

Premier Multi-Asset Distribution Fund - Annual Short Report

For the period from 1st March 2009 to 28th February 2010

The information in this report is designed to enable investors to make an informed judgement on the activities of the Fund during the period. Copies of the Long-Form Annual Report & Accounts are available free of charge by calling Premier on 0845 230 9033, or can be downloaded from the Premier website at www.premierassetmanagement.co.uk

Investment Objective and Policy

The investment objective of the Premier Multi-Asset Distribution Fund is to provide income together with long-term capital growth. The Fund will achieve this by mainly investing in collective investment schemes and may also invest in equities, fixed interest securities, money market instruments, deposits and warrants.

Subject to the above, the Fund may invest in any asset class and adopt any investment technique or strategy permitted under FSA rules and as detailed in the full prospectus. The Fund may invest in derivatives and forward transactions for investment purposes as well as for the purposes of efficient portfolio management (including hedging).

Fund Facts

Launch date: October 1995, converted to an OEIC December 2001
Ex-dividend dates: 30th November, 28th February, 31st May, 31st August
Income dates: 31st January, 30th April, 31st July and 31st October
IMA sector: Cautious Managed

Total Expense Ratio (TER)

28/02/2010

2.25%

The TER shows 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 to different schemes. The TER for income and accumulation shares is the same.

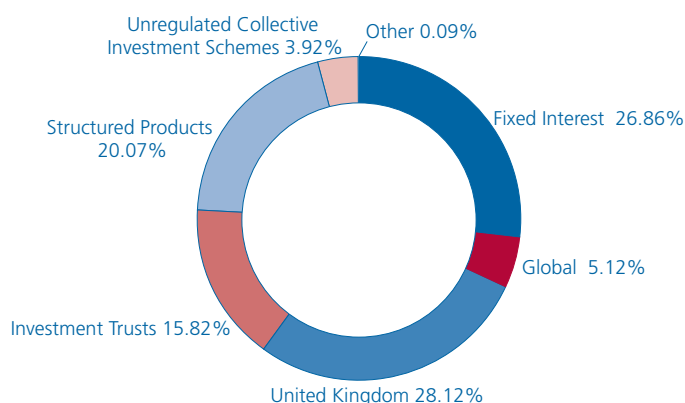
Portfolio Turnover Rate (PTR)

28/02/2010

41.4%

The PTR is a ratio that reflects the volume of trading within the Fund over the course of a 12 month period. The PTR is calculated by taking the sum of all transactions in securities less the sum of all transactions in the Fund's shares and is expressed as a percentage of the Fund's average net asset value.

Asset Allocation as at 28/02/2010



Top Ten Holdings as at 28/02/2010

Ignis Corporate Bond	5.91%
Royal London Corporate Bond	5.84%
Baillie Gifford Corporate Bond 'B'	5.68%
Henderson Preference & Bond 'I'	4.73%
Legal & General Dynamic Bond	4.70%
Rensburg UK Equity Income	4.19%
New Star Investment Funds Property	4.16%
Neptune Income 'B'	4.05%
M&G European Loan 'C'	3.92%
PSigma Income	3.77%

Investment Risks

The Fund deducts all charges, including the annual management charge, from capital rather than income. This may result in the income being higher than would otherwise have been the case and the growth in the capital may be constrained.

Performance Record

Year	Share Class	Highest Price (p)	Lowest Price (p)
2005	Income	132.45	120.29
	Accumulation	194.42	170.82
2006	Income	141.73	130.72
	Accumulation	216.07	194.16
2007	Income	146.46	132.54
	Accumulation	225.45	209.14
2008	Income	135.43	85.68
	Accumulation	214.83	140.87
2009	Income	106.80	78.39
	Accumulation	186.66	132.65
2010 ¹	Income	108.49	105.50
	Accumulation	190.27	185.19

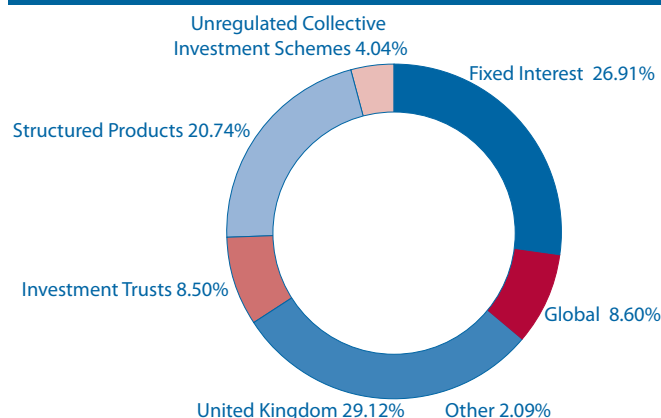
¹To 28th February 2010

Past performance is not an indication of future returns

Net Asset Values

As at	Share Class	Net Asset Value Per Share (p)
28/02/2009	Income	81.35
	Accumulation	137.53
28/02/2010	Income	105.59
	Accumulation	187.32

Asset Allocation as at 28/02/2009



Top Ten Holdings as at 28/02/2009

Ignis Corporate Bond	5.09%
M&G High Yield Corporate Bond	5.08%
Royal London Corporate Bond	5.01%
Henderson Preference & Bond 'I'	4.98%
Schroder Income Maximiser 'A'	4.97%
Rensburg UK Equity Income	4.76%
Baillie Gifford Corporate Bond 'B'	4.53%
Aviva Morley Global	4.39%
Rathbone Income	4.36%
Neptune Income 'B'	4.21%

Premier Multi-Asset Distribution Fund - Annual Short Report

For the period from 1st March 2009 to 28th February 2010

Investment Review

Performance

The Fund's reporting year proved to be one of the best 12-month periods for the Fund in its history, helping to cancel out much of the damage caused in the severe market correction that accompanied the credit crunch in 2008. The performance of this Fund suffered in 2008, in large part because the Fund's primary aim is to generate a steady income for its investors. The only realistic way to have prevented the Fund's price falling would have been to sell corporate bonds or equities for cash (offering record low interest rates) or government bonds (on very low yields). This would have meant a drastically lower income for our investors, so we instead took the view that the higher-yielding assets we held would recover in price when the dark mood passed. This view has paid off for us dramatically over the last 12 months, with the Fund up by 36.16% as compared to its IMA Cautious Managed Sector advance of 23.32%.

