the shares. Marketing services provider Taptica parted company with its founder following his criminal conviction in the US. Alfa Financial Software shares halved as the business reported delays in the adoption of its leasing software by a couple of large customers.

Portfolio turnover was 20.1% in the year, including the partial takeover of software group Aveva at the very beginning of the period. The decision was taken to exit the holdings in Superdry, Taptica and Alfa Financial and realise losses which is always psychologically difficult. Exits from Liontrust Asset Management and NCC Group were achieved at a profit.

New investments were made in Chemring (military protection equipment); Morgan Advanced Materials (specialist thermal and electrical insulation products); SSP (airport and rail catering); London Stock Exchange (indices, exchanges and clearing services provider); Dotdigital (marketing software); and Tatton Asset Management (service provider to IFAs).

Outlook

It is difficult to make macroeconomic predictions at any time, but especially when the UK is facing huge political uncertainty and upheaval over Brexit. While this uncertainty persists, the UK consumer will continue to delay spending plans. However, the focus of the sub-fund is on individual businesses which have strong financial characteristics and competitive advantages, and it is these underlying businesses which will deliver further growth in profits and dividends in the future to create wealth for investors in the Free Spirit Fund.

Rosemary Banyard

Sanford DeLand Asset Management Limited

The Top Ten Purchases and Total Sales During The Year Were As Follows:

Purchases	Costs £'000	Sales	Proceeds £'000
MORGAN ADVANCED MATERIALS	627	FIDESSA GROUP	406
CHEMRING GROUP	519	LIONTRUST ASSET MANAGEMENT PLC	383
SSP GROUP PLC	483	ON THE BEACH GROUP PLC	374
TATTON ASSET MANAGEMENT PLC	466	DCC PLC	278
TRISTEL P.L.C.	419	TAPTICA INTERNATIONAL LTD	226
CRANEWARE	344	SUPERDRY REG SHS	200
TRIFAST	321	PARK GROUP PLC	196
AUTO TRADER GROUP PLC	315	ALFA FINANCIAL SOFTWARE HOLDINGS PLC	169
CLS HOLDINGS PLC	254	GB GROUP PLC	120
TAPTICA INTERNATIONAL LTD	253	NCC GROUP	100
Total purchases during the year were	**8,202**	**Total sales during the year were**	**2,671**

CFP SDL Free Spirit Fund

Portfolio of investments

as at 28 February 2019

Holding	INVESTMENT	Market Value £'000	Total Value of Sub-Fund %
	BASIC MATERIALS 2.82% (3.00%)		
	Chemicals 2.82% (3.00%)		
17,000	Victrex	398	2.82
		398	**2.82**
	CONSUMER GOODS 13.67% (9.67%)		
	Beverages 3.81% (3.71%)		
70,787	AG Barr	539	3.81
		539	**3.81**
	Food Producers 0.00% (0.65%)		
	Household Goods & Home Construction 3.33% (3.10%)		
60,000	MJ Gleeson	470	3.33
		470	**3.33**
	Leisure Goods 3.29% (2.45%)		
15,000	Games Workshop Group	465	3.29
		465	**3.29**
	Personal Goods 3.24% (2.86%)		
11,500	Unilever	459	3.24
		459	**3.24**
	CONSUMER SERVICES 4.37% (19.24%)		
	General Retailers 4.37% (2.75%)		
75,000	Dunelm Group	618	4.37
		618	**4.37**
	Media 8.96% (7.63%)		
150,000	Auto Trader Group	715	5.06
32,000	RELX	551	3.90
		1,266	**8.96**
	Retail 0.00% (2.82%)		

