



**Annual Report and Financial Statements (audited)**

Premier Multi-Asset Funds

For the period 1 March 2017 to 28 February 2018



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## MANAGEMENT AND ADMINISTRATION

The Authorised Corporate Director ("ACD") and registered office of Premier Multi-Asset Funds ("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 Conduct Authority ("FCA") and is a member of The Investment Association ("IA"). 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)  
Ian West (Chief Operating Officer)\*\*  
Mike Hammond (Sales Director)  
Simon Wilson (Marketing Director)  
Rosamond Borer (Chief Risk Officer)  
Gregor Craig (Head of Compliance and Legal)\*

\*\*Appointed 1 June 2018

\*Appointed 15 November 2017

### **INVESTMENT ADVISER:**

Premier Fund Managers Limited is the Investment Adviser to Premier Multi-Asset Funds.

### **DEPOSITARY:**

Northern Trust Global Services PLC  
50 Bank Street,  
Canary Wharf,  
London, E14 5NT

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

### **AUDITOR:**

KPMG LLP  
15 Canada Square,  
Canary Wharf,  
London, E14 5GL

### **ADMINISTRATOR & REGISTRAR:**

Northern Trust Global Services PLC  
50 Bank Street,  
Canary Wharf,  
London, E14 5NT

### **COMPANY INFORMATION**

Premier Multi-Asset Funds 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 IC000139 and authorised by the Financial Conduct Authority with effect from 3 December 2001. Shareholders are not liable for the debts of the Company. At the year end, the Company contained four sub-funds: Premier Diversified Fund, Premier Diversified Income Fund, Premier Multi-Asset Distribution Fund and Premier Multi-Asset Global Growth Fund.

The Company is a non-UCITS retail scheme which complies with the Financial Conduct Authority'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 Financial Conduct Authority and the agreement of the Depositary.

Effective from 22 July 2014, the Company will also be classified as an Alternative Investment Fund ("AIF") under the Alternative Investment Fund Manager's Directive ("AIFMD").

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

The Open-Ended Investment Companies Regulations 2001 and the FCA's Collective Investment Schemes sourcebook ("the Regulations") require the ACD to prepare accounts for each annual accounting year, which give a true and fair view of the financial position of the scheme as at the end of the year and of the net revenue and the net capital gains 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;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds', issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

The ACD is responsible for the management of the Company 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.

### **IMPORTANT NOTES**

#### **Premier Diversified Fund**

On 1 April 2017, the 'C' Share Class was renamed 'D' and the AMC was reduced from 0.75% down to 0.50%

#### **Premier Diversified Income Fund**

The ACD launched the Premier Diversified Income Fund on 19 June 2017, as a further sub-fund of Premier Multi-Asset funds.

# 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 year from 1 March 2017 to 28 February 2018.

The Company is a non-UCITS scheme which complies with the Financial Conduct Authority'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, the Depositary, the Registrar and the Auditor are detailed on page 2.

In the future there may be other sub-funds of the 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 Company.

Where a sub-fund invests in other Collective Investment Schemes, the maximum annual management fee that may be charged to that Collective Investment Scheme is 5% of the net asset value of such a scheme, however, it is expected that the actual annual management fee will not exceed 2%.

## STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the ACD is aware, there is no relevant audit information of which the Company's Auditors are unaware. Additionally, the ACD has taken all the necessary steps that they ought to have taken as ACD in order to make themselves aware of all relevant audit information and to establish that the Company's Auditors are aware of that information.

## SUB-FUND CROSS HOLDINGS

At the year end, none of the shares in the sub-funds were held by any other sub-funds or the 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)  
15 June 2018

Ian West  
Chief Operating Officer (of the ACD)

## AIFMD DISCLOSURES

The provisions of the Alternative Investment Fund Managers Directive ("AIFMD") took effect on 22nd July 2014. That legislation requires the AIFM to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management.

The AIFM is part of a larger group of companies within which remuneration policies are the responsibility of a Remuneration Committee comprised entirely of non-executive directors. That committee has established a remuneration policy which sets out a framework for determining the level of fixed and variable remuneration of staff, including maintaining an appropriate balance between the two.

Arrangements for variable remuneration within the group are calculated primarily by reference to the performance of each individual and the profitability of the relevant business unit. The policies are designed to reward long term performance and long term profitability.

Within the group, all staff are employed by the parent company with none employed directly by the AIFM. The costs of a number of individuals are allocated between the entities within the group based on the expected amount of time devoted to each.

