

# The Pennine Fund

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Annual Report & Financial Statements (audited)  
For the period from 5th October 2007 to 28th February 2009



Pennine

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## MANAGEMENT AND ADMINISTRATION

The Authorised Corporate Director ("ACD") and registered office of The Pennine Fund ("the Company"):

### PREMIER PORTFOLIO MANAGERS LIMITED

Eastgate Court, High Street,  
Guildford, Surrey, GU1 3DE

Premier Portfolio Managers Limited is authorised and regulated by the Financial Services Authority ("FSA") and is a member of the Investment Management Association ("IMA"). Premier Portfolio Managers Limited and Premier Fund Managers Limited are both members of the Premier Asset Management Marketing Group.

**DIRECTORS OF THE ACD:** Mike O'Shea (Chairman)  
Neil Macpherson (Finance Director)  
Simon Weldon (Managing Director, Sales and Marketing)  
Mark Friend (Managing Director, Operations)  
Mike Hammond (IFA Sales Director)

**INVESTMENT ADVISER:** Premier Fund Managers Limited is the Investment Adviser to the Pennine Dynamic Fund and the Pennine Pathfinder Fund.

Premier Fund Managers Limited has appointed North Investment Partners Limited as sub-Investment Adviser to the Pennine Dynamic Fund and the Pennine Pathfinder Fund.

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

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

**ADMINISTRATORS & REGISTRAR:** Northern Trust Global Services Limited<sup>1</sup>  
PO Box 55736, 50 Bank Street  
Canary Wharf,  
London, E14 1BT

<sup>1</sup> On 1st December 2008 Northern Trust International Fund Administration Services (UK) Limited transferred its business to Northern Trust Global Services Limited.

### COMPANY INFORMATION

The Pennine Fund is an Investment Company with Variable Capital under regulation 12 of the Open-Ended Investment Company Regulations and incorporated in England and Wales under registered number IC000580 and authorised by the FSA with effect from 4th September 2007. Shareholders are not liable for the debts of the Company. At the period end the Company contained 2 sub-funds, the Pennine Dynamic Fund and the Pennine Pathfinder Fund.

The Company is a non-UCITS retail scheme which complies with the FSA's Collective Investment Schemes sourcebook and is structured as an umbrella company so that different sub-funds may be established from time to time by the ACD with the approval of the FSA and the agreement of the Depositary.

### STATEMENT OF ACD AND DEPOSITARY'S RESPONSIBILITIES IN RELATION TO THE ACCOUNTS OF THE SCHEME

The Open-Ended Investment Companies Regulations 2001 and the FSA's Collective Investment Schemes sourcebook ("the Regulations") require the ACD to prepare accounts for each annual accounting period together with half-yearly reports, which give a true and fair view of the financial position of the scheme as at the end of the period and of the net income and the net gains or losses on the property of the scheme for the year then ended. In preparing the accounts, the ACD is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- comply with the disclosure requirements of the Statement of Recommended Practice relating to 'Financial Statements of Authorised Funds', issued by the IMA in December 2005 and the Instrument of Incorporation.
- follow UK generally accepted accounting principles and applicable accounting standards.
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the scheme will continue in operation.
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements.

The ACD is responsible for the management of the Fund in accordance with its Instrument of Incorporation, the Prospectus and the Regulations.

The Depositary is responsible for safeguarding the property of the scheme and must take reasonable care to ensure that the scheme is managed by the ACD in compliance with the Regulations and the provisions of the Instrument of Incorporation and Prospectus.

The ACD and Depositary are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### NOTEABLE CHANGES

On 14th August 2008, shareholders approved an amendment to the Investment Policy to allow the use of derivatives for investment purposes.

## MANAGEMENT AND ADMINISTRATION

### REPORT OF THE ACD TO THE SHAREHOLDERS OF THE COMPANY

The ACD, as sole director, presents its report and the audited financial statements of the Company for the period from 5th October 2007 to 28th February 2009.

The Company is a non-UCITS scheme which complies with the FSA's Collective Investment Schemes sourcebook. The shareholders are not liable for the debts of the Company.

The Investment Objectives and Policies of each sub-fund of the Company are covered in the section for each sub-fund. The sub-funds of an umbrella company should be invested as if they were a single company. The names and addresses of the ACD, Investment Adviser, the Depositary, Auditor and Administrators & Registrar are detailed on page 2.

In the future there may be other sub-funds of the umbrella Company. As a sub-fund is not a legal entity, if the assets attributable to any sub-fund were insufficient to meet the liabilities attributable to it, the shortfall might have to be met out of the assets attributable to one or more other sub-funds of the umbrella Company.

### DIRECTORS' STATEMENT

In accordance with the Regulations, we hereby certify the report on behalf of the Directors of Premier Portfolio Managers Limited.



Neil Macpherson

Finance Director (of the ACD)

29th June 2009

Mark Friend

Managing Director, Operations (of the ACD)

### REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS FOR THE PERIOD FROM 5TH OCTOBER 2007 TO 28TH FEBRUARY 2009 FOR THE PENNINE DYNAMIC FUND AND THE PENNINE PATHFINDER FUND AS SUB-FUNDS OF THE PENNINE FUND ('THE COMPANY')

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it. It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the FSA's Collective Investment Schemes sourcebook, the Open-Ended Investment Companies Regulations 2001 and the Instrument of Incorporation in relation to the pricing of, and dealings in, shares in the Company, the application of the income of the Company, and the investment and borrowing powers and restrictions applicable to the Company.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary, it is our opinion that:

- the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and
- the application of the Company's income have, in all material respects, been carried out in accordance with the provisions of:
- the Regulations and
- the Open-Ended Investment Companies Regulations 2001 and
- the Instrument of Incorporation of the Company

and that, in all material respects, the investment and borrowing powers and restrictions applicable to the Company, in accordance with the provision of the Regulations and Instrument of Incorporation, have been observed.

The Royal Bank of Scotland plc

Trustee & Depositary Services

29th June 2009

# MANAGEMENT AND ADMINISTRATION

## REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF THE PENNINE FUND

We have audited the financial statements of The Pennine Fund for the period ended 28th February 2009. These financial statements consist of the aggregated financial statements of the Company, which comprise the aggregated statement of total return, the aggregated statement of change in shareholders' net assets, the aggregated balance sheet, and notes 1 to 15, and for each of the Company's sub-funds, the statement of total return, the statement of change in shareholders' net assets, the portfolio of investments, the balance sheet, the summary of material portfolio changes, the related notes and the distribution tables. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's shareholders, as a body, in accordance with regulation 67(2) of the Open-Ended Investment Companies Regulations 2001, and with Rule 4.5.12 of the Collective Investment Schemes sourcebook issued by the FSA under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the Authorised Corporate Director and the Auditor

The ACD's responsibilities for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice 'Financial Statements of Authorised Funds' issued by the Investment Management Association (IMA), the Financial Services Authority's (FSA) Collective Investment Schemes sourcebook and the Instrument of Incorporation are set out in the Statement of the ACD and Depositary's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Statement of Recommended Practice "Financial Statements of Authorised Funds" issued by the IMA, the FSA's Collective Investment Schemes sourcebook and the Instrument of Incorporation. We also report to you whether in our opinion the information given in the ACD's Report (which includes; on page 2 information about the name and address of the ACD, investment adviser, depositary, auditor and registrars; and the investment objective and policy, and investment review of each sub-fund) is consistent with the financial statements and we state whether we have been given all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In addition, we report to you if, in our opinion, proper accounting records for the Company or a sub-fund have not been kept, or if the financial statements are not in agreement with those records.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises comparative tables, investment objectives and policies, investment reviews, total expense ratios and the report of the ACD. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the ACD in the preparation of the financial statements and of whether the accounting policies are appropriate to the

Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Company and each of its sub-funds as at 28th February 2009 and of the net income/expenses and net losses of the scheme property of the Company and each of its sub-funds for the period then ended;
- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to 'Financial Statements of Authorised Funds' issued by the IMA in December 2005, the FSA's Collective Investment Schemes sourcebook and the Instrument of Incorporation;
- the information given in the Report of the ACD is consistent with the financial statements.

