

Premier Smaller Companies Fund

Premier Growth Funds ICVC



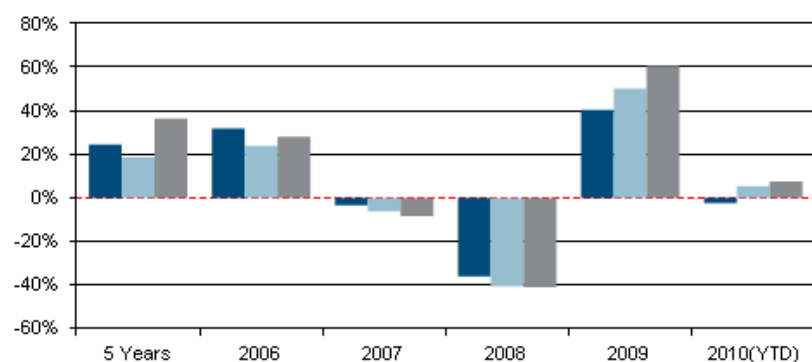
| Fund Strategy |

- Looks to deliver attractive returns through investing in a balanced portfolio of smaller capitalised companies.
- Due to the lower liquidity in smaller company shares, a sizeable proportion of the Fund is held in companies towards the top end of the Hoare Govett Smaller Companies Index.
- The stocks are selected, based on a number of valuation metrics which we believe highlight, where possible, inefficiencies in market pricing.
- Stocks are bought on at least a 12 month time horizon, although from time to time, share prices, or a changed economic environment, necessitate earlier action.

| Fund Objectives |

To achieve long-term capital growth.

Performance Record



■ Premier Smaller Companies TR
 ■ IMA UK Smaller Companies TR
 ■ RBS HGSC EX. Investment Companies TR

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Previously known as the Aberdeen Smaller Companies Fund. Premier Fund Managers Ltd took on the investment management of this Fund on 01/08/09 and Premier Portfolio Managers Ltd assumed responsibility as Authorised Corporate Director on 05/12/2009. Performance data is for the R share class.

Discrete Annual Performance (%)

Share Type	2010(YTD)	2009	2008	2007	2006
Income	-2.4	40.4	-36.0	-3.2	31.8

Discrete Annual Performance to Quarter End 30 June 2010 (%)

Share Type	30/06/2009	30/06/2008	30/06/2007	30/06/2006	30/06/2005
Income	17.4	-22.5	-17.5	28.8	25.7

Cumulative Performance to 31 July 2010 (%)

Share Type	3 Months	6 Months	1 Year	3 Years	5 Years
Income	-5.8	-2.0	19.8	-18.3	24.6
Official Sector	-2.2	4.6	24.9	-18.2	18.8
Benchmark	-3.9	7.2	25.7	-6.4	36.4

Quoted on a bid to bid, total return, UK Sterling basis. Past performance is not a guide to future returns. The price of units and shares and the income from them may go down as well as up and you may get back less than you invested.

Source: Financial Express. 09/08/2010

| Key Fund Facts |

Fund Size:	£20.14m
Launch Date:	27 July 1987
Benchmark:	Hoare Govett Smaller Companies ex IT
Sector:	IMA UK Smaller Companies

| Top 10 Holdings |

	%
CAPE INDST ORD GBP0.25	5.20
WEIR GROUP ORD GBP0.125	4.07
BABCOCK INTERNATIONAL GROUP ORD GBP	4.00
ITE GROUP ORD GBP0.01	3.54
SPIRENT COMMUNICATIONS ORD GBP3.333	3.52
DANA PETROLEUM ORD GBP0.15	3.43
MELROSE ORD GBP0.002	3.13
MICRO FOCUS INTERNATIONAL ORD GBP0.	3.09
CRANSWICK ORD GBP0.1	3.08
MCBRIDE ORD GBP0.1	3.04
TOTAL	36.1

| Asset Allocation |

	%
Industrials	38.17
Financials	16.06
Technology	10.27
Consumer Goods	9.56
Oil & Gas	8.03
Consumer Service	5.72
Health Care	5.57
Basic Materials	2.59
Cash	2.38
Telecommunications	1.64