The total remuneration of those individuals who are fully or partly involved in the activities of the AIFM, including those whose time is allocated between group entities, for the financial year ending 30 September 2017, is analysed below:

Fixed Remuneration	£1,627,876
Variable Remuneration	£1,204,005
<b>Total</b>	<b>£2,831,881</b>

FTE Number of staff: 28

15 of the staff members included in the total remuneration figures above are considered to be senior management or others whose actions may have a material impact on the risk profile of the fund. The table below provides an alternative analysis of the remuneration data.

Aggregate remuneration of:

Senior management	£479,347
Staff whose actions may have a material impact on the funds	£893,430
Other	£1,459,104
<b>Total</b>	<b>£2,831,881</b>

The staff members included in the above analysis supports all the funds managed by the AIFM. It is not considered feasible or useful to attempt to apportion these figures to individual funds.

The management has reviewed the general principles of the Remuneration Policy and its application in the last year which has resulted in no material changes to the Policy.

## MANAGEMENT AND ADMINISTRATION

### REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS FOR THE YEAR FROM 1 MARCH 2017 TO 28 FEBRUARY 2018 FOR PREMIER DIVERSIFIED FUND, PREMIER MULTI-ASSET DISTRIBUTION FUND AND PREMIER MULTI-ASSET GLOBAL GROWTH FUND, AND FOR THE PERIOD FROM 19 JUNE 2017 TO 28 FEBRUARY 2018 FOR PREMIER DIVERSIFIED INCOME FUND AS SUB-FUNDS OF PREMIER MULTI-ASSET FUNDS ('THE COMPANY')

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AIFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

Northern Trust Global Services PLC  
Trustee & Depositary Services  
15 June 2018



# INDEPENDENT AUDITOR'S REPORT

## REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF PREMIER MULTI-ASSET FUNDS ('THE COMPANY')

### Opinion

We have audited the financial statements of the Company for the year ended 28 February 2018 which comprise the Statements of Total Return, the Statements of Changes in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables for each of the Company's sub-funds listed on page 2 and the accounting policies set out on page 6.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of each of the sub-funds as at 28 February 2018 and of the net revenue and the net capital gains on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### Other information

The Authorised Corporate Director is responsible for the other information, which comprises the Authorised Corporate Director's report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Authorised Corporate Director's Report for the financial year is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records.

### Authorised Corporate Director's responsibilities

As explained more fully in their statement set out on page 2, the Authorised Corporate Director is responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with the rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulation 2001. 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 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 Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### Neil Palmer

#### for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
Canary Wharf  
London, E14 5GL  
15 June 2018

# AGGREGATED NOTES TO THE FINANCIAL STATEMENTS

## 1. STATEMENT OF COMPLIANCE

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Trusts issued by the Investment Association in May 2014 (2014 SORP).

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

### Functional and Presentation Currency

The functional and presentation currency of the Fund is sterling.

### Revenue Recognition

Revenue 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 revenue relating to accumulation units or shares held in Collective Investment Schemes is recognised as revenue and included in the amount available for distribution.

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

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

Management fee rebates are accounted for on an accruals basis and are subsequently attributed to the Fund's revenue or capital consistent with the fee structure of the underlying fund.

### Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognized as revenue of the sub-fund. Any enhancement above the cash dividend is treated as capital.

### Special Dividends

Special dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend. In some instances, special dividends might be treated as capital rather than income when taking the fund's objectives into consideration.

### Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments) are charged against revenue for the year on an accruals basis except for Premier Diversified Income Fund and Premier Multi-Asset Distribution Fund in which all expenses are charged to Capital.

### Distributions

Amounts distributable are calculated after excluding expenses borne by capital as agreed by the ACD and Depositary.

The ACD and Depositary have agreed that 100% of Premier Multi-Asset Distribution Fund and Premier Diversified Income Fund's expenses are borne by capital and 100% of Premier Diversified Fund, Premier Multi-Asset Global Growth Fund expenses are borne by revenue.

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 for Premier Diversified Fund, Premier Multi-Asset Global Growth Fund and Premier Diversified Income Fund. For Premier Multi-Asset Distribution Fund, the equalisation forms part of the distribution.

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the capital of the Fund.

### Valuations

All investments are valued at their fair value at noon on 28 February 2018, being the last business day of the financial year. The fair value of equity and non-equity shares is bid price, excluding any accrued interest.