We have been given all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Grant Thornton UK LLP

Chartered Accountants and Registered Auditors

London, England

29th June 2009

# THE PENNINE FUND AGGREGATED FINANCIAL STATEMENTS

## STATEMENT OF TOTAL RETURN

For the period from 5th October 2007 to 28th February 2009

	Notes	28/02/09	
		£'000	£'000
Net losses on investments during the period	2		(3,439)
Other losses	3		(1)
Income	4	392	
Expenses	5	(345)	
Finance costs: Interest	7	(1)	
Net income before taxation		46	
Taxation	6	(12)	
Net income after taxation			<u>34</u>
Total return before distributions			(3,406)
Finance costs: Distributions	7		(46)
<b>Change in net assets attributable to shareholders</b>			<u><u>(3,452)</u></u>

## BALANCE SHEET

As at 28th February 2009

	Notes	28/02/09	
		£'000	£'000
<b>ASSETS</b>			
Portfolio of Investments			<u>14,755</u>
Debtors	8		430
Cash and bank balances	9		<u>503</u>
<b>Total other assets</b>			<u>933</u>
<b>Total assets</b>			<u>15,688</u>
<b>LIABILITIES</b>			
Creditors	10		(685)
Distribution payable on income shares	7		<u>(1)</u>
<b>Total liabilities</b>			<u>(686)</u>
<b>Net assets attributable to shareholders</b>			<u><u>15,002</u></u>

## STATEMENT OF CHANGE IN SHAREHOLDERS' NET ASSETS

For the period from 5th October 2007 to 28th February 2009

	Notes	28/02/09	
		£'000	£'000
Net assets at the start of the period			-
Movements due to sales and repurchases of shares:			
Amounts receivable on issue of shares		20,042	
Less: Amount payable on cancellation of shares		(1,642)	
Stamp Duty Reserve Tax (SDRT)			(7)
Change in net assets attributable to shareholders (see above)			(3,452)
Retained distribution on accumulation shares	7		61
<b>Net assets at the end of the period</b>			<u><u>15,002</u></u>

The notes on pages 6 to 7 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson  
Finance Director (of the ACD)  
29th June 2009

Mark Friend  
Managing Director, Operations (of the ACD)

# THE PENNINE FUND AGGREGATED FINANCIAL STATEMENTS

## NOTES TO THE AGGREGATED FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The accounting policies applied are set out in the notes to the financial statements of each of the sub-funds. The aggregated financial statements represent the summation of the financial statements for each of the sub-funds.

### 2. NET LOSSES ON INVESTMENTS

The net losses on investments during the period comprise:

	28/02/09 £'000
Non-derivative securities	(3,439)
<b>Net losses on investments</b>	<b>(3,439)</b>

### 3. OTHER LOSSES

Other losses comprise:

	28/02/09 £'000
Other currency losses	(1)
	<u>(1)</u>

### 4. INCOME

	28/02/09 £'000
Bank interest	109
Deposit interest	2
Franked UK dividends	9
Interest on debt securities	3
Overseas dividends	31
<b>Payments from authorised collective investment schemes:</b>	
- Franked distributions	8
- Unfranked distributions	226
Renewal commission	4
	<u>392</u>

### 5. EXPENSES

	28/02/09 £'000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>	
ACD's periodic charge	219
	<u>219</u>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>	
Depositary's fees	24
Transaction charges	2
	<u>26</u>

### Other expenses:

Auditors' remuneration	12
Registration fees	54
FSA and other regulatory fees	3
Legal fees	12
Printing fees	3
Price publication fees	8
PRS fees	8
	<u>100</u>
<b>Total expenses</b>	<b>345</b>

Irrecoverable VAT is included in the above expenses where relevant.

### 6. TAX ON ORDINARY ACTIVITIES

(a) The tax charge comprises:

	28/02/09 £'000
<b>Current tax:</b>	
Corporation tax	11
Irrecoverable income tax	1
<b>Total current tax (note 6 (b))</b>	<b>12</b>

(b) Factors affecting the tax charge for the period

The tax charged for the period is higher than the special 20% rate of corporation tax applicable to open-ended investment companies (OEICs). The differences are explained below:

	28/02/09 £'000
Net income before taxation	46
	<u>46</u>
Return on ordinary activities multiplied by the special rate of corporation tax of 20%	9
<b>Effects of:</b>	
Franked UK dividends and distributions not subject to taxation	(3)
Irrecoverable income tax	1
Expenses not utilised in period	1
Set up costs	4
<b>Current tax charge (note 6 (a))</b>	<b>12</b>

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

The Pennine Dynamic sub-fund has not recognised a deferred tax asset of £1,247 arising as a result of having unutilised management expenses.

# THE PENNINE FUND AGGREGATED FINANCIAL STATEMENTS

## 7. FINANCE COSTS

The distributions take into account income received on the issue of shares and income deducted on the cancellation of shares, and comprise:

	28/02/09 £'000
Interim distribution	11
Interim accumulation	56
Final distribution	1
Final accumulation	5
	<u>73</u>
Add: Income deducted on cancellation of shares	2
Deduct: Income received on issue of shares	(29)
<b>Net distributions for the period</b>	<b>46</b>
Interest	1
<b>Total finance costs</b>	<b>47</b>

The difference between the net income after taxation and the amounts distributed comprises:

Net income after taxation	34
Expenses offset against capital	2
Income deficit taken to capital	10
<b>Finance costs: Distributions</b>	<b>46</b>

## 8. DEBTORS

	28/02/09 £'000
Accrued income	31
Amounts receivable for issue of shares	42
Prepaid expenses	4
Sales awaiting settlement	353
	<u>430</u>

## 9. CASH AND BANK BALANCES

	28/02/09 £'000
Sterling	503
<b>Cash and bank balances</b>	<b>503</b>

## 10. CREDITORS

	28/02/09 £'000
Accrued expenses	60
Corporation tax payable	9
Purchases awaiting settlement	616
	<u>685</u>

## 11. SIGNIFICANT AGREEMENTS AND TRANSACTIONS WITH RELATED PARTIES

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

## 12. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or commitments at the balance sheet date.

## 13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

## 14. SHARE CLASSES

The required disclosures are set out in the notes to the financial statements of each of the sub-funds.

## 15. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs:

	28/02/09 £'000
Purchases in period before transaction costs	24,895
Commissions	8
Taxes	3
<b>Total purchase costs</b>	<b>11</b>
<b>Gross purchases total</b>	<b>24,906</b>

Analysis of total sale costs:

Gross sales before transaction costs	6,717
Commissions	(3)
<b>Total sale costs</b>	<b>(3)</b>
<b>Total sales net of transaction costs</b>	<b>6,714</b>

# PENNINE DYNAMIC FUND

## COMPARATIVE TABLES

### Performance Record

Calendar Year	High (p)	Low (p)
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### Accumulation Shares

2007 <sup>1</sup>	102.01	96.33
2008	101.18	72.56
2009 <sup>2</sup>	77.97	72.79

### Accumulation Record

Calendar Year	Net Income per Share (p)	Net Income per £1,000 at Launch (£)
---------------	--------------------------	-------------------------------------

### Accumulation Shares

2007 <sup>1</sup>	-	-
2008	-	-
2009 <sup>2</sup>	-	-

### Net Asset Values

As at	Shares in Issue	Net Asset Value per Share (p)	Net Asset Value of Sub-Fund (£)
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### Accumulation Shares

28/02/2009	5,420,570	72.63	3,936,793
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<sup>1</sup> From 5th October 2007 to 31st December 2007.

<sup>2</sup> To 28th February 2009.

Net Asset values are calculated on a bid basis and exclude any income payable. As such they are not directly comparable to the share price.

## TOTAL EXPENSE RATIO (TER)

28/02/09

3.17%

The 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 to different schemes.

## INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide long term capital growth from a portfolio of investments.

The investment policy of the Fund is to invest predominantly in units in collective investment schemes. The long term capital growth objective may lead to the Fund maintaining a weighting of equity based collective investment schemes. The Fund may also invest in equities, fixed interest securities, money market instruments, deposits and warrants, and may invest indirectly in immovable property typically through units in collective investment schemes and/or shares in property companies.

The Fund may invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the Fund).

Subject to the above, the Fund may invest in any asset class and adopt any investment technique or strategy permitted under the rules in COLL as such rules are applied to Non-UCITS Retail Schemes and in accordance with the investment and borrowing powers applicable to Non-UCITS Retail Schemes.

The Fund may invest in derivatives and forward transactions for investment purposes as well as for the purposes of efficient portfolio management (including hedging).

## INVESTMENT REVIEW

### PERFORMANCE

The financial system faced almost a collapse in 2008. This one factor lies behind the negative portfolio returns over the period under review. We, like many others, did not anticipate nor predict the credit crisis which followed the bankruptcy of Lehman Brothers. The decision by the authorities to allow this failure caused credit quality to be immediately reassessed and all risk assets to plunge in the final quarter of last year. Against this backdrop, the Pennine Dynamic Fund fell by 27.37% over the accounting period.

