



Premier Castlefield UK Smaller Companies 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 222.72

General Accumulation

28 February 2008 222.80

Institutional Income

28 February 2008 223.19

Institutional Accumulation

28 February 2008 223.47

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	260.68	232.14
2008 ⁵	240.03	215.19

General Accumulation	High	Low
2007 ²	259.55	232.14
2008 ⁵	240.03	215.19

Institutional Income	High	Low
2007 ³	260.76	232.35
2008 ⁵	240.59	215.79

Institutional Accumulation	High	Low
2007 ⁴	260.76	232.78
2008 ⁵	240.91	216.07

¹ From 4 June 2007 to 31 December 2007

² From 17 July 2007 to 31 December 2007

³ From 19 June 2007 to 31 December 2007

⁴ From 13 June 2007 to 31 December 2007

⁵ To 28 February 2008

Annual Dividend Distributions (In pence per share)

Institutional Income

XD DATE	Paid on	Distribution
31 August 2007	27 November 2007	0.3305

Institutional Accumulation

XD DATE	Paid on	Distribution
31 August 2007	27 November 2007	0.2249

The Institutional Income and Accumulation share classes are able to pay a dividend distribution due to lower expenses.

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 3.08%

Institutional Shares

28 February 2008 2.58%

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 investment philosophy of the Premier Castlefield UK Smaller Companies Fund is to invest in well managed UK smaller companies that are financially sound and have a distinct and sustainable competitive advantage and are capable of long term growth. The investment process involves a thorough appraisal of a company's management, a detailed financial review and an assessment of its market position and the competitive environment.

PERFORMANCE

For the period from 1st June 2007 to 28th February 2008, the Premier Castlefield UK Smaller Companies Fund recorded a total return of -9.8%, compared to a total return from the benchmark* of -27.3% and the IMA UK Smaller Companies sector average total return of -19.1%.

MARKET REVIEW

The outperformance was mainly attributable to a strong performance from many of the larger holdings, some of which produced positive absolute performance in a period of sharply falling share prices generally. BowLeven, which was the largest holding at the start of the period under review, was the best performer rising by 75% on the back of good news on its drilling programme in Cameroon. Other notable performers were London Capital Group (+28%) which has been very successful at attracting new

clients and benefited from high levels of spread betting activity due to the market turmoil, and IQE (+26%) which rose on the back of positive trading news.

PORTFOLIO ACTIVITY

The planned reduction in exposure to AIM listed stocks to around 40% of the portfolio has continued in recent months. Since the interim report the weighting has been reduced from 60% to 54%. This would have been nearer 50% had Lincat not moved from the main market to AIM in August 2007. Over the next few months it is planned to continue to reduce the portfolio's exposure to the AIM market to around 40%.

In the 6 months since the interim report several AIM listed holdings have been reduced into strength. These include BowLeven, Lancashire Holdings, London Capital Group and Mattioli Woods. However all of these stocks remain attractive and continue to be important holdings for the Fund.

Funds raised were re-invested into fully listed stocks such as 888 Holdings, Alterian, Chaucer Holdings, Hampson Industries and Liontrust. 888 Holdings is an on-line gaming company. The share price had fallen heavily due to the well-documented problems for on-line gaming in the US. These problems appear to have been resolved and the stock looks attractive given the strong growth prospects in the other markets in which the company operates. Alterian is a provider of software that enables clients to improve the efficiency and effectiveness of their marketing functions. The company looks capable of sustained long-term growth and is not expensive. Chaucer is an insurance company with significant exposure to motor insurance where rates are hardening. It does not look expensive and dividends look set to grow strongly. Hampson Industries is a specialist supplier to the aviation industry which is currently buoyant with lengthy order books. Liontrust is a fund manager providing institutional and retail investment services. The company has been through a difficult period but performance has picked up which should lead to healthy earnings and dividend growth on the back of increasing fund inflows and performance fees.

OUTLOOK

Small cap stocks are clearly not immune from the problems caused in world markets by the global banking crisis. Indeed, illiquidity means that any selling pressure can lead to sharp falls in individual stocks regardless of the underlying fundamentals. In recent months we have therefore maintained a healthy cash balance in order to provide the ability to take advantage of such situations. Many of the stocks held in the portfolio, particularly the larger holdings, have reported results or issued trading



INVESTMENT OBJECTIVE & POLICY

THE INVESTMENT OBJECTIVE OF THE PREMIER CASTLEFIELD UK SMALLER COMPANIES FUND IS TO INVEST PRIMARILY FOR LONG-TERM CAPITAL GROWTH, INVESTING PREDOMINANTLY IN SHARES IN SMALLER UK COMPANIES INCLUDING THOSE LISTED ON THE ALTERNATIVE INVESTMENT MARKET.

TOP TEN HOLDINGS AS AT 28/02/2008

	% OF NAV
VT Group	6.53%
BowLeven	6.33%
London Capital	4.50%
GB Group	4.44%
First Property	4.31%
Clarkson	4.13%
VP	3.89%
Carclo	3.75%
Personal	3.73%
Intelligent Environments	3.71%

INVESTMENT PROFILE AS AT 28/02/2008

Financials	24.12%
General Industrials	18.28%
Technology	18.17%
Industrials	9.48%
Oil and Gas	7.27%
Net other assets	22.68%

statements in the last few weeks with few disappointments. Assuming that the current crisis can be satisfactorily resolved there is scope for a strong recovery in the share prices of these companies and a continuation of the outperformance of recent months.

Source: Castlefield Investment Partners LLP, March 2008.
 * Benchmark: FTSE Small Cap ex ITs 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.

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. The Fund invests in smaller companies that are less liquid than larger companies which means that fluctuations in price may be greater than for larger companies.

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 Smaller Companies Fund to a new sub-fund called Premier Castlefield UK Smaller Companies Fund. Alistair Currie, previously fund manager of the Premier UK Smaller Companies Fund, transferred to Castlefield Investments on 16 April where he continues to manage the 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,
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 (Authorised and regulated by the Financial Services Authority)

DEPOSITARY OF THE COMPANY

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 Edinburgh, EH12 9UZ

ADMINISTRATOR AND REGISTRAR

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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)

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 (Authorised and regulated by the Financial Services Authority)

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