



Premier Castlefield UK Alpha Fund

ANNUAL SHORT REPORT OF THE AUTHORISED CORPORATE DIRECTOR:
FOR THE PERIOD FROM 1 MARCH 2007 TO 28 FEBRUARY 2008

NET ASSET VALUES (In pence per share)

General Income	
28 February 2008	312.17
General Accumulation	
28 February 2008	312.96
Institutional Income	
28 February 2008	314.80
Institutional Accumulation	
28 February 2008	315.46

Any income available will be removed from the Net Asset Value per Share price and used for the Fund's year-end distribution/accumulation. As a result, no parallel should be made with the quoted high/low prices for the period.

Past performance is no guarantee to future performance and the value of the investment can go down as well as up.

SHARE PRICE RANGE (In pence per share)

General Income	High	Low
2007 ¹	343.42	298.50
2008 ⁴	322.60	279.27
General Accumulation	High	Low
2007 ¹	344.55	299.56
2008 ⁴	323.40	279.96
Institutional Income	High	Low
2007 ²	335.60	300.43
2008 ⁴	324.93	281.39
Institutional Accumulation	High	Low
2007 ³	344.81	301.42
2008 ⁴	325.63	282.00

¹ From 4 June 2007 to 31 December 2007

² From 28 June 2007 to 31 December 2007

³ From 13 June 2007 to 31 December 2007

⁴ To 28 February 2008

Annual Dividend Distributions (In pence per share)

General Income		
XD DATE	Paid on	Distribution
31 August 2007	27 November 2007	0.8338
General Accumulation		
XD DATE	Paid on	Distribution
31 August 2007	27 November 2007	0.5064
Institutional Income		
XD DATE	Paid on	Distribution
31 August 2007	27 November 2007	0.7465
Institutional Accumulation		
XD DATE	Paid on	Distribution
31 August 2007	27 November 2007	1.1130

XD DATES

28 February (final)

31 August (interim)

DISTRIBUTION DATES

27 May (final)

27 November (interim)

TOTAL EXPENSE RATIO (Estimated)

General Shares	
28 February 2008	2.77%
Institutional Shares	
28 February 2008	2.27%

The total expense ratio's (TER's) show the annual operating expenses of the Fund, including the annual management charge and other expenses. It does not include transaction charges. Funds highlight the TER to help you compare the annual operating expenses of different schemes. The TER for income and accumulation shares is the same.

INVESTMENT PHILOSOPHY AND PROCESS

The remit of the Premier Castlefield UK Alpha Fund is to achieve a total return in excess of the benchmark FTSE All-Share index. The Fund aims to meet this objective by maintaining a concentrated portfolio of "conviction" holdings. It is not benchmark constrained and can invest across the entire market capitalisation range.

The emphasis of the Fund is on stock selection rather than being thematically driven. Substantial effort is directed to in-house research and on identifying the value drivers for a business. Where we make investments, it is generally in companies that are already profitable but where we feel the market is substantially undervaluing the company's prospects. The reasons for this can range from undervaluing the assets held by a company, by undervaluing the future profit growth that a company can generate or where there are integration/restructuring issues to be worked through by a company. In each of these cases, other investors either tend to place too high a risk premium on such companies or do not attribute sufficient value to future earnings growth. We aim to exploit these opportunities to deliver enhanced returns to investors.

PERFORMANCE

Since the launch date of the Fund on the 1st June 2007, the Fund has achieved a total return of -8.6%. This compares with a total return of the benchmark FTSE All Share Index of -10.1%, implying an outperformance by the Fund of 1.5% on a total return basis.

Although equity market returns have been volatile, a number of stock specific factors have helped contribute to this outperformance. A number of takeover situations, notably in the resources sector including the ongoing bid for the mining group Rio Tinto, the acquisition of the chemicals group ICI by Akzo Nobel and the agreed offer for oil services group Abbot, have all had a positive influence on performance.