### MARKET REVIEW

For most of 2008 we believed that the Sub Prime crisis, which was born in the USA, had been contained by the US Authorities. They had cut interest rates in late 2007 and then again very aggressively in early 2008 in an attempt to restore confidence. The rescue of Bear Stearns in March caused us concern, but when the authorities stepped in to help, we were reassured of the "too big to fail" mantra of central banks.

By mid 2008, the US economy was clearly slowing but, elsewhere in the world, growth was still very buoyant. Indeed this growth outside of the US helped to support exports and there was talk that, whilst the domestic economy could fall into a mild recession, the overall economy would be supported by export growth. As a result risk assets rose quite strongly for several months following the Bear Stearns rescue. Commodity prices, particularly food and energy, accelerated over the same period leaving policy makers a headache on how to handle inflation. For policy makers in Europe, this meant rising interest rates in the summer whereas other central banks sat tight.

Oil had surged to almost \$150 by mid July, on what we now know to be a tide of speculation rather than demand exceeding supply. Inflation, along with rising bond yields and a weakening dollar, were the major headwinds to the peak in the oil price. As commodity prices fell sharply, these headwinds began to fade and there was consensus that global growth could go on for longer. Next came the nationalisation of the giant US mortgage companies, Freddie Mac and Fannie Mae, in another display of "too big to fail."

The decision to allow Lehman to fail, we did not anticipate. The events that followed were historic. Credit markets froze and without credit the financial markets cannot fully function. Diversification on this occasion did not rescue the portfolio as all asset classes, except government debt, plunged. With banks struggling to remain solvent and the economy faltering, governments were forced to take action. They have provided massive amounts of liquidity to financial markets in terms of monetary and fiscal stimulus. Even so, since Lehman's fall economic activity has, in the words of Mervyn King, "fallen off the edge of a cliff." The world has very swiftly dived into a severe recession.

### PORTFOLIO ACTIVITY

The portfolio is diversified with the aim to offset equity exposure through investing in other asset classes such as cash, commodities, property, private equity and absolute return strategies. We raised cash from equities pre the Lehman bankruptcy in early September and felt that the rest of the portfolio would be protected by the diversification in the portfolio. However in this perfect storm, all asset classes plunged as investors deleveraged their portfolios at any price. We were not amongst those investors who were forced to sell quality assets at deeply discounted prices, but certainly suffered as a result. Much of the recent activity has been restructuring the portfolio to adjust for a recession and a period of falling inflation. In the absence of private capital, governments have stepped in to significantly increase money supply. This action, known as the reflation trade, supports bond prices and we have increased our corporate bond weighting through buying Invesco Perpetual Corporate Bond and M&G Optimal Income. We have also been rebuilding our exposure to risk assets, equities in particular. There is no haste here as we increase exposure via Exchange Traded Funds, iShares FTSE 100 being the investment vehicle of choice.

## OUTLOOK

The economic and corporate news continues to be bleak both here in the UK and around the world. Governments and central banks have been throwing liquidity at the financial markets in order to reflate the economy. Investors fear a depression rather than a severe recession and are desperate to see evidence of the stimulus beginning to work. However, it is well known that economic data is a lagging indicator and there is a tendency for equities to recover before such evidence is reported. Deleveraging has slowed and the credit markets are slowly beginning to function once more. It takes time to restore investor confidence but we believe that the portfolio is well positioned to capture a recovery in the financial markets.

Source: North Investment Partners Limited, March 2009. Performance figures are taken from Financial Express Analytics and are quoted on a bid to bid, total return, UK sterling basis.

# PENNINE DYNAMIC FUND

## PORTFOLIO OF INVESTMENTS

As at 28th February 2009

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %	Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>COLLECTIVE INVESTMENT SCHEMES 60.55%</b>				<b>United Kingdom 18.68%</b>			
<b>China 1.75%</b>				64,806	Barclays Simple '543' 0% NTS 27/06/2013	53	1.35
979	First State China Growth 'I'	30	0.76	830	ETFS Oil Securities	22	0.56
9,893	Gartmore China Opportunities 'A'	39	0.99	730	Gold Bullion 0% Undated Notes	48	1.22
		<b>69</b>	<b>1.75</b>	159,600	iShares FTSE 100	612	15.55
						<b>735</b>	<b>18.68</b>
<b>Europe 1.65%</b>				<b>HEDGE FUNDS 3.00%</b>			
29,266	Neptune European Opportunities 'B'	65	1.65	<b>Global 3.00%</b>			
		<b>65</b>	<b>1.65</b>	31,365	Absolute Return	30	0.76
				10,000	BlackRock Absolute Return Strategies	55	1.40
<b>Far East 3.45%</b>				33,757	Thames River Multi Hedge PCC	33	0.84
32,975	Atlantis China Fortune	29	0.74			<b>118</b>	<b>3.00</b>
7,560	Chirin Asia Absolute Alpha 'I'	66	1.67	<b>INVESTMENT TRUSTS 8.30%</b>			
228	Veritas Asian 'A'	41	1.04	<b>Asia 1.63%</b>			
		<b>136</b>	<b>3.45</b>	53,000	Invesco Asia	39	0.99
				26,000	Schroder Asia Pacific	25	0.64
<b>Frontier Markets 0.36%</b>						<b>64</b>	<b>1.63</b>
50,000	Advance Frontier Markets	14	0.36	<b>Global 5.63%</b>			
		<b>14</b>	<b>0.36</b>	12,800	BlackRock World Mining	36	0.91
				45,523	Cazenove Absolute Equity	49	1.24
<b>Global 22.63%</b>				25,601	CQS RIG Finance	-	-
2,760	BlackRock Gold & General <sup>1</sup>	25	0.64	111,744	PSource Structured Debt	62	1.57
17,000	Harewood BNP Paribas Agrinvest	16	0.41	12,940	Quorum Oil and Gas Technology	70	1.78
454,974	Invesco Perpetual Corporate Bond	393	9.97	1,110	Quorum Oil and Gas Technology Warrants	-	-
18,791	Investec Global Energy 'A' <sup>1</sup>	30	0.76	5,546	Utilico Emerging Markets Utilities	5	0.13
450,361	M&G Optimal Income	427	10.85	1,084	Utilico Emerging Markets Utilities 'S'	-	-
		<b>891</b>	<b>22.63</b>			<b>222</b>	<b>5.63</b>
				<b>Property 1.04%</b>			
<b>Japan 2.36%</b>				59,997	Enhanced Property Recovery	19	0.48
7,438	Coupland Cardiff CC Japan Alpha 'B'	32	0.81	20,000	MedicX	13	0.33
103,447	Martin Currie Japan Alpha 'B'	61	1.55	28,000	Terra Catalyst	9	0.23
		<b>93</b>	<b>2.36</b>			<b>41</b>	<b>1.04</b>
				<b>STRUCTURED PLANS 2.74%</b>			
<b>United Kingdom 28.35%</b>				<b>United Kingdom 2.74%</b>			
1,124	BlackRock Special Situations Income	9	0.23	75,000	Goldman Sachs International Certificates Linked to FTSE 100 20/10/2011	71	1.80
92,398	FRM Credit Alpha	69	1.75	46,000	Symphony Structure Defensive FTSE AutoCall 4	37	0.94
479,380	Goldman Sachs Sterling Liquid Reserves Institutional	479	12.17			<b>108</b>	<b>2.74</b>
505,000	Insight Liquidity Class 5 <sup>1</sup>	505	12.83	<b>Total Value of Investments</b>			
16,863	PSigma Income	9	0.23			<b>3,873</b>	<b>98.37</b>
14,761	Resolution Cartesian UK Opportunities <sup>1</sup>	13	0.33	<b>Net Other Assets</b>			
45,483	River & Mercantile UK Equity 'A'	32	0.81			<b>64</b>	<b>1.63</b>
		<b>1,116</b>	<b>28.35</b>	<b>Total Net Assets</b>			
						<b>3,937</b>	<b>100.00</b>
<b>EQUITY 0.10%</b>							
<b>United Kingdom 0.10%</b>							
20,000	RAB Special Situations 'S'	4	0.10				
		<b>4</b>	<b>0.10</b>				
<b>EXCHANGE TRADED FUNDS 23.68%</b>							
<b>Japan 0.86%</b>							
6,500	iShares MSCI Japan	34	0.86				
		<b>34</b>	<b>0.86</b>				
<b>North America 4.14%</b>							
31,000	iShares S&P 500	163	4.14				
		<b>163</b>	<b>4.14</b>				

<sup>1</sup> Accumulation Shares/Units.