Holding		INVESTMENT	Market Value £'000	Total Value of Sub-Fund %
		Travel, Leisure & Catering 5.00% (6.04%)		
300,000		Revolution Bars Group	242	1.71
70,000		SSP Group	465	3.29
			707	**5.00**
		FINANCIALS 15.54% (14.75%)		
		Financial Services 12.05% (12.45%)		
22,000		Hargreaves Lansdown	377	2.66
3,000		London Stock Exchange	136	0.96
75,000		Mortgage Advice Bureau	414	3.05
18,500		S & U	370	2.66
190,000	*	Tatton Asset Management	381	2.72
			1,678	**12.05**
		Real Estate Investment & Services 3.49% (2.30%)		
210,000		CLS Holdings	492	3.49
			492	**3.49**
		HEALTH CARE 7.35% (0.28%)		
		Health Care Equipment & Services 6.76% (0.28%)		
1,450,000	*	EKF Diagnostics	471	3.45
160,000	*	Tristel P.L.C.	456	3.31
			927	**6.76**
		Pharmaceuticals & Biotechnology 0.59% (0.00%)		
59,564		Renalytix AI	80	0.59
			80	**0.59**
		INDUSTRIALS 19.59%		
		Aerospace & Defence 5.35% (2.28%)		
29,000		Avon Rubber	367	2.60
265,000		Chemring Group	387	2.75
			754	**5.35**
		Electronic & Electrical Equipment 3.37% (0.00%)		
185,000		Morgan Advanced Materials	475	3.37
			475	**3.37**

CFP SDL Free Spirit Fund

Holding		INVESTMENT	Market Value £'000	Total Value of Sub-Fund %
		Industrial Engineering 2.66% (1.55%)		
200,000		Trifast	375	2.66
			375	**2.66**
		Support Services 8.21% (8.25%)		
4,000		DCC	260	1.84
33,000		Diploma	446	3.15
44,400		VP	446	3.22
			1,152	**8.21**
		TECHNOLOGY 15.52%		
		Software & Computer Services 15.52% (16.01%)		
20,000		Aveva Group	605	4.27
33,000	*	Craneware	858	6.12
265,000		Dotdigital Group	244	1.75
20,000		GB Group	96	0.68
80,000		Kainos Group	380	2.70
			2,183	**15.52**
		Total Value of Investments	**13,038**	**92.82**
		Net Other Assets	1,021	7.18
		Total Net Assets	**14,059**	**100.00**

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

* AIM Listed Securities.

Statement of total return

For the year ended 28 February 2019

	Note	28/02/2019 £'000	£'000	28/02/2018 £'000	£'000
Income					
Net capital (losses)/gains	4		(209)		825
Revenue	5	302		93	
Expenses	6	(200)		(113)	
Net revenue/ (expense) before taxation		102		(20)	
Taxation	7	(2)		-	
Net revenue/ (expense) after taxation			100		(20)
Total return before distributions			**(109)**		**805**
Distributions	8		(100)		(805)
Change in net assets attributable to shareholders			**(209)**		**805**

Statement of change in net assets attributable to shareholders

For the year ended 28 February 2019

	28/02/2019 £'000	£'000	28/02/2018 £'000	£'000
Opening net assets attributable to shareholders		**9,809**		**2,035**
Amounts received on creation of shares	6,582		7,857	
Amounts paid on cancellation of shares	(2,218)		(905)	
		4,364		6,952
Dilution Levy		-		17
Change in net assets attributable to shareholders' from investment activities		(209)		805
Retained distribution on accumulation shares		95		-
Closing net assets attributable to shareholders		**14,059**		**9,809**

CFP SDL Free Spirit Fund

Balance sheet

As at 28 February 2019

	Note	28/02/2019 £'000	28/02/2018 £'000
Assets			
Investment assets		13,038	7,872
Debtors	9	98	691
Cash and bank balances	10	976	1,558
Total Assets		**14,112**	**10,121**
Liabilities			
Creditors	11	(48)	(312)
Distribution payable on income shares		(5)	-
Total liabilities		**(53)**	**(312)**
Net assets attributable to Shareholders		**14,059**	**9,809**

Summary of material portfolio changes

For the year ended 28 February 2019

	28/02/2019 £'000
Total Purchases in period	8,202
Total Sales in period	(2,671)

The notes on pages 41 to 47 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

Notes to the financial statements

1. Accounting Policies

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 10 to 12.