Portfolio Activity

As March began, we saw exceptionally good value in both equities and corporate bonds, so this was where the vast majority of holdings were situated. In contrast, we saw very little value in government bonds, which were offering a low yield and faced a bulge in supply as the government financed its recessionary spending plans. Cash, similarly, seemed a very unattractive option as the base rate had been dropped to record lows as the Bank of England tried desperately to jump-start the British economy.

This position proved especially useful to the Fund. It meant we could prevent the level of income it pays from being hit too hard, while it was also exposed to the exceptionally cheap prices equities and corporate bonds were trading at, from which they have since rebounded dramatically. We took profits from equities in the second and third quarters of 2009, as dividends were coming under threat from companies hoarding cash in the fear they would not be able to borrow it from banks should they need it further down the line. We put the proceeds into corporate bonds, which were the likely beneficiaries of companies strengthening their balance sheets, and still offered a very attractive yield and potential for capital gains.

Later in the year, when prices had rallied even further, we took profits from our bond holdings as large parts of the market were no longer looking cheap. We instead channelled the proceeds into a commercial property fund, as the prices of properties had begun to recover from their previous steep declines, with the yields on offer now very attractive versus some other asset classes. The Fund we picked was New Star UK Property, as most other candidates in the market had very high levels of cash in the fund, which would have eaten into the income and the capital returns that this asset class has subsequently produced.

We also added a holding in Residential Mortgage-Backed Securities (RMBS), specifically through the Twenty Four Monument Bond Fund. These assets, especially the higher quality issues held in this Fund, offer fantastic value, largely because this market remains unpopular and ignored by the investment herd. Its price has risen steadily since we purchased it and, despite that, we think this market offers one of the most attractive risk-reward trade-offs of any asset class today.

Outlook

Debate rages on as to whether we're on the road to full recovery or heading back into the financial abyss. Much as we have our own personal views on the state of the world, we're highly conscious that forecasting the future is best left to mystics. We rely on valuations instead, and these suggest to us that equities, corporate bonds and property offer reasonable value, while cash and developed government bonds don't. So it's in the former three assets that the bulk of our exposure lies. Within equities, we favour the less speculative areas of the market, as they look cheaper and offer better protection should the hopes of recovery prove overdone.

With banks' dividends out of the equation, and other income-paying companies cutting their payouts, the last financial year was not a vintage one in income terms (although naturally it was a bumper year in terms of capital growth). However, the Fund remains one of the highest yielding in its sector, and we're confident its income stream will remain much more attractive than that offered by direct equities, gilts or cash. We also believe its income stream will begin to grow again from here.

Source: Premier Fund Managers Limited, March 2010. Performance figures are taken from Financial Express Analytics and are quoted on a bid to bid, total return, UK sterling basis.

Dividend Distribution (in pence per share)

XD date	Paid on	Share Class	Distribution
31/05/2009	31/07/2009	Income	1.1170
		Accumulation	1.8879
31/08/2009	31/10/2009	Income	1.0382
		Accumulation	1.7768
30/11/2010	31/01/2010	Income	1.5762
		Accumulation	2.7265
28/02/2010	30/04/2010	Income	1.1190
		Accumulation	1.9672

Other Information

Authorised Corporate Director (ACD) & Registered Office: **Premier Portfolio Managers Limited**, Eastgate Court, High Street, Guildford, Surrey GU1 3DE

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

Depositary: **The Royal Bank of Scotland plc**, Trustee & Depositary Services, The Broadstone, 50 South Gyle Crescent, Edinburgh EH12 9UZ

Administrators & Registrar: **Northern Trust Global Services Limited**, PO Box 55736, 50 Bank Street, Canary Wharf, London E14 1BT

Issued by:

Premier Portfolio Managers Limited, Eastgate Court, High Street, Guildford, Surrey GU1 3DE.

Tel: 0845 230 9033 Fax: 01483 300 845 Email: premier@premierfunds.co.uk www.premierassetmanagement.co.uk



Premier Portfolio Managers Limited and Premier Fund Managers Limited are both members of the Premier Asset Management Marketing Group and authorised and regulated by the Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. Premier Portfolio Managers Limited is an ISA manager and markets a number of funds. Premier Fund Managers Limited manages these and other funds and provides discretionary portfolio management services. Premier Portfolio Managers Limited is also a member of the Investment Management Association.

You should remember that past performance is not a guide to future returns and the price of shares and the income from them may go down as well as up and you may get back less than you invested. Investment in these funds should be viewed as a long term investment. Exchange rates will also cause the value of underlying investments to fall as well as rise. Tax concessions are not guaranteed and may be changed at any time, their value will depend on your individual circumstances. Reference to any particular stock does not constitute a recommendation to buy or sell the stock. Details of the nature of the investments, the commitment required and fund specific risk warnings are described in the Simplified Prospectus document which is available on request. Monthly cash withdrawals may lead to erosion of the capital value of your investment should you take a higher cash withdrawal than the growth or income generated. 1806106402