

Premier Castlefield Monthly Equity Income 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

28 February 2007	111.45
31 August 2007	107.59
NAV % change	-3.46%

Institutional Income

28 February 2007	111.49
31 August 2007	107.47
NAV % change	-3.60%

Charity Income

28 February 2007	109.81
31 August 2007	105.91
NAV % change	-3.55%

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
2006 ¹	114.56	112.04
2007 ²	120.31	104.08

Institutional Income

	High	Low
2006 ³	115.03	105.91
2007 ²	120.58	104.34

Charity Income

	High	Low
2006 ⁴	114.56	93.14
2007 ²	118.74	102.79

¹ From 13 December 2006 to 31 December 2006

² To 31 August 2007

³ From 6 October 2006 to 31 December 2006

⁴ From 2 May 2006 to 31 December 2006

INTERIM DIVIDEND DISTRIBUTIONS (In pence per share)

General Income

XD date	Paid on	Distribution
31 March 2007	27 April 2007	0.2508
30 April 2007	27 May 2007	0.2508
31 May 2007	27 June 2007	0.2508
30 June 2007	27 July 2007	0.2508
31 July 2007	27 August 2007	0.2508
31 August 2007	27 September 2007	1.2508

Institutional Income

XD date	Paid on	Distribution
31 March 2007	27 April 2007	0.2508
30 April 2007	27 May 2007	0.2508
31 May 2007	27 June 2007	0.2508
30 June 2007	27 July 2007	0.2508
31 July 2007	27 August 2007	0.2508
31 August 2007	27 September 2007	1.2508

Charity Income

XD date	Paid on	Distribution
31 March 2007	27 April 2007	0.2508
30 April 2007	27 May 2007	0.2508
31 May 2007	27 June 2007	0.2508
30 June 2007	27 July 2007	0.2508
31 July 2007	27 August 2007	0.2508
31 August 2007	27 September 2007	1.2508

The sub-fund operates a smoothing policy, whereby a controlled rate is paid monthly until the year end final distribution, where the income remaining is distributed.

if Income permits then the sub-fund may distribute an additional amount at the interim date.

XD DATES

28 February (final)
Last day of each month (interim)

DISTRIBUTION DATES

27 May (final)
27 of each month (interim)

TOTAL EXPENSE RATIO

General Shares	
28 February 2007	3.46%
Institutional Shares	
28 February 2007	2.96%
Charity Shares	
28 February 2007	2.71%

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 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 process of the Premier Castlefield Monthly Equity Income Fund incorporates a four-stage approach, encompassing both quantitative and qualitative analysis. The first step involves running stocks through a stock screening model in order to identify companies that meet specific criteria. We aim to identify high yielding stocks with good dividend cover and healthy free cash flow that can also demonstrate consistency of earnings growth. Stocks that do not meet the criteria do not move to the next stage. Stocks are then split into one of three groups – core income stocks, income growth stocks or high income stocks. Whilst the stock selection methodology is consistent for each group, we employ a weighted ratio approach, where the importance of each particular ratio varies dependant on the category. Once the stocks have been put into the appropriate group, we carry out a disciplined fundamental analysis of each company in order to grade the stocks into one of seven categories. Each category has a specific risk profile and the process should result in the greatest exposure to the least risky stocks. The final stage involves modelling the portfolio to assess the total returns going forward. This involves modelling the exposure to the three groups outlined in stage two. The purpose of this is to attain the highest income achievable with the strongest dividend growth possible.

PERFORMANCE

Rising interest rates and concerns about the sub-prime and global credit markets had a particularly negative impact on high yielding equities. As a result, the Premier Castlefield Monthly Equity Income Fund gave up some of the strong performance gained in the last reporting period. In the period under review the sub-fund produced a total return of -1.27% (Charity Income Shares) compared to a total return of -0.1% from the IMA UK Equity Income sector and 4.2% for the FTSE All-Share Index.

MARKET REVIEW

Volatility proved to be a dominant feature of equity markets during the period under review. February's market turbulence continued into March as investors reacted to poor economic data from the US. By 5 March the FTSE All-Share Index reached a low of 3,102.36, a

fall of 7.2% from the high reached in February and its lowest level since December 2006. From here markets rallied as the heavyweight oil sector moved ahead on the back of a strong oil price and rumours of further merger and acquisition (M&A) activity. Markets continued upwards in April as strong corporate earnings growth boosted investor's confidence and M&A activity remained in focus. By 11 April the FTSE All-Share Index had recovered all the ground lost in February's sell off and a new all time high of 3,387.60 was made on the 16. Following an unexpected pick up in inflation, investors became more cautious as the prospect of further interest rate increases impacted sentiment. As a result, the pound was pushed above \$2 for the first time in 14 years and equities moved sideways for the remainder of the month.

Upward momentum continued in May as news that global M&A activity had come close to reaching £1,000bn by value (nearly twice the level reached in May 2006). Markets continued to advance until the 18th of June when the FTSE All-Share Index reached a record level of 3,490.17.

From here, equities came under pressure as sharply rising bond yields undermined valuations and growing concerns about the US sub-prime mortgage market impacted sentiment. Poor corporate news from Tesco and rising commodity prices contributed to investors' growing sense of unease.