There are no prior year figures as the sub-fund launched on 5th October 2007.

# PENNINE DYNAMIC FUND

## STATEMENT OF TOTAL RETURN

For the period from 5th October 2007 to 28th February 2009

	Notes	28/02/09	
		£'000	£'000
Net losses on investments during the period	2		(1,089)
Income	3	99	
Expenses	4	(108)	
Finance costs: Interest	6	(1)	
Net expense before taxation		(10)	
Taxation	5	(1)	
Net expense after taxation			(11)
Total return before distributions			(1,100)
Finance costs: Distributions	6		-
<b>Change in net assets attributable to shareholders</b>			<b>(1,100)</b>

## STATEMENT OF CHANGE IN SHAREHOLDERS' NET ASSETS

For the period from 5th October 2007 to 28th February 2009

	28/02/09	
	£'000	£'000
<b>Net assets at the start of the period</b>		-
Movements due to sales and repurchases of shares:		
Amounts receivable on issue of shares	5,475	
Less: Amount payable on cancellation of shares	(436)	
		5,039
Stamp Duty Reserve Tax (SDRT)		(2)
Change in net assets attributable to shareholders (see above)		(1,100)
<b>Net assets at the end of the period</b>		<b>3,937</b>

## BALANCE SHEET

As at 28th February 2009

	Notes	28/02/09	
		£'000	£'000
<b>ASSETS</b>			
Portfolio of Investments			3,873
Debtors	7		249
Cash and bank balances	8		112
<b>Total other assets</b>			<b>361</b>
<b>Total assets</b>			<b>4,234</b>
<b>LIABILITIES</b>			
Creditors	9		(297)
<b>Total liabilities</b>			<b>(297)</b>
<b>Net assets attributable to shareholders</b>			<b>3,937</b>

The notes on pages 12 to 15 are an integral part of these financial statements.  
On behalf of Premier Portfolio Managers Limited.



Neil Macpherson  
Finance Director (of the ACD)  
29th June 2009

Mark Friend  
Managing Director, Operations (of the ACD)

# PENNINE DYNAMIC FUND

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the period from 5th October 2007 to 28th February 2009

Purchases	Cost £'000	Note
Goldman Sachs Sterling Liquid Reserves Institutional	1,294	
iShares FTSE 100	1,198	
Insight Liquidity Class 5 <sup>1</sup>	655	
iShares S&P 500	526	
Invesco Perpetual Corporate Bond	399	
M&G Optimal Income	399	
iShares FTSE UK Dividend Plus	179	
PSource Structured Debt	126	
FRM Credit Alpha	105	
JPMorgan Europe Dynamic ex UK 'B' <sup>1</sup>	103	
BlackRock Absolute Return Strategies	100	
iShares MSCI Latin America	93	
Martin Currie Japan Alpha 'B'	85	
Coupland Cardiff CC Japan Alpha 'B'	81	
BlackRock World Mining	79	
Chirin Asia Absolute Alpha 'I'	75	
Goldman Sachs International Certificates Linked to FTSE 100 20/10/2011	75	
Veritas Asian 'A'	71	
Atlantis China Fortune	70	
iShares MSCI Taiwan	67	
Other	1,443	
<b>Total purchases during the period</b>	<b>7,223</b>	<b>14</b>
<b>Sales</b>	<b>Proceeds £'000</b>	
Goldman Sachs Sterling Liquid Reserves Institutional	815	
iShares FTSE 100	349	
iShares S&P 500	341	
iShares FTSE UK Dividend Plus	151	
Insight Liquidity Class 5 <sup>1</sup>	150	
JPMorgan Europe Dynamic ex UK 'B' <sup>1</sup>	64	
iShares MSCI Latin America	51	
JPMorgan Europe Dynamic ex UK 'A' <sup>1</sup>	49	
iShares MSCI Taiwan	40	
ETFS Oil Securities	33	
RAB Capital European Dynamic 'A'	32	
iShares FTSE 250	25	
Melchior Asian Opportunities 'D' <sup>1</sup>	21	
Gold Bullion 0% Undated Notes	20	
Neptune Russia & Greater Russia 'B' <sup>1</sup>	20	
Veritas Asian 'A'	18	
Harewood Structured Hedge Elite	15	
JPMorgan Russian Securities	15	
Atlantis China Fortune	13	
F&C Asset Management UK Opportunities 2 <sup>1</sup>	12	
Other	30	
<b>Total sales during the period</b>	<b>2,264</b>	<b>14</b>

Please note: the purchases and sales shown represent all those with a value of 2% or more of the net asset value of the sub-fund at the start of the period (or at the end of the period for the sub-fund's first accounting period) and at a minimum the top 20 purchases and sales during the period.

<sup>1</sup>Accumulation shares/units

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for 'Financial Statements of Authorised Funds', issued by the IMA in December 2005, the FSA's Collective Investment Schemes sourcebook and the Instrument of Incorporation.

#### Income Recognition

Income from collective investment schemes, and quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Accumulation of income relating to accumulation units or shares held in collective investment schemes is recognised as income and included in the amount available for distribution. Equalisation received from distributions or accumulations on units or shares in collective investment schemes is treated as capital and deducted from the cost of the investment.

The gains and losses arising on investments in structured plans are allocated between income and capital according to the nature of the structured plan. This is depending on the extent to which the return is capital based or income based.

Bank interest and other income are recognised on an accruals basis.

#### Expenses

For accounting purposes, all expenses (other than SDRT and those relating to the purchase and sale of investments) are charged against income for the period on an accruals basis.

#### Distributions

Amounts distributable are calculated after excluding those expenses relating to the purchase and sale of investments which are borne by capital and expenses borne by capital as agreed by the ACD and Depositary.

The ACD and Depositary have agreed that 100% of the sub-fund's expenses are to be borne by income.

#### Valuations

All investments are valued at their fair value at noon on 27th February 2009, being the last business day of the financial period. The fair value of equity and non-equity shares is bid price, excluding any accrued interest.

The fair value of investments managed by the ACD is their single price and the fair value of investments which are managed by other management groups is their bid price for dual priced funds and their single price for single priced funds. Valuations should take into account any agreed rate of redemption charge.

Structured plans are valued at the latest price from the product provider.

#### Taxation

Corporation tax has been provided for at a rate of 20%. Franked income is stated net of any associated tax credits. Deferred tax is fully provided for on all timing differences. Deferred tax assets are recognised only to the extent that the assets are considered to be recoverable.

#### Dilution Levy

In certain circumstances the ACD may charge a dilution levy, in accordance with the FSA Regulations, on all subscriptions and redemptions of shares, which is paid into the sub-fund and included in the Statement of Change in Shareholders' Net Assets. The levy is intended to cover certain dealing charges not included in the mid market value of the sub-fund used in calculating the share price, which could have a diluting effect on the performance of the sub-fund.

#### Stamp Duty Reserve Tax (SDRT)

SDRT will be charged to the sub-fund. It is the ACD's view that this will not be material.

# PENNINE DYNAMIC FUND

## 2. NET LOSSES ON INVESTMENTS

The net losses on investments during the period comprise:

	28/02/09 £'000
Non-derivative securities	(1,089)
<b>Net losses on investments</b>	<b>(1,089)</b>

## 3. INCOME

	28/02/09 £'000
Bank interest	20
Franked UK dividends	3
Overseas dividends	9
<b>Payments from authorised collective investment schemes:</b>	
- Franked distributions	2
- Unfranked distributions	62
Renewal commission	3
	<b>99</b>

## 4. EXPENSES

	28/02/09 £'000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>	
ACD's periodic charge	53
	<b>53</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>	
Depositary's fees	12
Transaction charges	1
	<b>13</b>
<b>Other expenses:</b>	
Auditors' remuneration	6
Registration fees	21
FSA and other regulatory fees	1
Legal fees	6
Printing fees	1
Price publication fees	3
PRS fees	4
	<b>42</b>
<b>Total expenses</b>	<b>108</b>

Irrecoverable VAT is included in the above expenses where relevant.

## 5. TAX ON ORDINARY ACTIVITIES

(a) The tax charge comprises:

	28/02/09 £'000
<b>Current tax:</b>	
Irrecoverable income tax	1
<b>Total current tax (note 5 (b))</b>	<b>1</b>

(b) Factors affecting the tax charge for the period

The tax charged for the period is higher than the special 20% rate of corporation tax applicable to open-ended investment companies (OEICs). The differences are explained below:

	28/02/09 £'000
Net expense before taxation	(10)
	<b>(10)</b>
Return on ordinary activities multiplied by the special rate of corporation tax of 20%	(2)
<b>Effects of:</b>	
Franked UK dividends and distributions not subject to taxation	(1)
Irrecoverable income tax	1
Expenses not utilised in period	1
Set-up costs	2
<b>Current tax charge (note 5 (a))</b>	<b>1</b>

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £1,247 arising as a result of having unutilised management expenses.