MARKET REVIEW

During the second half of 2007 and the start of 2008, the key themes dominating the market remained very much the same as at the time of the interim report in August. During September, it emerged that the former building society Northern Rock was facing greater problems funding its mortgage lending business than previously

realised. As the bank funded much of its borrowing via the wholesale money markets rather than from its deposits, it faced a liquidity crunch when short term borrowing rates rose steeply. This was exacerbated as savers queued to withdraw their money as news of the company's funding position leaked out. The situation for Northern Rock ultimately came to a head in January when the government announced that the bank would be nationalised following a failure to find a suitable bidder for the group. This drew to a close Northern Rock's life as a publicly listed company, however, the impact of these moves still resonated with investors after the group had withdrawn from the public markets.

The US was the location of the root cause of the increase in borrowing rates that caused the collapse of Northern Rock. Further fallout from the sub-prime mortgage market prompted the US Federal Reserve (Fed) to begin aggressively cutting interest rates in order to alleviate this crisis which had already become a global rather than local phenomenon. Following a period of 17 successive 0.25% interest rate increases which had left US base rates at 5.25%, the Fed began cutting rates in September by an initial 0.5%. As the initial move was greeted with a bounce in equity markets on both sides of the Atlantic, investors subsequently feared that the moves would not be enough. This formed the template for the following few months as the Fed cut rates in increasingly bold moves, culminating in two separate cuts in January totalling 1.25% to leave US rates at 3.0% at the period end. Each move was followed by a rally in equity markets which later gave way to further investor concern about the state of the US economy and its impact on other global economies.

In the UK, the Monetary Policy Committee (MPC) joined the action to ease the seizing in credit markets by cutting rates in December and February to leave rates at 5.25%. Concerns about inflation, particularly stemming from commodity markets such as oil and agricultural commodities, meant that the accompanying statements remained hawkish in tone and may constrain the ability of the Bank of England to cut rates drastically going forward.

Despite the volatility in wider markets stemming from the financial sector, industries with better prospects and specifically companies which were not reliant on the debt markets for funding were still able to do deals. The mining sector saw much activity with the approach by BHP Billiton for fellow FTSE 100 constituent Rio Tinto in November, sparking further rumours of consolidation in the sector. The oil-services group Abbot was on the receiving end of a bid from a private equity firm in December and brewer Scottish & Newcastle is likely to be broken up following a joint bid from Carlsberg and Heineken.

These moves were in contrast to the uncertainty in much of the rest of the market. The period ended with the benchmark FTSE All Share Index down 10.1% on a total return basis with the market 6.7% of these losses coming in the first two months of 2008.

PORTFOLIO ACTIVITY

At the launch date of the Fund on the 1st June 2007, the portfolio was already closely aligned with the views of the manager. Since the last interim report up to the end of August 2007, portfolio activity has involved the reduction of the stake in Rio Tinto immediately following the approach by BHP Billiton. The portfolio maintains an overweight exposure to both companies, with the proceeds from the profit-taking from Rio Tinto re-invested back into the sector via the Anglo-Swiss mining group Xstrata. It was subsequently announced that Xstrata was itself in talks regarding a possible takeover by the Brazilian mining group Vale (formerly CVRD).



INVESTMENT OBJECTIVE & POLICY

THE INVESTMENT OBJECTIVE OF THE PREMIER CASTLEFIELD UK ALPHA FUND IS TO INVEST PRIMARILY FOR LONG-TERM CAPITAL GROWTH FROM A PORTFOLIO OF INVESTMENTS. THE CURRENT POLICY IS TO ACTIVELY INVEST IN THOSE COMPANIES, PRIMARILY WITHIN THE UK, WHERE THE MANAGER BELIEVES THERE ARE ABOVE AVERAGE OPPORTUNITIES FOR GROWTH.

TOP TEN HOLDINGS AS AT 28/02/2008

	% OF NAV
BG Group	4.98%
BP	4.54%
Rio Tinto	4.16%
BHP Billiton	4.01%
Charter	3.56%
Man Group	3.44%
Meggitt	3.22%
Scottish and Southern Energy	3.20%
Intermediate Capital	3.15%
Vodafone	3.00%

INVESTMENT PROFILE AS AT 28/02/2008

Industrials	25.29%
Financials	19.54%
Oil and Gas	14.07%
Consumer Services	13.65%
Basic Materials	11.13%
Net other assets	16.32%

In the New Year, the portfolio took a position in the software group AVEVA. The group develops and distributes software for the design, construction and maintenance of complex infrastructure projects such as chemical plants and oil rigs. The demand for these end products remains strong and AVEVA's industry leading software facilitates improved efficiency at both the design stage as well as ongoing maintenance. The group's business model involves initial licence fees as well as annual payments for its software suite, thereby improving the visibility of earnings.

