

The Hurlingham Managed Income Portfolio

Annual Short Report - For the period from 05 January 2006 to 31 October 2006

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 01483 306 090, or can be downloaded from the Premier website, www.premierassetmanagement.co.uk

Investment Objective and Policy

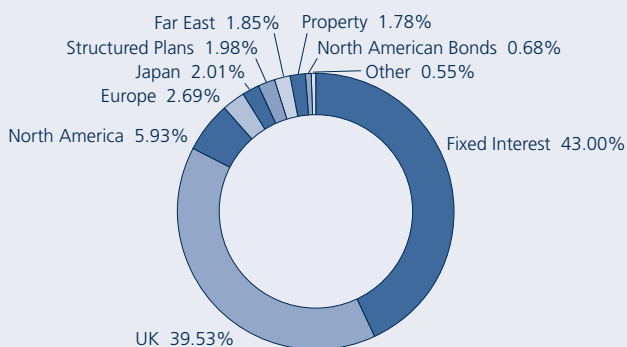
The Hurlingham Managed Income Portfolio aims to provide income together with long-term capital growth from a portfolio of investments. The Fund will invest in collective investment schemes and may also invest in equities, fixed interest securities, money market instruments and warrants.

Fund Facts

Launch date:	05 January 2006
Ex-dividend dates:	31 October, 30 April
Income dates:	28 February, 30 June
Total Expense Ratio as at 31/10/2006 [*] :	3.108%
IMA sector:	Cautious Managed

*The Total Expense Ratio (TER) shows the annual operating expenses of the Fund, including the annual management charges and other expenses - it does not include transaction figures. All European funds highlight the TER to help you compare the annual operating expenses of different schemes.

Asset Allocation as at 31/10/2006³



Top Ten Holdings as at 31/10/2006³

Henderson Preference & Bond	4.99%
Baillie Gifford Corporate Bond	4.96%
Liontrust First Income	4.94%
Baillie Gifford British 350	4.89%
F&C Extra Income Bond	4.89%
AXA Framlington Monthly Income	4.86%
M&G High Yield Corporate Bond	4.80%
Legal & General Higher Income	4.63%
Resolution Corporate Bond	4.60%
Legg Mason US Equity	4.50%

³ No prior year figures are available as this is the first Annual Short Report.

Risk Profile

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)
2006 ¹	Income	102.70	96.29

¹ From 05/01/2006 to 31/10/2006.

Past performance is not a guide to future returns. The price of units and shares and the return from them may go down as well as up and you may get back less than you invested.

Net Asset Values

Share class	As at	Net Asset Value per share (p)
Income	30/04/2006	100.83
	31/10/2006	100.26

Income Record

Year	Share class	Net income per share (p)	Net income per £1,000 at launch (p)
2006 ²	Income	2.2216	2,221.60

² To 31/10/2006.

Dividend Distribution

Dividend distribution in pence per share

	Share class	Distribution
05/01/2006 to 30/04/2006 [*]	Income	0.5203
01/05/2006 to 31/10/2006 ^{**}	Income	1.7013

* Paid 30/06/2006.

** Payable 28/02/2007.

The Hurlingham Managed Income Portfolio

Annual Short Report - For the period from 05 January 2006 to 31 October 2006

Investment Review

Performance

Over what has been a volatile period for the world's financial markets, the Hurlingham Managed Income Fund registered a return of 3.0% since launch. This was behind the IMA Cautious Managed sector average and the Fund's benchmark*, which gained 4.8% and 5.8% respectively.

Market Review

World equity markets endured a fairly rocky ride over the period since the Fund's launch, with volatility picking up significantly in May. During this time, the UK proved to be one of the strongest of the major stock markets, with the FTSE All-Share Index registering a double-digit advance.

2006 began well, as stock markets across the world continued to advance strongly. In May, however, investors became more concerned over the outlook for inflation, global interest rates and world economic growth. The result was a marked pick up in volatility across world markets as investors fled from riskier assets, which led to the period's previous strong gains being cancelled out.