## 6. FINANCE COSTS

The distributions take into account income received on the issue of shares and income deducted on the cancellation of shares, and comprise:

	28/02/09 £'000
Interim accumulation	-
Final accumulation	-
	<b>-</b>
Add: Income deducted on cancellation of shares	-
Deduct: Income received on issue of shares	-
	<b>-</b>
<b>Net distributions for the period</b>	<b>-</b>
Interest	1
<b>Total finance costs</b>	<b>1</b>

# PENNINE DYNAMIC FUND

The difference between the net expense after taxation and the amounts distributed comprises:

Net expense after taxation	(11)
Expenses offset against capital	1
Income deficit taken to capital	10
<b>Finance costs: Distributions</b>	<b>-</b>

## 7. DEBTORS

	<b>28/02/09</b>
	<b>£'000</b>
Accrued income	10
Amounts receivable for issue of shares	21
Prepaid expenses	2
Sales awaiting settlement	216
	<b>249</b>

## 8. CASH AND BANK BALANCES

	<b>28/02/09</b>
	<b>£'000</b>
Sterling	112
<b>Cash and bank balances</b>	<b>112</b>

## 9. CREDITORS

	<b>28/02/09</b>
	<b>£'000</b>
Accrued expenses	24
Purchases awaiting settlement	273
	<b>297</b>

## 10. SIGNIFICANT AGREEMENTS AND TRANSACTIONS WITH RELATED PARTIES

### Authorised Corporate Director ("ACD")

The ACD of the sub-fund is Premier Portfolio Managers Limited. The ACD is responsible for managing and administering the sub-fund's affairs in compliance with the FSA Regulations. In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the sub-fund, calculated on a mid-market basis.

The annual management charge ("AMC") accrues daily and is payable monthly. The current AMC for the sub-fund is set out in note 13 on page 15. Amounts paid to Premier Portfolio Managers Limited in respect of the ACD's periodic charge are disclosed in note 4 on page 13. The balance outstanding at the period end was £nil.

### Investment Adviser

The ACD has appointed Premier Fund Managers Limited to provide investment management and advisory services to the ACD.

The Investment Adviser has appointed North Investment Partners Limited as sub-Investment Adviser to the sub-fund.

## Depository

The sub-fund's Depository is The Royal Bank of Scotland plc. The Depository is responsible for the safekeeping of all of the scheme property of the sub-fund and has a duty to take reasonable care to ensure that the sub-fund is managed in accordance with the provisions of the FSA Regulations relating to the pricing of and dealing in shares and relating to the income of the sub-fund. Subject to FSA Regulations, the Depository has full power under the Depository agreement to delegate (and authorise its delegates to sub-delegate) all or any part of its duties as Depository. It has delegated custody services to The Northern Trust Company. The Depository received for its own account a periodic fee which accrues daily and is payable monthly. The fee is payable out of the property attributable to the sub-fund. The rate of the periodic fee is as agreed between the ACD and the Depository from time to time and subject to a current maximum of 0.077% of the value of the relevant sub-fund per annum which may be varied from time to time with the agreement of the ACD and the Depository.

The total remuneration payable to the Depository out of the property attributable to each sub-fund for its services also includes transaction charges and custody charges.

Amounts paid to The Royal Bank of Scotland plc in respect of the Depository's services are disclosed in note 4 on page 13. There was nothing due to the Depository at the period end.

## 11. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or commitments at the balance sheet date.

## 12. DERIVATIVE AND OTHER FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, as set out in the investment objective and policy on page 8, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

### Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The Investment Adviser and sub-Investment Adviser consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objective.

The Investment Adviser and sub-Investment Adviser do not use derivative instruments to hedge the investment portfolio against risks as, in their opinion, the cost of such a process would result in an unacceptable reduction in the potential capital growth.

### Currency Risk

The currency profile of the sub-fund's financial instruments at the balance sheet date (including short term debtors and creditors) was:

### Currency exposure as at 28th February 2009

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
US dollar	213	-	213	5.41
Sterling	3,660	64	3,724	94.59
<b>Total</b>	<b>3,873</b>	<b>64</b>	<b>3,937</b>	<b>100.00</b>

## Interest Rate Risk

The sub-fund does not have any material direct interest rate risk as the majority of financial assets are in collective investment schemes, which do not pay interest. However, some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

The only interest-bearing financial asset of the sub-fund is bank balances on the balance sheet on page 11, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

## Liquidity Risk

The sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the sub-fund is the redemption of any shares that investors wish to sell. All the financial liabilities of the sub-fund fall within one year.

## Counterparty Risk

The sub-fund will be exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The sub-fund minimises concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. The sub-fund only buys and sells investments through brokers which have been approved by the Investment Adviser and sub-Investment Adviser as an acceptable counterparty and from recognised product providers.

## Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the Balance Sheet on page 11.

## Derivatives

The sub-fund does not hold any derivatives.

## 13. SHARE CLASSES

The sub-fund currently has one type of share, Accumulation shares. The AMC is as follows:

Accumulation Shares: 1.50%

The net asset value, the net asset value per share and the number of shares in issue are given in the comparative tables on page 8.

## 14. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs:

	28/02/09 £'000
Purchases in period before transaction costs	7,219
Commissions	3
Taxes	1
<b>Total purchase costs</b>	<b>4</b>
<b>Gross purchases total</b>	<b>7,223</b>

Analysis of total sale costs:

Gross sales before transaction costs	2,265
Commissions	(1)
<b>Total sale costs</b>	<b>(1)</b>
<b>Total sales net of transaction costs</b>	<b>2,264</b>

# PENNINE PATHFINDER FUND

## COMPARATIVE TABLES

### Performance Record

Calendar Year	High (p)	Low (p)
---------------	----------	---------

### Income Shares

2007 <sup>1</sup>	101.22	98.41
2008	102.34	80.59
2009 <sup>2</sup>	85.64	81.01

### Accumulation Shares

2007 <sup>1</sup>	101.22	98.42
2008	102.32	81.02
2009 <sup>2</sup>	86.09	81.43

### Income/Accumulation Record

Calendar Year	Net Income per Share (p)	Net Income per £1,000 at Launch (£)
---------------	--------------------------	-------------------------------------

### Income Shares

2007 <sup>1</sup>	-	-
2008	0.5658	5.66
2009 <sup>2</sup>	0.0401	0.40

### Accumulation Shares

2007 <sup>1</sup>	-	-
2008	0.5658	5.66
2009 <sup>2</sup>	0.0416	0.42

### Net Asset Values

As at	Shares in Issue	Net Asset Value per Share (p)	Net Asset Value of Sub-Fund (£)
-------	-----------------	-------------------------------	---------------------------------

### Income Shares

28/02/2009	2,814,964	80.72	11,065,417
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### Accumulation Shares

28/02/2009	10,821,221	81.26	11,065,417
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<sup>1</sup> From 5th October 2007 to 31st December 2007.

<sup>2</sup> To 28th February 2009.

Net Asset values are calculated on a bid basis and exclude any income payable. As such they are not directly comparable to the share price.

## TOTAL EXPENSE RATIO (TER)

28/02/09

2.28%

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

## INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to provide medium to long term capital growth from a portfolio of global investments.

The Fund will achieve this by investing predominantly in units in collective investment schemes. The Fund may also invest in equities, fixed interest securities, money market instruments, deposits and warrants, and may invest indirectly in immovable property typically through units in collective investment schemes and/or shares in property companies.

The Fund may invest in unregulated collective investment schemes such as hedge funds (where investment in such funds would be consistent with the investment objective and policy of the Fund).

Subject to the above, the Fund may invest in any asset class and adopt any investment technique or strategy permitted under the rules in COLL as such rules are applied to Non-UCITS Retail Schemes and in accordance with the investment and borrowing powers applicable to Non-UCITS Retail Schemes. The Fund may invest in derivatives and forward transactions for investment purposes as well as for the purposes of efficient portfolio management (including hedging).