Markets continued to lose ground in July as concerns about the credit and sub-prime mortgage markets intensified. In August, news that BNP Paribas was suspending three hedge funds with US sub-prime mortgage exposure and speculation that Countrywide, one of the largest mortgage lenders in the US, was about to go bankrupt, sent shares sharply lower.

On 16 August the FTSE All-Share Index fell by 4.0%, its largest one day fall in four years. The FTSE All-Share Index continued falling on the 17 (hitting a low of 3,014.01, 13.6% below the all time high reached in June) before rallying sharply on the back of the Federal Reserve's (FED) decision to cut the discount rate from 6.25% to 5.75%. This proved to be the turning point and markets staged a strong recovery for the remainder of the month.

As a result, the UK market ended the period showing a modest gain of 1.9%.

PORTFOLIO ACTIVITY

During the period under review HSBC, the international bank, was added to the sub-fund. The company is one of the most diversified banks in the sector and should benefit from exposure to emerging markets. Moreover, the yield of 5.0% is forecast to grow strongly over the medium term. Royal Dutch Shell was also added to the portfolio. Following a long period of underperformance, the valuation was attractive against its international peer group and the UK market. At the time of purchase the stock was yielding 4.2% and had dividend cover in excess of 2.5 times. In the medium term it is likely that total returns will be enhanced by share buybacks. Other new holdings include London Scottish Bank, the speciality finance company and DSG International, the retailer. Both companies have good dividend cover and currently yield in excess of 5%.

Halma and National Express were sold. Following a prolonged period of strong performance both companies' valuations were looking stretched. To avoid taking a holding in Iberdrola, the Spanish utility, Scottish Power was sold prior to the completion of the agreed takeover. Other stocks that were sold prior to the completion of takeovers were Alliance Boots and Amstrad.



INVESTMENT OBJECTIVE & POLICY

THE INVESTMENT OBJECTIVE OF THE PREMIER CASTLEFIELD MONTHLY EQUITY INCOME FUND IS PREDOMINATELY TO GENERATE A RELATIVELY HIGH LEVEL OF INCOME, TOGETHER WITH INCOME GROWTH AND SOME CAPITAL GROWTH OVER THE LONG-TERM. THIS IS TO BE ACHIEVED BY INVESTING PRINCIPALLY IN A PORTFOLIO OF UK EQUITIES, ALTHOUGH MONEY MARKET INSTRUMENTS, COLLECTIVE INVESTMENT SCHEMES, DEPOSITS, WARRANTS, DERIVATIVES (FOR HEDGING PURPOSES) AND OTHER PERMITTED INVESTMENTS AND TRANSACTIONS MAY ALSO BE INVESTED IN.

TOP TEN HOLDINGS AS AT 31/08/2007	% OF NAV	TOP TEN HOLDINGS AS AT 28/02/2007	% OF NAV
BT	6.23%	BT	5.82%
Vodafone	6.08%	Scottish Power	5.72%
Lloyds TSB	4.85%	Lloyds TSB	5.12%
National Grid	4.81%	Alliance & Leicester	4.99%
Alliance & Leicester	4.72%	National Grid	4.99%
United Utilities	4.45%	United Utilities	4.68%
Scottish & Southern Energy	4.31%	Scottish & Southern Energy	4.36%
Northumbrian Water	4.20%	Northumbrian Water	3.76%
Premier Foods	3.84%	RHM	3.54%
Royal Dutch Shell	3.60%	Premier Foods	3.47%

INVESTMENT PROFILE AS AT 31/08/2007		INVESTMENT PROFILE AS AT 28/02/2007	
Financials	34.18%	Financials	29.26%
Utilities	21.13%	Utilities	29.13%
Industrials	12.97%	Industrials	15.17%
Telecommunications	12.31%	Consumer Goods	10.75%
Consumer Goods	7.65%	Telecommunications	8.37%
Consumer Services	4.11%	Consumer Services	7.18%
Oil & Gas	3.60%	Basic Materials	0.65%
Net Other Assets	3.41%	Net Other liabilities	-0.51%
Basic Materials	0.64%		

OUTLOOK

The outlook for the UK market remains positive, with corporate earnings continuing to meet expectations. However, in the short term, markets are likely to be influenced by events in the US sub-prime and global credit markets.

Source: Castlefield Investment Partners LLP, September 2007.

Fund performance figures are sourced to Premier Portfolio Managers Limited, including net income, 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.

There is no guarantee that a constant level of income will be maintained throughout the year since the ACD will attempt to smooth the monthly distributions paid during the year. This will be achieved by carrying over the income received in a month which has above average income expectations in order to supplement the income received in another month which has a lower level of income. The value of shares, and any income from them, can go down as well as up and you might get back less than you invested.

The Fund deducts all charges from capital which may result in the income paid by the Fund being higher than would otherwise be the case and the growth in the capital sum may be constrained.

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 judgment 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

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

With effect from 1 September 2007, the ACD charge has been changed from a fixed cost of £20,000 per annum, per sub-fund to a variable cost of 0.1%, with a minimum of £20,000 per annum, per sub-fund.

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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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AUDITORS

Grant Thornton UK LLP *,
 30 Finsbury Square,
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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 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