The fair value of dual priced collective investment schemes managed by the ACD is their cancellation price and the fair value of dual priced collective investment schemes which are managed by other management groups is their bid price.

The fair value of all single priced collective investment schemes is their single price, taking account of any agreed redemption charges.

### Foreign Currencies

Assets and liabilities in currencies other than sterling are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Transactions in foreign currencies are translated at the exchange rate prevailing at the transaction date. Where forward positions in currencies are held, these are translated at the appropriate forward rate. Any resulting exchange differences in these forward positions are disclosed in 'Net capital gains/(losses)' on investments in the Statement of Total Return.

### Taxation

Corporation tax has been provided for at a rate of 20%. Deferred tax is provided in respect of timing differences that have originated but not been reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that they are more likely than not to be recoverable.

Withholding tax on overseas dividends is accounted for when the security is quoted ex dividend.

### Dilution Levy

In certain circumstances the ACD may charge a dilution levy, in accordance with the Financial Conduct Authority Regulations, on all subscriptions and redemptions of shares, which is paid into the sub-funds and included in the Statement of Change in Net Assets Attributable to Shareholders. 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.

# AGGREGATED NOTES TO THE FINANCIAL STATEMENTS

## 3. RISK MANAGEMENT FRAMEWORKS

The ACD has a documented risk management framework which details the processes and procedures used to identify, measure, manage and monitor appropriately all risks to which the funds are or may be exposed. The risks covered by the framework include market risk, liquidity risk, credit/counterparty risk, operational risk and any other risks that might be material to the funds. The first three risks are primarily focused on the investment itself while operational risk refers to the risk of loss arising from inadequate or failed processes, people or systems including attempted fraud. The risk framework details:

- the techniques, tools and arrangements including systems and processes used;
- the content and frequency of reports; and
- the allocation of responsibilities between key staff and departments.

The main risk management system used by the ACD is fully integrated with the position keeping system for the funds and is used to measure and monitor market risk, credit / counterparty risk and liquidity risk. A separate system is maintained to track instances of operational risk and monitor amendments to controls made seeking to ensure that operational risk errors do not re-occur.

The ACD has a formal structure of oversight committees who review the risk profile, including market, credit, operational and liquidity risks, of each fund and the fund's compliance with its published objectives on a regular basis. As part of its governance processes, the ACD reviews the performance of the risk management framework and its associated arrangements, processes, systems and techniques on an annual basis, and the compliance of the funds with the risk management framework. The risk management framework is updated by the ACD following any significant change in the business or in risk exposures and at least annually. It is also reviewed by the Depositary.

### Market Risk

Market risk is the risk of loss arising from fluctuations in the market value of investments held by the funds attributable to changes in market variables, such as equity prices, foreign exchange rates, interest rates or the credit worthiness of an issuer. The risk management framework monitors the levels of market risk to which the funds are exposed in relation to the fund investment objective and policy. A series of hard (strictly enforced) and soft (warning) limits are employed to ensure the fund stays within its published mandate. The risk systems provide a range of risk analytical tools, including sensitivities to relevant market risks, Value at Risk and stress testing, and incorporate the impact of changes to positions in real time. In addition to risk analytics, the risk system has an integrated risk limit and regulatory compliance function which performs checks on potential trades prior to the fund executing them and on the fund exposures on a daily basis.

### Leverage

Leverage is measured using gross leverage and global exposure (the commitment approach). The commitment approach is suitable for funds investing in traditional asset classes such as equities, fixed income, money market securities and collective investment schemes. It can also be used for funds using derivatives in a simple manner and investing in instruments with embedded derivatives where no additional leverage is created. The commitment approach measures the incremental exposure of each derivative calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the guidelines set by the regulator, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-funds do not employ significant leverage (as defined by the regulations). The sub-funds all use the commitment method to calculate global exposure in preference to the VaR method and therefore, although VaR is calculated for internal purposes, it does not form part of the formal limits structure for the funds and no details are provided here.

### Liquidity Risk

Liquidity risk is the possibility that the fund will not be able to sell its assets without incurring losses within the timeframe required to meet investor redemptions. The asset liquidity profile of each fund is monitored on a regular basis and compared to both historical investor redemption patterns and potential redemption scenarios, with the aim of ensuring that the fund will be able to meet any actual redemptions in a timely manner. The liquidity risk management process includes an assessment of the market turnover, percentage of an issue held by the fund, credit rating of the issuer and/or the buy-sell spread of the market in the securities held where the information is available and is applicable. Liquidity profile stress tests under both normal and exceptional conditions are conducted on a regular basis. If market liquidity is perceived to be decreasing, the ACD might seek to take any of the following actions to improve the liquidity profile of a fund: maintain higher cash balances; maintain a greater proportion of assets in securities which are traditionally more liquid; diversify the range of issue types and sizes held; hold shorter dated securities; or hold issues with a more diverse shareholder base.