## INVESTMENT REVIEW

### PERFORMANCE

The financial system faced almost a collapse in 2008. This one factor lies behind the negative portfolio returns over the period under review. We, like many others, did not anticipate nor predict the credit crisis which followed the bankruptcy of Lehman Brothers. The decision by the authorities to allow this failure caused credit quality to be immediately reassessed and all risk assets to plunge in the final quarter of last year. Against this backdrop, the Pennine Pathfinder Fund fell by 18.29% over the accounting period.

### MARKET REVIEW

For most of 2008 we believed that the Sub Prime crisis, which was born in the USA, had been contained by the US Authorities. They had cut interest rates in late 2007 and then again very aggressively in early 2008 in an attempt to restore confidence. The rescue of Bear Stearns in March caused us concern, but when the authorities stepped in to help, we were reassured of the "too big to fail" mantra of central banks.

By mid 2008, the US economy was clearly slowing but, elsewhere in the world, growth was still very buoyant. Indeed, this growth outside of the US helped to support exports and there was talk that, whilst the domestic economy could fall into a mild recession, the overall economy would be supported by export growth. As a result risk assets rose quite strongly for several months following the Bear Stearns rescue. Commodity prices, particularly food and energy, accelerated over the same period leaving policy makers a headache on how to handle inflation. For policy makers in Europe, this meant rising interest rates in the summer whereas other central banks sat tight.

Oil had surged to almost \$150 by mid July, on what we now know to be a tide of speculation rather than demand exceeding supply. Inflation, along with rising bond yields and a weakening dollar, were the major headwinds to the peak in the oil price. As commodity prices fell sharply, these headwinds began to fade and there was consensus that global growth could go on for longer. Next came the nationalisation of the giant US mortgage companies, Freddie Mac and Fannie Mae, in another display of "too big to fail."

The decision to allow Lehman to fail, we did not anticipate. The events that followed were historic. Credit markets froze and without credit the financial markets cannot fully function. Diversification on this occasion did not rescue the portfolio as all asset classes, except government debt, plunged. With banks struggling to remain solvent and the economy faltering, governments were forced to take action. They have provided massive amounts of liquidity to financial markets in terms of monetary and fiscal stimulus. Even so, since Lehman's fall economic activity has, in the words of Mervyn King, "fallen off the edge of a cliff." The world has very swiftly dived into a severe recession.

## PORTFOLIO ACTIVITY

The portfolio is diversified with the aim to offset equity exposure through investing in other asset classes such as cash, commodities, property, private equity and absolute return strategies. We raised cash from equities pre the Lehman bankruptcy in early September and felt that the rest of the portfolio would be protected by the diversification in the portfolio. However in this perfect storm, all asset classes plunged as investors deleveraged their portfolios at any price. We were not amongst those investors who were forced to sell quality assets at deeply discounted prices, but certainly suffered as a result. Much of the recent activity has been restructuring the portfolio to adjust for a recession and a period of falling inflation. In the absence of private capital, governments have stepped in to significantly increase money supply. This action, known as the reflation trade, supports bond prices and we have increased our corporate bond weighting through buying Invesco Perpetual Corporate Bond and M&G Optimal Income. We have also been rebuilding our exposure to risk assets, equities in particular. There is no haste here as we increase exposure via Exchange Traded Funds, iShares FTSE 100 being the investment vehicle of choice.

## OUTLOOK

The economic and corporate news continues to be bleak both here in the UK and around the world. Governments and central banks have been throwing liquidity at the financial markets in order to reflate the economy. Investors fear a depression rather than a severe recession and are desperate to see evidence of the stimulus beginning to work. However, it is well known that economic data is a lagging indicator and there is a tendency for equities to recover before such evidence is reported. Deleveraging has slowed and the credit markets are slowly beginning to function once more. It takes time to restore investor confidence but we believe that the portfolio is well positioned to capture a recovery in the financial markets.

Source: North Investment Partners Limited, March 2009. Performance figures are taken from Financial Express Analytics and are quoted on a bid to bid, total return, UK sterling basis.

# PENNINE PATHFINDER FUND

## PORTFOLIO OF INVESTMENTS

As at 28th February 2009

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %	Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>COLLECTIVE INVESTMENT SCHEMES 59.75%</b>				<b>EQUITY 0.07%</b>			
<b>Europe 1.26%</b>				<b>United Kingdom 0.07%</b>			
62,134	Neptune European Opportunities 'B'	139	1.26	45,000	RAB Special Situations 'S'	8	0.07
		<b>139</b>	<b>1.26</b>			<b>8</b>	<b>0.07</b>
<b>Far East 3.78%</b>				<b>FIXED INTEREST 0.63%</b>			
120,607	Atlantis China Fortune	105	0.95	<b>United Kingdom 0.63%</b>			
22,984	Chirin Asia Absolute Alpha 'I'	200	1.81	70,000	Treasury 4% 07/03/2009	70	0.63
634	Veritas Asian 'A'	113	1.02			<b>70</b>	<b>0.63</b>
		<b>418</b>	<b>3.78</b>	<b>HEDGE FUNDS 3.81%</b>			
<b>Frontier Markets 0.13%</b>				<b>Global 3.81%</b>			
50,000	Advance Frontier Markets	14	0.13	124,715	Absolute Return	120	1.08
		<b>14</b>	<b>0.13</b>	32,000	BlackRock Absolute Return Strategies	176	1.59
<b>Global 24.34%</b>				130,661	Thames River Multi Hedge PCC	126	1.14
96,919	Allianz RCM BRIC Stars 'C' <sup>1</sup>	84	0.76			<b>422</b>	<b>3.81</b>
7,109	BlackRock Gold & General <sup>1</sup>	64	0.58	<b>INVESTMENT TRUSTS 8.22%</b>			
58,000	Harewood BNP Paribas Agrinvest	55	0.50	<b>Asia 0.78%</b>			
1,325,008	Invesco Perpetual Corporate Bond	1,143	10.33	79,000	Invesco Asia	58	0.52
67,566	Investec Global Energy 'A' <sup>1</sup>	109	0.99	30,000	Schroder Asia Pacific	29	0.26
1,306,133	M&G Optimal Income	1,237	11.18			<b>87</b>	<b>0.78</b>
		<b>2,692</b>	<b>24.34</b>	<b>Global 6.18%</b>			
<b>Japan 1.98%</b>				100,000	AcenciA Debt Strategies	47	0.42
14,141	Coupland Cardiff CC Japan Alpha 'B'	62	0.56	40,800	BlackRock World Mining	115	1.04
263,892	Martin Currie Japan Alpha 'B'	157	1.42	167,806	Cazenove Absolute Equity	180	1.63
		<b>219</b>	<b>1.98</b>	37,928	CQS RIG Finance	-	-
<b>United Kingdom 28.26%</b>				173,533	PSource Structured Debt	95	0.86
5,297	BlackRock Special Situations Income	44	0.40	45,167	Quorum Oil and Gas Technology	246	2.22
295,229	FRM Credit Alpha	220	1.99	3,300	Quorum Oil and Gas Technology Warrants	1	0.01
1,437,126	Goldman Sachs Sterling Liquid Reserves Institutional	1,437	12.99			<b>684</b>	<b>6.18</b>
1,285,000	Insight Liquidity Class 5 <sup>1</sup>	1,285	11.61	<b>Property 1.26%</b>			
79,499	PSigma Income	44	0.40	181,304	Enhanced Property Recovery	56	0.51
135,579	River & Mercantile UK Equity 'A'	96	0.87	75,000	MedicX	50	0.45
		<b>3,126</b>	<b>28.26</b>	104,000	Terra Catalyst	33	0.30
						<b>139</b>	<b>1.26</b>
<b>EXCHANGE TRADED FUNDS 22.95%</b>				<b>STRUCTURED PLANS 2.92%</b>			
<b>North America 6.34%</b>				<b>United Kingdom 2.92%</b>			
133,600	iShares S&P 500	702	6.34	227,000	Goldman Sachs International Certificates Linked to FTSE 100 20/10/2011	215	1.94
		<b>702</b>	<b>6.34</b>	134,000	Symphony Structure Defensive FTSE AutoCall 4	108	0.98
<b>United Kingdom 16.61%</b>						<b>323</b>	<b>2.92</b>
398,804	Barclays Simple '543' 0% NTS 27/06/2013	325	2.93	<b>Total Value of Investments</b>			
2,500	ETFS Oil Securities	66	0.60			<b>10,882</b>	<b>98.35</b>
3,400	Gold Bullion 0% Undated Notes	223	2.02	<b>Net Other Assets</b>			
299,500	iShares FTSE 100	1,152	10.40			<b>183</b>	<b>1.65</b>
7,000	iShares FTSE All Stocks Gilt	73	0.66	<b>Total Net Assets</b>			
		<b>1,839</b>	<b>16.61</b>			<b>11,065</b>	<b>100.00</b>

<sup>1</sup> Accumulation Shares/Units.

