

Castlefield B.E.S.T Sustainable UK Smaller Companies Fund

Factsheet - January 2020



Fund Information

Fund Managers:



Alistair Currie



David Elton

Historic Yield:

0.60%*

Sector:

IA UK Small Companies

Fund Size

£9.49m

Number of Holdings:

35-40

ACD:

Castlefield Fund Partners Limited

Launch Date:

1st June 2007

Platform Availability

AJ Bell, Ascentric, Aviva, Cofunds, Elevate, FNZ, Hargreaves Lansdown, Novia, Old Mutual, Zurich

Share Class Information

Share Class

General

Min. Investment

£500

Initial Charge

0%

Investment Adviser Fee

0.75%

Ongoing Charge

1.65%

Payment Dates

30th April, 31st October

ISA Eligible

Yes

ISIN

GB00B1XQNH95

CITI CODE

Z583

Bloomberg

PRUKSII:LN

Holdings within other share classes of the Fund previously active were converted to the 'General Income Class' reflected within the document as of 1st July 2019.

*Historic Yield reflects the historic dividend income paid from the fund in the preceding 12 months as at 31/12/2019.

Fund Objective and Strategy

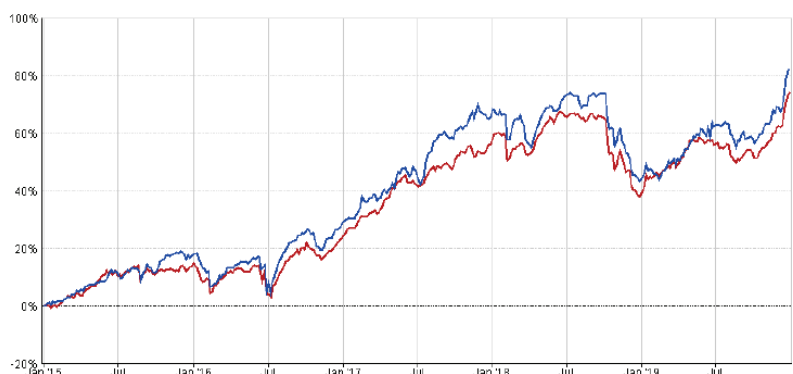
The objective of the Fund is to achieve long term capital growth, which is superior to the median performance of all of the funds forming the official peer group of which the Fund is a part. 'Peer group' is defined as being the Investment Association sector to which the Fund has been allocated (currently being the UK Smaller Companies sector) or to which it may be allocated in future, as determined by that body. Long term means over a minimum investment horizon of five years.

The investment policy is to invest predominantly in the shares of quoted smaller UK companies, including those listed on the Alternative Investment Market. We seek to invest in companies with meaningful employee engagement and employee share ownership.

B	Business & financial	S	Social
E	Environmental & ecological	T	Transparency & governance

The investment adviser uses a responsible investment process to identify securities in which the fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the fund where 'B.E.S.T' indicates Business & financial, Environmental & ecological, Social and Transparency & governance.

*Further information on the 'B.E.S.T' criteria and sustainability element may be obtained from the Investment Adviser upon request.



■ A - Castlefield BEST Sust UK Smaller Co General Income [81.85%]
■ B - IA UK Smaller Companies [74.38%]

31/12/2014 - 31/12/2019 Data from FE 2020

Cumulative Performance (%)

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs
UK Smaller	7.18	14.73	12.44	25.46	41.19	81.85
Sector	7.05	13.60	12.02	25.31	40.72	74.65
Quartile	3	3	3	3	3	2

Discrete Performance (%)

	2019	2018	2017	2016	2015
UK Smaller	25.46	-13.84	30.62	9.08	18.07
Sector	25.31	-11.70	27.18	8.05	14.86
Quartile	3	3	2	2	2

Discrete Year to Quarter End Performance (%)

	Q4 2018	Q4 2017	Q4 2016	Q4 2015	Q4 2014
	Q4 2019	Q4 2018	Q4 2017	Q4 2016	Q4 2015
UK Smaller	25.46	-13.84	30.62	9.08	18.07

Source: Financial Express. as at 31/12/2019.

Past performance is not a guide to future performance. Investment in the fund carries the risk of potential loss of capital.

Fund Commentary

The Fund registered a total return of +7.18% in December, compared to the sector which returned +7.05% over the same period.

The highest three contributors to performance were Augean (+25.1%), Good Energy (+35.3%), and GB Group (+15.4%), whilst the lowest three, AB Dynamics (-15.3%), Ince Group (-8.0%), and Personal Group (-4.3%). It was a quieter month for company news flow, with only Augean, of those above, releasing any news of note. Waste management business, Augean, announced that it had renewed and extended its banking facilities and also paid all outstanding disputed HMRC Landfill Tax assessments and interest accrued to date. This brought some clarity and comfort to the market.