Global stock markets continued to fall until mid-June, from where they began to rally. The release of benign inflation data from the US was largely to thank for this, as it suggested to nervous investors that the two-year cycle of US interest rate rises may be coming to an end.

During this time, the UK's rebound was stronger than most, due largely to the sustained solid performance of the defensive UK corporate sector and the continuing high volume of merger and acquisition activity. Similar circumstances also helped European equities to perform well, as robust global growth supported the heavy weighting of multi-national companies in the region.

With concerns over rising inflation one of the key issues of the period, it was of little surprise that the UK fixed-interest market was flat. In addition, a shift in expectations, as investors anticipated August's interest rate rise, also affected bond performance, resulting in a return of just 1.5% for the FTSE All-Stocks Index.

Portfolio Activity

The Fund remained slightly underweight in UK equities throughout the reporting period, which held back returns as UK equities performed strongly. However, during the period, this position was increased to bring the UK holding closer to its full weighting.

Elsewhere, our overweight position in European equities helped Fund performance, as they were ahead of the global average over the period. Conversely, remaining overweight in Japanese equities hindered returns, as the Japanese stock market lost ground – a factor that was compounded by yen weakness against sterling. On the back of this performance, we reduced our European overweight position to lock in profits, while we increased our Japanese equity position following the fall in prices.

At an asset level, we maintained our underweight position in UK bonds throughout the period, as we believed that they had little potential to generate strong capital growth from current levels.

Within the Fund, we disposed of three holdings during the period. Two of these,

the Legal and General US and UK Index funds, were purchased as shorter-term holdings to provide lower cost access to market-linked performance during the Fund's infancy. The third disposal was Aberforth UK Smaller Companies, which we sold in October to lock in profits following a period of strong performance.

In respect of the Fund's other holdings, we continued to trim back or top up holdings depending on individual strength or weakness.

Outlook

The most significant issue for the global economic outlook remains the strength of the US economy. Inflation will be one of the main threats going forward: the extent to which it has become embedded in the US economy will be key to future interest rate movements, and therefore, the strength of US economic growth. Our own view remains positive, as we believe the resilience of the US economy and corporate sector can help to bring about a soft landing.

In the UK, we are comfortable with our current equity weighting and feel no immediate need to reduce this following a recent run of strength. The UK stock market has the potential to carry on this good run, so the key for us will be to monitor its progress and decide when, if at all, to take profits.

Fixed-interest markets still seem unlikely to generate any strong capital gains in the short to medium term. However, they remain useful for the purposes of diversification and providing income.

Source: Premier Fund Managers Limited, November 2006.

*Fund Benchmark: 50% FTSE All-Stocks Index, 40% FTSE All-Share Index and 10% FTSE World ex UK Index.

Other Information

Authorised Corporate Director
(ACD) & Registered Office:

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

Auditors:

RSM Robson Rhodes LLP,
30 Finsbury Square, London EC2P 2YU.

Depositary:

The Royal Bank of Scotland plc,
Trustee and Depositary Services,
RBS Gogarburn, PO Box 1000,
Edinburgh EH12 1HQ.

Administrators & Registrar*:

**Northern Trust International Fund
Administration Services (UK) Limited &
Northern Trust Global Services Limited,**
PO Box 55736, 50 Bank Street,
Canary Wharf, London E14 1BT.

* Registrar duties were previously undertaken by Ravensbourne Registration Services Limited, who assigned these duties to Northern Trust Global Services in March 2006. As at this date, Northern Trust Global Services Limited ceased to act as registrar following the transfer of its registration services to Northern Trust International Fund Administration Services (UK) Limited.

Issued by:

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

Tel: 01483 306 090 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 are authorised and regulated by the Financial Services Authority. Premier Portfolio Managers Limited is a PEP and 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.

2602074029