



Premier Castlefield UK Alpha Fund

INTERIM SHORT REPORT OF THE AUTHORISED CORPORATE DIRECTOR:
FOR THE PERIOD FROM 1 MARCH 2007 TO 31 AUGUST 2007

NET ASSET VALUES (In pence per share)

| | |
|-----------------------------------|--------|
| General Income | |
| 31 August 2007 | 322.31 |
| General Accumulation | |
| 31 August 2007 | 323.15 |
| Institutional Income | |
| 31 August 2007 | 323.92 |
| Institutional Accumulation | |
| 31 August 2007 | 324.66 |

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 | 301.51 |
| General Accumulation | High | Low |
| 2007 ¹ | 344.55 | 301.51 |
| Institutional Income | High | Low |
| 2007 ² | 344.81 | 302.86 |
| Institutional Accumulation | High | Low |
| 2007 ³ | 344.81 | 302.86 |

¹ From 4 June 2007 to 31 August 2007

² From 28 June 2007 to 31 August 2007

³ From 13 June 2007 to 31 August 2007

Interim Dividend Distributions (In pence per share)

| | | |
|-----------------------------------|------------------|--------------|
| General Income | | |
| XD DATE | Payable on | Distribution |
| 31 August 2007 | 27 November 2007 | 0.8338 |
| General Accumulation | | |
| XD DATE | Payable on | Distribution |
| 31 August 2007 | 27 November 2007 | 0.5064 |
| Institutional Income | | |
| XD DATE | Payable on | Distribution |
| 31 August 2007 | 27 November 2007 | 0.7465 |
| Institutional Accumulation | | |
| XD DATE | Payable 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 | |
| 31 August 2007 | 2.90% |
| Institutional Shares | |
| 31 August 2007 | 2.40% |

The total expense ratio (TER) shows the annual operating expenses of the sub-fund, including the annual management charge and other expenses. It does not include transaction figures. 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 sub-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 sub-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.

MARKET REVIEW

The period up to 31 August was an extremely volatile one for investors. Following the sharp decline in equity markets towards the end of the last reporting period in February 2007, equities rebounded strongly during March. The initial decline was prompted by a deterioration of the sub-prime mortgage market in the US, a feature of global capital markets that would come to dominate much of the remaining reporting period. However, stronger commodity prices helped support both the Mining and Oil & Gas sectors into April as markets continued to gradually recover from their lows of February and early March. Equities were further bolstered by merger and acquisition activity during May as both Hanson and Reuters received bids. The more buoyant sentiment meant that investors even shrugged off the 25bp increase in interest rates during May.

June saw investors in a less decisive mood as the minutes from the previous month's Monetary Policy Committee meeting showed a split vote of 5 to 4 carried the rate hike to 5.5%. Investors felt that this raised the prospect of further rate rises to come in this cycle. This, along with continued high oil prices caused equity markets to falter somewhat, with the indecision spilling over into July. The lack of direction saw volatility increasing as investor sentiment was initially buoyed by

further takeover speculation. A further increase in UK base rates to 5.75% was largely shrugged off by investors as the FTSE All-Share Index rose 1.9% by the middle of the month. From here however, news that a number of bonds backed by US sub-prime mortgages were being downgraded caused the first hint that a re-pricing of risk was under way. The FTSE All-Share Index fell sharply towards the end of July and the selling pressure continued into August as BNP Paribas announced that it had suspended trading in three of its hedge funds with exposure to the US sub-prime market. Following a rally towards the end of August, the FTSE All-Share Index was 2.86% higher than at the start of the reporting period.

PERFORMANCE

Since the launch of the Premier Castlefield UK Alpha Fund on 1 June 2007, the sub-fund has achieved a total return of -5.4%. This compares with a total return from the benchmark* over the same period of -5.1%.

Principle reasons for the performance over this short time frame are a below market exposure to a number of sectors that have disappointed investors over the summer months, such as the banking and retail sectors. In addition, a number of the larger active positions within the portfolio have performed strongly, with good results from the Oil Equipment & Services provider, Wood Group and a bid for the chemicals group ICI.

PORTFOLIO ACTIVITY

Given that the sub-fund was relaunched part way through the reporting period (1st June 2007), the portfolio was already closely aligned with the views of the manager during the months up to the 31st August. There has therefore been only moderate portfolio activity. Notable transactions include a reduction in the holding of the Oil & Gas Services company, Wood Group. Strong end markets enabled the group to report record interim results and the resultant share price rise was taken as an opportunity to reduce the stake and lock in some of the profits whilst still maintaining a position in the stock. A new addition to the portfolio was the international hotel operator Millennium & Copthorne. Recent weakness in the share price related to the reduced chance of a capital restructuring of the freehold asset base. Nevertheless, this accompanied solid interim results and provided an entry point at a more modest valuation multiple than in recent times.

OUTLOOK

We feel that concerns over the impact of credit market tightness will continue to be a cause of equity market volatility in the short term. However, whilst some economic sectors will be more impacted than others, we also feel that as companies progress through their reporting periods, firm economic news-flow will gradually replace speculation and general risk aversion.

The greater uncertainty in markets afforded by this volatility will continue to provide opportunities for the unconstrained investing mandate of the sub-fund.

Source: Castlefield Investment Partners LLP, September 2007.

*Benchmark: FTSE All-Share Index.

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.



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 31/08/2007

| | % OF NAV |
|--------------|----------|
| BP | 4.27% |
| Rio Tinto | 3.20% |
| John Wood | 3.20% |
| HSBC | 3.10% |
| BHP Billiton | 3.08% |
| Meggitt | 3.08% |
| Charter | 2.98% |
| Vodafone | 2.95% |
| Man Group | 2.95% |
| BG Group | 2.93% |

INVESTMENT PROFILE AS AT 31/08/2007

| | |
|--------------------|--------|
| Financials | 24.64% |
| Industrials | 24.22% |
| Consumer Services | 15.28% |
| Oil and Gas | 12.43% |
| Basic Materials | 8.59% |
| Consumer Goods | 7.12% |
| Telecommunications | 2.95% |
| Utilities | 2.73% |
| European Banks | 1.89% |
| Other | 0.15% |

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 sub-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

Registered Office

Eastgate Court,
High Street,
Guildford,
Surrey, GU1 3DE
(Authorised and regulated by the Financial Services Authority)

DEPOSITARY OF THE COMPANY

The Royal Bank of Scotland plc,
The Broadstone,
50 South Gyle Crescent,
Edinburgh, EH12 9UZ

ADMINISTRATOR AND REGISTRAR

Northern Trust International Fund Administration
Services (UK) Limited

Address

PO Box 55736,
50 Bank Street,
Canary Wharf,
London, E14 1BT

AUDITORS

Grant Thornton UK LLP *,
30 Finsbury Square,
London, EC2P 2YU

*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)

Registered Office
215-219 Chester Road,
Manchester, M15 4JE

Operating Address

1 Portland Street,
Manchester, M1 3BE
Telephone: 0161 233 4890
email: queries@castlefield.com
website: www.castlefield.com
(Authorised and regulated by the Financial Services Authority)

REPORT AND ACCOUNTS

Copies of the Interim 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