The more cautious investor sentiment during the period has led to sectors such as retailing and banking underperforming the wider market and this has benefited the Fund which remains under-represented in these sectors. This has to some extent been off-set by weakness amongst engineering stocks as concerns regarding the US economy remain at the forefront of investors' minds.

OUTLOOK

Whilst credit market turmoil shows no signs of immediately abating, the Premier Castlefield UK Alpha Fund remains positioned to benefit from opportunities thrown up by volatility in equity markets. As share prices assimilate rapidly changing economic assumptions, we are mindful to look beyond near-term price fluctuations and concentrate on finding investment opportunities that meet our investment criteria. Despite a weakening economic picture emerging in the US, we continue to find companies with growing end markets for their products and a degree of pricing power in the face of rising global inflation.

Source: Castlefield Investment Partners LLP, March 2008.

Fund performance figures are sourced to Financial Express Analytics, taken on a total return, bid to bid, UK Sterling basis. Other performance figures are sourced to

Castlefield Investment Partners LLP.

FUND SPECIFIC RISK FACTORS

As the Fund invests primarily in the UK, there is a market risk that the Fund might suffer through holding market positions concentrated in the UK in the face of price movements. The value of these investments may decline over a given period because of economic changes or other events that impact large portions of the market.

GENERAL RISK FACTORS

You should remember that past performance is not a guide to the future. The price of shares and the income from them may go down as well as up and you may get back less than you originally invested. Exchange rates will also cause the underlying investments to fall or rise. Tax concessions are not guaranteed and may change at any time; their value will depend on your individual circumstances.

RISK WARNINGS FOR PRIVATE CUSTOMERS

If you have any doubt as to the suitability of this Fund, you should contact your financial adviser. Details of the basis or amount of any taxes, charges and expenses are contained in the Simplified Prospectus which can be obtained from the ACD.

Castlefield Investments, its directors, officers, employees and their associates may have a holding in the Fund as well as in the securities referred to herein. Reference to any particular stock does not constitute a recommendation to buy or sell the stock.

OTHER INFORMATION

The information in this report is designed to enable shareholders to make an informed judgement on the activities of the Fund during the period it covers and the result of those activities at the end of the period. For more information about the activities and performance of the Fund during the period and previous periods, please contact the ACD. For your protection when dealing, your call may be recorded and monitored.

NOTABLE CHANGES

On 31 May 2007, Shareholders approved the move of the assets from the Premier UK Opportunities Fund to a new Fund called the Premier Castlefield UK Alpha Fund.

During the prior year under review and as agreed by the ACD and Depositary, the company's year end changed from 31 December to 28 February. As a result, the interim accounting date has changed from 30 June to 31 August.

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AUTHORISED CORPORATE DIRECTOR OF THE COMPANY (ACD)

Premier Portfolio Managers Limited

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(Authorised and regulated by the Financial Services Authority)

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ADMINISTRATOR AND REGISTRAR

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AUDITORS

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*RSM Robson Rhodes LLP ("Robson Rhodes") merged its audit practice with that of Grant Thornton UK LLP ("Grant Thornton") with effect from 2 July 2007, with the successor firm being Grant Thornton. Robson Rhodes resigned as auditors on 31 July 2007 creating a casual vacancy, which the ACD filled by appointing Grant Thornton.

INVESTMENT ADVISER

Castlefield Investments
(A registered trademark and the property of Castlefield Investment Partners LLP)

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REPORT AND ACCOUNTS

Copies of the Annual Long-Form Report and Financial Statements of this Fund are available free of charge on request.

Please contact the ACD on 01483 306 090 or visit www.premierassetmanagement.co.uk