There are no prior year figures as the sub-fund launched on 5th October 2007.

# PENNINE PATHFINDER FUND

## STATEMENT OF TOTAL RETURN

For the period from 5th October 2007 to 28th February 2009

	Notes	28/02/09	
		£'000	£'000
Net losses on investments during the period	2		(2,350)
Other losses	3		(1)
Income	4	293	
Expenses	5	(237)	
Finance costs: Interest	7	-	
Net income before taxation		56	
Taxation	6	(11)	
Net income after taxation			<u>45</u>
Total return before distributions			(2,306)
Finance costs: Distributions	7		(46)
<b>Change in net assets attributable to shareholders</b>			<u><u>(2,352)</u></u>

## STATEMENT OF CHANGE IN SHAREHOLDERS' NET ASSETS

For the period from 5th October 2007 to 28th February 2009

	Notes	28/02/09	
		£'000	£'000
<b>Net assets at the start of the period</b>			-
Movements due to sales and repurchases of shares:			
Amounts receivable on issue of shares		14,567	
Less: Amount payable on cancellation of shares		(1,206)	
			13,361
Stamp Duty Reserve Tax (SDRT)			(5)
Change in net assets attributable to shareholders (see above)			(2,352)
Retained distribution on accumulation shares	7		61
<b>Net assets at the end of the period</b>			<u><u>11,065</u></u>

## BALANCE SHEET

As at 28th February 2009

	Notes	28/02/09	
		£'000	£'000
<b>ASSETS</b>			
Portfolio of Investments			<u>10,882</u>
Debtors	8		181
Cash and bank balances	9		<u>391</u>
<b>Total other assets</b>			<u>572</u>
<b>Total assets</b>			<u><u>11,454</u></u>
<b>LIABILITIES</b>			
Creditors	10		(388)
Distribution payable on income shares	7		(1)
<b>Total other liabilities</b>			<u>(389)</u>
<b>Total liabilities</b>			<u>(389)</u>
<b>Net assets attributable to shareholders</b>			<u><u>11,065</u></u>

The notes on pages 20 to 23 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson  
Finance Director (of the ACD)  
29th June 2009

Mark Friend  
Managing Director, Operations (of the ACD)

# PENNINE PATHFINDER FUND

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the period from 5th October 2007 to 28th February 2009

Purchases	Cost £'000	Note
iShares FTSE 100	2,577	
Goldman Sachs Sterling Liquid Reserves Institutional	2,437	
Insight Liquidity Class 5 <sup>1</sup>	2,035	
iShares S&P 500	1,175	
M&G Optimal Income	1,165	
Invesco Perpetual Corporate Bond	1,165	
Barclays Simple '543' 0% NTS 27/06/2013	400	
FRM Credit Alpha	339	
BlackRock Absolute Return Strategies	320	
BlackRock World Mining	258	
Quorum Oil & Gas Technology	233	
Chirin Asia Absolute Alpha 'I'	228	
Goldman Sachs International Certificates Linked to FTSE 100 20/10/2011	227	
Martin Currie Japan Alpha 'B'	212	
Gold Bullion 0% Undated Notes	211	
JPMorgan Europe Dynamic ex-UK 'A' <sup>1</sup>	211	
Symphony Structure Defensive FTSE Autocall 4	200	
PSource Structured Debt	195	
Allianz RCM BRIC Stars 'C' <sup>1</sup>	186	
Enhanced Property Recovery	185	
Other	3,724	
<b>Total purchases during the period</b>	<b>17,683</b>	<b>15</b>
Sales	Proceeds £'000	
iShares FTSE 100	1,373	
Goldman Sachs Sterling Liquid Reserves Institutional	1,000	
Insight Liquidity Class 5 <sup>1</sup>	750	
iShares S&P 500	356	
JPMorgan Europe Dynamic ex-UK 'B' <sup>1</sup>	141	
JPMorgan Europe Dynamic ex-UK 'A' <sup>1</sup>	116	
Resolution Cartesian UK Opportunities Institutional <sup>1</sup>	111	
ETFS Oil Securities	88	
RAB Capital European Dynamic 'A'	76	
Harewood Structured Hedge Elite Preference	73	
Gold Bullion 0% Undated Notes	63	
iShares FTSE 250	61	
Symphony Structure Defensive FTSE Autocall 4	55	
F&C UK Opportunities 2 <sup>1</sup>	54	
AXA Framlington Monthly Income <sup>1</sup>	54	
ETFS Forward Agriculture DJ	28	
JPMorgan Russian Securities	21	
Coupland Cardiff CC Japan Alpha 'B'	20	
Melchior Asian Opportunities 'D' <sup>1</sup>	10	
<b>Total sales during the period</b>	<b>4,450</b>	<b>15</b>

Please note: the purchases and sales shown represent all those with a value of 2% or more of the net asset value of the sub-fund at the start of the period (or at the end of the period for the sub-fund's first accounting period) and at a minimum the top 20 purchases and sales during the period. There were 19 sales during the period.

<sup>1</sup>Accumulation shares/units

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for 'Financial Statements of Authorised Funds', issued by the IMA in December 2005, the FSA's Collective Investment Schemes sourcebook and the Instrument of Incorporation.

#### Income Recognition

Income from collective investment schemes, and quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Accumulation of income relating to accumulation units or shares held in collective investment schemes is recognised as income and included in the amount available for distribution. Equalisation received from distributions or accumulations on units or shares in collective investment schemes is treated as capital and deducted from the cost of the investment.

The gains and losses arising on investments in structured plans are allocated between income and capital according to the nature of the structured plan. This is depending on the extent to which the return is capital based or income based.

Bank interest, interest on debt securities and other income are recognised on an accruals basis.

In the case of debt securities, income is recognised on an effective interest basis spread over the life of the security, having regard to applicable accounting standards.

#### Expenses

For accounting purposes, all expenses (other than SDRT and those relating to the purchase and sale of investments) are charged against income for the period on an accruals basis.

#### Distributions

Amounts distributable are calculated after excluding those expenses relating to the purchase and sale of investments which are borne by capital and expenses borne by capital as agreed by the ACD and Depositary.

The ACD and Depositary have agreed that 100% of the sub-fund's expenses are to be borne by income.

#### Valuations

All investments are valued at their fair value at noon on 27th February 2009, being the last business day of the financial period. The fair value of equity and non-equity shares is bid price, excluding any accrued interest.

The fair value of investments managed by the ACD is their single price and the fair value of investments which are managed by other management groups is their bid price for dual priced funds and their single price for single priced funds. Valuations should take into account any agreed rate of redemption charge.

Structured plans are valued at the latest price from the product provider.

#### Taxation

Corporation tax has been provided for at a rate of 20%. Franked income is stated net of any associated tax credits. Deferred tax is fully provided for on all timing differences. Deferred tax assets are recognised only to the extent that the assets are considered to be recoverable.

#### Dilution Levy

In certain circumstances the ACD may charge a dilution levy, in accordance with the FSA Regulations, on all subscriptions and redemptions of shares, which is paid into the sub-fund and included in the Statement of Change in Shareholders' Net Assets. The levy is intended to cover certain dealing charges not included in the mid market value of the sub-fund used in calculating the share price, which could have a diluting effect on the performance of the sub-fund.

#### Stamp Duty Reserve Tax (SDRT)

SDRT will be charged to the sub-fund. It is the ACD's view that this will not be material.

# PENNINE PATHFINDER FUND

## 2. NET LOSSES ON INVESTMENTS

The net losses on investments during the period comprise:

	28/02/09 £'000
Non-derivative securities	(2,350)
<b>Net losses on investments</b>	<b>(2,350)</b>

## 3. OTHER LOSSES

Other losses comprise:

	28/02/09 £'000
Other losses	(1)
	<b>(1)</b>

## 4. INCOME

	28/02/09 £'000
Bank interest	89
Deposit interest	2
Franked UK dividends	6
Interest on debt securities	3
Overseas dividends	22
<b>Payments from authorised collective investment schemes:</b>	
- Franked distributions	6
- Unfranked distributions	164
Renewal commission	1
	<b>293</b>

## 5. EXPENSES

	28/02/09 £'000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>	
ACD's periodic charge	166
	<b>166</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>	
Depositary's fees	12
Transaction charges	1
	<b>13</b>
<b>Other expenses:</b>	
Auditors' remuneration	6
Registration fees	33
FSA and other regulatory fees	2
Legal fees	6
Printing fees	2
Price publication fees	5
PRS fees	4
	<b>58</b>
<b>Total expenses</b>	<b>237</b>

Irrecoverable VAT is included in the above expenses where relevant.