4. Net Capital Losses

	28/02/2019 £'000	28/02/2018 £'000
Non-derivative securities	(207)	827
Transaction costs & handling charges	(2)	(2)
Net (losses)/gains on investments	**(209)**	**825**

5. Revenue

	28/02/2019 £'000	28/02/2018 £'000
UK Dividends	290	91
Overseas Dividends	7	2
Bank interest	5	-
Total Revenue	**302**	**93**

6. Expenses

	28/02/2019 £'000	28/02/2018 £'000
Payable to the manager, associates of the manager and agents of either of them		
ACD fees	28	25
Investment Manager fees	120	44
	148	**69**
Payable to the depositary or associates of the depositary and agents of either of them		
Depositary fees	18	18
Safe Custody fees	2	-
	20	**18**
Other expenses		
Audit fees	5	5
Electronic messaging fees	-	1
Printing fees	2	-
Registration fees	25	20
	32	**26**
Total expenses	**200**	**113**

Irrecoverable VAT is included in the above expenses where relevant.

CFP SDL Free Spirit Fund

7. Taxation

(a) Analysis of the tax charge in the year

	28/02/2019 £'000	28/02/2018 £'000
Corporation tax	-	-
Overseas tax	2	-
Total current tax charge	**2**	**-**
Deferred tax on Corporation tax (Note 7 (c))	-	-
Total taxation for the year	**2**	**-**

(b) Factors affecting current tax charge for the year

	28/02/2019 £'000	28/02/2018 £'000
Net revenue before taxation	102	(20)
Net revenue for the year multiplied by the standard rate of corporation tax (20%)	20	(4)
Effects of:		
Expense not utilised in the year	39	23
Revenue not subject to corporation tax	(59)	(19)
Overseas tax paid	2	-
Total tax charge (Note 7 (a))	**2**	**-**

(c) Deferred tax

	28/02/2019 £'000	28/02/2018 £'000
Deferred tax charge	-	-
Provision at start of year	-	-
Total Deferred tax	**-**	**-**

Authorised OEIC's are exempt from tax on capital gains made within the sub-fund.

The sub-fund has not recognised a deferred tax asset of £64,000 (2018: £33,000) arising as a result of having unutilised management expenses. It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

8. Distributions

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28/02/2019 £'000	28/02/2018 £'000
Interim Income		
Interim distribution	2	-
Final distribution	5	-
Interim Accumulation		
Interim accumulation	29	-
Final accumulation	66	-
Total Distribution	102	-
Add: Income deducted on cancellation of shares	6	-
Deduct: Income received on creation of shares	(8)	-
Net distribution for the period	**100**	**-**
Reconciliation of Net Income and Distributions		
Net Income after Taxation	100	(20)
Deficit transferred to capital	-	20
Net distribution for the period	**100**	**-**

9. Debtors

	28/02/2019 £'000	28/02/2018 £'000
Amounts Receivable for creation of shares	27	13
Stock Sales awaiting settlement	48	11
Accrued revenue	23	667
Debtors	**98**	**691**

10. Cash And Bank Balances

	28/02/2019 £'000	28/02/2018 £'000
Sterling	976	1,558
Cash and bank balances	**976**	**1,558**

11. Creditors

	28/02/2019 £'000	28/02/2018 £'000
Accrued expenses	11	16
Amounts payable for cancellation of shares	37	85
Purchases awaiting settlements	-	211
Creditors	**48**	**312**

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12. Related Parties

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is a tiered fee based on assets under management subject to a minimum of £25,000 per annum and is payable monthly. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Details of shares cancelled and created by the ACD are shown in the Statement of Change in Net Assets Attributable to Shareholders.