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Fund developments and comments



**Premier Smaller Companies Fund,
Investment Manager: Simon King**

July was a very strong month for equities on a global basis with most major indices posting substantial gains. The UK was no exception as the market brushed off mixed macroeconomic data and chose instead to concentrate on the plethora of strong results and announcements being announced by the corporate sector. With the Bank of England once again holding interest rates and no sign of a rise any time soon, investors chose to ignore downward revisions to GDP numbers and focus on the fact that this was

likely to subdue any chance of a step up in inflation. Whilst this may prove foolhardy in the longer term it is difficult to avoid the conclusion that whilst a constant supply of "cheap" persists then asset prices in general are likely to hold up and as we have consistently argued over the past few months, equities look very attractive relative to other asset classes.

As we have argued for some time merger and acquisition activity in the UK has finally started to accelerate. July saw a large number of deals announce right across the market cap spectrum but the small and mid cap area remains the most popular. The Fund benefitted directly from its holding in Dana Petroleum, which received an approach and bid from the Korean national oil company KNOC and indirectly from its position in Premier Oil which reacted to the same news. The Fund's largest holding Cape also responded well to a positive set of numbers. Our holding in Petropavlosk reacted poorly to weak production numbers. Our positions in Education Development and Caretech also suffered as the market sold anything with significant UK government exposure. We continue to believe that both are well positioned to weather this storm, but it will take time for both to prove this point.

The market is likely in our view to remain in a skittish mood but with a tendency to rise in the coming months. Many investors in the UK remain confused by the current environment. They are faced by an incredibly strong and financially robust corporate sector which is not restricted by the availability of debt since it simply does not need it and which on the whole is trading well. The consumer meanwhile does not know which way to turn. He is consistently reminded that things are getting worse and that he will be paying more tax and receiving fewer services from the government going forward. But at the same time he still has his job (probably), continues to enjoy low mortgage payments and has some money in his pocket at the end of each month. In this context, and despite our bearish view on the outlook for the UK economy, it is possible to envisage even the retail sector enjoying a stronger run up to Christmas as the average consumer deduces that the City soothsayers have got it wrong again. The one certain fact is that UK government finances are still in a mess and whatever shape or form the Autumn spending review takes its net result will be a severe negative, hence our extreme nervousness on the outlook for the UK in 2011 once tax rises and spending / job cuts really start to bite.

Against this background we regard our task as a relatively straightforward one i.e. to find companies that have the ability to grow against a very challenging economic background and acquire positions in them at reasonable prices. By definition these opportunities are not abundant but when we do find them the current volatility in the market is providing chances to buy them. Our favoured stocks are still tending to exhibit exposure to emerging markets, the capital goods sector and merger and acquisition activity.

Fund Information

Annual Management Charge	1.50%
Initial Charge	4.25%
Accounting Dates	31 Aug, 28/29 Feb
Payment Dates	30 Apr, 31 Oct
Valuation Point	12 noon, daily
Sedol	3163988
Share Class	Income
Published Price	The Financial Times
ISA eligible	Yes, stocks & shares
Min. Investment	£1,000, £50pm (ISAs £100pm)

Investment Team

I Premier Asset Management Limited I

Premier Asset Management is a privately owned, dynamic and progressive asset management company that designs and distributes innovative investments, predominantly through financial advisers. Via its FSA regulated subsidiaries, Premier Portfolio Managers Ltd and Premier Fund Managers Ltd, Premier manages a range of authorised UK and offshore funds as well as providing bespoke discretionary management services for retail and corporate clients.

I Simon King, Senior Investment Manager I

Before joining Premier in April 2010, Simon was previously with Gartmore Investment Management (1996-2009) where he managed and co-managed a series of successful multi-cap long/short and long only high performance portfolios. Prior to this, Simon was a member of the highly successful UK smaller companies team at NatWest Investment Management (1994-1996). His considerable multi-cap UK equities experience is highly regarded.

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