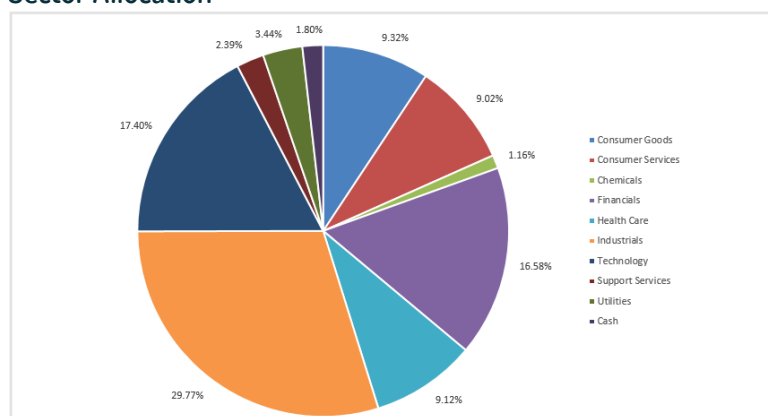
Two new holdings were introduced to the Fund during the period. The first was in Oxford Metrics, a developer of analytics software for two distinct markets. The first market and division, which trades as Vicon, is a world leader in high precision movement analysis, supplying motion measurement systems for a wide range of applications from analysing the gait of a child with cerebral palsy or examining an athlete's performance to creating visual effects in Hollywood blockbusters. The second division, trading as Yotta, is focused on infrastructure asset management where clients include central/local government and other infrastructure owners working in highways, street lighting, street works, waste and utilities.

The second new purchase was in specialist UK service provider, Marlowe. The services delivered by the company are vital to its customers in reducing risk and assuring regulatory compliance, spanning several areas: Fire Safety & Security; Water Treatment & Hygiene; Health & Safety Consultancy; and Air Quality & Testing. An active M&A strategy since float has established Marlowe's position as a leader in its sectors of operation, from which it can grow further and benefit from scale economies such as improved route density.

Source: Castlefield Investment Partners, FE Analytics and London Stock Exchange 6th January 2020

Past performance is not a guide to future performance.

Sector Allocation



Top Ten Holdings

1.	Augean	5.50%
2.	Inspired Energy	4.67%
3.	Tristel	4.66%
4.	The Gym Group	4.49%
5.	AB Dynamics	4.38%
6.	Tracsis	4.08%
7.	GB Group	4.01%
8.	Strix Group	3.46%
9.	Good Energy Group	3.44%
10.	Porvair	3.13%

Fund Managers

David Elton, Associate, CFA.

David joined Castlefield after graduating with a first-class Accounting & Finance degree in 2011. As part of his degree, he undertook a year long research role for a hedge fund. Now, in addition to his broader portfolio management and research responsibilities, David's role at Castlefield specifically includes lead managing the Castlefield B.E.S.T Sustainable UK Smaller Companies Fund and AIM IHT portfolios. David is a charter holder (Chartered Financial Analyst) of the CFA Institute, a holder of the CFA UK Investment Management Certificate and CISI Investment Advice Diploma.

Alistair Currie, Partner, BCom (Hons), CA.

Prior to joining Castlefield Investment Partners, Alistair managed the UK Smaller Companies Fund at Premier Fund Managers since October 2003. Previously, as the Head of Small Cap. Investment Team at Edinburgh Fund Managers (EFM). Alistair built a formidable reputation running smaller companies funds. He also had responsibility for over-seeing the team managing all of EFM's small cap portfolios, including the EFM Balanced Growth Institutional mandates.

Important Information

This document provides information about the Castlefield B.E.S.T Sustainable UK Smaller Companies Fund. Castlefield Fund Partners Limited (CFP) is the Authorised Corporate Director (ACD) of the Fund and Castlefield Investment Partners LLP (CIP) is the appointed Investment Adviser. Both CFP and CIP are authorised and regulated by the Financial Conduct Authority. This document does not constitute or form part of, and should not be construed as, an initiation to buy or sell units and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever. The value of units and the income generated from them can fall as well as rise and are not guaranteed; investors may not get back the amount originally subscribed. Equity investments should always be considered as long term. Investors should not purchase the Fund referred to in this document except on the basis of information contained in the Fund's prospectus. We recommend that investors who are not professional investors should contact their professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from www.castlefield.com or direct from Castlefield. All data at 31 December 2019.

Contact Information

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