Investment Adviser

Sanford DeLand Asset Management (SDL) act as an Appointed Representative of Castlefield Investment Partners (CIP). The Directors of SDL, noted within this document, act as Approved Persons of CIP for the purposes of acting as the lead day-to-day managers to the respective sub-funds. CIP is part of the group of companies to which the ACD belongs, Castlefield Partners Limited.

13. Contingent Liabilities And Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

14. Financial Instruments

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 11 to 12.

At 28 February 2019, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £651,900 (28 February 2018: £393,557).

Currency Exposure

There was no material direct foreign currency exposure within the sub-fund at the balance sheet date.

Interest Rate Risk

The only interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to Sterling bank deposit rates or the international equivalent.

Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 11 to 12.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 11 to 12.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Valuation Technique

as at 28/02/2019	Assets £'000	Liabilities £'000
Level 1	13,038	-
Level 2	-	-
Level 3	-	-
Total	**13,038**	**-**

as at 28/02/2018	Assets £'000	Liabilities £'000
Level 1	7,872	-
Level 2	-	-
Level 3	-	-
Total	**7,872**	**-**

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable for the asset or liability).

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR Guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks. The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The Investment Adviser does not use derivative instruments to hedge the investment portfolio against risk.

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15. Share Classes

The sub-fund currently has two types of share and the Investment Adviser's fee on each share class is as follows:

General Income Shares: 0.90%

General Accumulation Shares: 0.90%

The following table shows the shares in issue during the year:

GENERAL CLASS	Income
Opening Shares	474,283
Shares Created	494,780
Shares Liquidated	(62,210)
Shares Converted	-
Closing Shares	**906,853**

GENERAL CLASS	Accumulation
Opening Shares	7,840,720
Shares Created	4,925,646
Shares Liquidated	(1,813,560)
Shares Converted	-
Closing Shares	**10,952,806**

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on page 32. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution table on page 48.

16. Portfolio Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on pages 32 to 33.

PORTFOLIO TRANSACTION COSTS	28/02/2019 £'000	28/02/2018 £'000
Analysis of total purchase costs:		
Purchase in year before transaction costs	8,168	6,521
Commissions:		
Equities total value paid	6	9
Taxes:		
Equities total value paid	28	26
Total Purchase costs	**34**	**35**
Gross Purchase total	**8,202**	**6,556**
Analysis of total sale costs:		
Gross sales in year before transaction costs	2,672	698
Commissions:		
Equities total value paid	(1)	(1)
Taxes:	-	-
Total sale costs	**(1)**	**(1)**
Total sales net of transaction costs	**2,671**	**697**

PORTFOLIO TRANSACTION COSTS %	28/02/2019 %	28/02/2018 %
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.08	0.14
Taxes:		
Equities total value paid	0.34	0.40
Analysis of total sale costs:		
Commissions:		
Equities total value paid	0.05	0.19
Taxes:	-	-
Analysis of total costs:		
Commissions:	0.06	0.21
Taxes:	0.21	0.54

As at the balance sheet date, the average portfolio dealing spread was 0.76% (2018: 1.32%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

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Distribution tables

First Interim Dividend Distribution In Pence Per Share

GENERAL SHARES - INCOME

	Net income	Equalisation	Distribution Paid 31/08/2018	Distribution Paid 31/08/2017
Group 1	0.2711	-	0.2711	-
Group 2	0.1060	0.1651	0.2711	-

GENERAL SHARES - ACCUMULATION

	Net income	Equalisation	Distribution Paid 31/08/2018	Distribution Paid 31/08/2017
Group 1	0.2692	-	0.2692	-
Group 2	0.1445	0.1247	0.2692	-

Final Dividend Distribution In Pence Per Share

GENERAL SHARES - INCOME

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	0.5978	-	0.5978	-
Group 2	0.4530	0.1448	0.5978	-

GENERAL SHARES - ACCUMULATION

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	0.6006	-	0.6006	-
Group 2	0.4007	0.1999	0.6006	-

Sanford DeLand

ASSET MANAGEMENT

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