## 6. TAX ON ORDINARY ACTIVITIES

(a) The tax charge comprises:

	28/02/09 £'000
<b>Current tax:</b>	
Corporation tax	11
<b>Total current tax (note 6 (b))</b>	<b>11</b>

(b) Factors affecting the tax charge for the period

The tax charged for the period is at the special 20% rate of corporation tax applicable to open-ended investment companies (OEICs). The differences are explained below:

	28/02/09 £'000
Net income before taxation	56
	<b>56</b>
Return on ordinary activities multiplied by the special rate of corporation tax of 20%	11
<b>Effects of:</b>	
Franked UK dividends and distributions not subject to taxation	(2)
Set-up costs	2
<b>Current tax charge (note 5 (a))</b>	<b>11</b>

Authorised OEICs are exempt from tax on capital gains made within the sub-funds.

## 7. FINANCE COSTS

The distributions take into account income received on the issue of shares and income deducted on the cancellation of shares, and comprise:

	28/02/09 £'000
Interim distribution	11
Interim accumulation	56
Final distribution	1
Final accumulation	5
	<b>73</b>
Add: Income deducted on cancellation of shares	2
Deduct: Income received on issue of shares	(29)
<b>Net distributions for the period</b>	<b>46</b>
Interest	-
<b>Total finance costs</b>	<b>46</b>

## PENNINE PATHFINDER FUND

The difference between the net income after taxation and the amounts distributed comprises:

Net income after taxation	45
Expenses offset against capital	1
<b>Finance costs: Distributions</b>	<b>46</b>

### 8. DEBTORS

	<b>28/02/09</b>
	<b>£'000</b>
Accrued income	21
Amounts receivable for issue of shares	21
Prepaid expenses	2
Sales awaiting settlement	137
	<b>181</b>

### 9. CASH AND BANK BALANCES

	<b>28/02/09</b>
	<b>£'000</b>
Sterling	391
<b>Cash and bank balances</b>	<b>391</b>

### 10. CREDITORS

	<b>28/02/09</b>
	<b>£'000</b>
Accrued expenses	36
Corporation tax payable	9
Purchases awaiting settlement	343
	<b>388</b>

### 11. SIGNIFICANT AGREEMENTS AND TRANSACTIONS WITH RELATED PARTIES

#### Authorised Corporate Director ("ACD")

The ACD of the sub-fund is Premier Portfolio Managers Limited. The ACD is responsible for managing and administering the sub-fund's affairs in compliance with the FSA Regulations. In payment for carrying out its duties and responsibilities the ACD is entitled to take an annual fee out of the sub-fund, calculated on a mid-market basis.

The annual management charge ("AMC") accrues daily and is payable monthly. The current AMC for the sub-fund is set out in note 14 on page 23. Amounts paid to Premier Portfolio Managers Limited in respect of the ACD's periodic charge are disclosed in note 5 on page 21. The balance outstanding at the period end was £nil.

#### Investment Adviser

The ACD has appointed Premier Fund Managers Limited to provide investment management and advisory services to the ACD.

The Investment Adviser has appointed North Investment Partners Limited as sub-Investment Adviser to the sub-fund.

### Depository

The sub-fund's Depository is The Royal Bank of Scotland plc. The Depository is responsible for the safekeeping of all of the scheme property of the sub-fund and has a duty to take reasonable care to ensure that the sub-fund is managed in accordance with the provisions of the FSA Regulations relating to the pricing of and dealing in shares and relating to the income of the sub-fund. Subject to FSA Regulations, the Depository has full power under the Depository agreement to delegate (and authorise its delegates to sub-delegate) all or any part of its duties as Depository. It has delegated custody services to The Northern Trust Company. The Depository received for its own account a periodic fee which accrues daily and is payable monthly. The fee is payable out of the property attributable to the sub-fund. The rate of the periodic fee is as agreed between the ACD and the Depository from time to time and subject to a current maximum of 0.077% of the value of the relevant sub-fund per annum which may be varied from time to time with the agreement of the ACD and the Depository.

The total remuneration payable to the Depository out of the property attributable to each sub-fund for its services also includes transaction charges and custody charges.

Amounts paid to The Royal Bank of Scotland plc in respect of the Depository's services are disclosed in note 5 on page 21. There was nothing due to the Depository at the period end.

### 12. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or commitments at the balance sheet date.

### 13. DERIVATIVE AND OTHER FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, as set out in the investment objective and policy on page 16, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

#### Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The Investment Adviser and sub-Investment Adviser consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the sub-fund's investment objective.

The Investment Adviser and sub-Investment Adviser do not use derivative instruments to hedge the investment portfolio against risks as, in their opinion, the cost of such a process would result in an unacceptable reduction in the potential capital growth.

#### Currency Risk

The currency profile of the Sub-fund's financial instruments at the balance sheet date (including short term debtors and creditors) was:

#### Currency exposure as at 28th February 2009

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
US dollar	654	-	654	5.91
Sterling	10,228	183	10,411	94.09
<b>Total</b>	<b>10,882</b>	<b>183</b>	<b>11,065</b>	<b>100.00</b>

# PENNINE PATHFINDER FUND

## Interest Rate Risk

The sub-fund does not have any material direct interest rate risk as the majority of financial assets are in collective investment schemes, which do not pay interest. However, some of the underlying collective investment scheme investments may be directly or indirectly exposed to interest rate risk.

The interest-bearing financial assets of the sub-fund are bank balances on the balance sheet on page 19, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent and a treasury note on the portfolio of investment on page 18, which bears fixed interest.

## Liquidity Risk

The sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the sub-fund is the redemption of any shares that investors wish to sell. All the financial liabilities of the sub-fund fall within one year.

## Counterparty Risk

The sub-fund will be exposed to counterparty risk on parties with whom it trades and will bear the risk of settlement default. The sub-fund minimises concentrations of credit risk by undertaking transactions with a large number of counterparties on recognised and reputable exchanges. The sub-fund only buys and sells investments through brokers which have been approved by the Investment Adviser and sub-Investment Adviser as an acceptable counterparty and from recognised product providers.

## Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-fund disclosed in the Balance Sheet on page 19.

## Derivatives

The sub-fund does not hold any derivatives.

## 14. SHARE CLASSES

The sub-fund currently has two types of share, Income and Accumulation shares. The AMC on each share class is as follows:

Income Shares: 1.50%

Accumulation Shares: 1.50%

The net asset value, the net asset value per share and the number of shares in issue are given in the comparative tables on page 16. The distribution per share class is given in the distribution tables opposite.

## 15. PORTFOLIO TRANSACTION COSTS

Analysis of total purchase costs:

	28/02/09 £'000
Purchases in period before transaction costs	17,676
Commissions	5
Taxes	2
<b>Total purchase costs</b>	<b>7</b>
<b>Gross purchases total</b>	<b>17,683</b>

Analysis of total sale costs:

Gross sales before transaction costs	4,452
Commissions	(2)
<b>Total sale costs</b>	<b>(2)</b>
<b>Total sales net of transaction costs</b>	<b>4,450</b>

## DISTRIBUTION TABLES

For the period from 5th October 2007 to 31st August 2008

### Interim dividend distribution in pence per share

	Net Income	Equalisation	Distribution Paid 31/10/08
Group 1	0.5658	-	0.5658
Group 2	0.2595	0.3063	0.5658

### Accumulation shares

	Net Income	Equalisation	Accumulation Paid 31/10/08
Group 1	0.5658	-	0.5658
Group 2	0.3644	0.2014	0.5658

For the period from 1st September 2008 to 28th February 2009

### Final dividend distribution in pence per share

	Net Income	Equalisation	Distribution Payable 30/06/09
Group 1	0.0401	-	0.0401
Group 2	-	0.0401	0.0401

### Accumulation shares

	Net Income	Equalisation	Accumulation Payable 30/06/09
Group 1	0.0416	-	0.0416
Group 2	-	0.0416	0.0416

# The Pennine Fund

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## Administration Queries

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## This document is issued by:

Premier Portfolio Managers Limited  
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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 invested. Exchange rates will also cause the value of underlying investments to fall or rise. Tax concessions are not guaranteed and may be changed at any time; their value will depend on your individual circumstances. For your protection when dealing, your call may be recorded and monitored. 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. Large print documents are available on request from the above Guildford address.



# Pennine