As of the date of this report, none of the sub-funds hold any assets that are subject to special arrangements arising from their illiquid nature.

### Credit Risk

Credit risk comprises both credit issuer risk and counterparty risk. Credit issuer risk is the potential for loss arising from the issuer of a security failing to pay interest and principal in a timely manner. Counterparty risk is the potential for loss arising from the failure of a trading counterparty to honour an obligation to the fund. The funds manage credit issuer risk as a component of market risk. The Premier Diversified Fund and the Premier Diversified Income Fund, take credit issuer risk by investing in interest bearing securities and may also take credit issuer risk by buying or selling credit default swaps. When a fund buys a credit default swap the default risk associated with the underlying security transfers to the counterparty and when it sells a credit default swap it assumes the credit risk of the underlying security. The Premier Multi-Asset Global Growth Fund and the Premier Multi-Asset Distribution Fund do not have any direct holdings of debt securities or other interest rate instruments which have a sensitivity to interest rates or credit ratings and therefore no analysis of such is provided.

### Counterparty Risk

Counterparty risk arises primarily with the financial brokers through whom the fund buys and sells securities. The funds may only transact with brokers from an approved broker list maintained by the ACD. All brokers on the ACD approved list are subject to regular credit and general business checks. The funds may also be exposed to counterparty risks arising from the use of forward currency instruments, usually transacted to decrease exposure to foreign currency. These risks are monitored daily and are subject to limits, in practice they are for small amounts typically less than 0.1% of the fund assets. The Premier Diversified Fund and the Premier Diversified Income Fund are also exposed to counterparty risk with the banks with which they transact off-exchange derivative products. These products are traded under legal agreements which require the posting of collateral by either party to keep the level of counterparty risk exposure below an agreed limit. As of the date of this report, no such products are outstanding and no collateral has been received or posted



# PREMIER DIVERSIFIED FUND

## FUND INFORMATION

The Comparative Tables on pages 8 to 9 give the performance of each active share class in the sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-fund's performance disclosed in the ACD's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

## COMPARATIVE TABLES

For the financial year ended 28 February 2018

Class B Income Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	138.09	111.69	115.88
Return before operating charges*	18.63	29.17	(1.27)
Operating charges	(1.73)	(1.47)	(1.34)
Return after operating charges*	16.90	27.70	(2.61)
Distributions on income shares	(1.33)	(1.30)	(1.58)
Closing net asset value per share	153.66	138.09	111.69
* after direct transaction costs of**:	0.30	0.46	0.04
<b>Performance</b>			
Return after charges**	12.24%	24.80%	(2.25)%
<b>Other Information</b>			
Closing net asset value (£'000)	28,306	31,882	32,192
Closing number of shares	18,420,759	23,088,317	28,821,644
Operating charges†	1.17%	1.18%	1.17%
Direct transaction costs	0.20%	0.37%	0.03%
<b>Prices</b>			
Highest share price	157.40	139.32	121.49
Lowest share price	138.37	111.76	105.29

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# PREMIER DIVERSIFIED FUND

## FUND INFORMATION

### COMPARATIVE TABLES continued

For the financial year ended 28 February 2018

Class D Income Shares

	2018^ (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	138.13	111.71	115.91
Return before operating charges*	18.66	28.89	(1.28)
Operating charges	(1.00)	(0.85)	(1.05)
Return after operating charges*	17.66	28.04	(2.33)
Distributions on income shares	(2.05)	(1.62)	(1.87)
Closing net asset value per share	153.74	138.13	111.71
* after direct transaction costs of**:	0.30	0.46	0.04
<b>Performance</b>			
Return after charges**	12.78%	25.10%	(2.01)%
<b>Other Information</b>			
Closing net asset value (£'000)	39,256	15,470	11,474
Closing number of shares	25,534,493	11,199,598	10,271,106
Operating charges†	0.67%	0.68%	0.92%
Direct transaction costs	0.20%	0.37%	0.03%
<b>Prices</b>			
Highest share price	157.76	139.53	121.56
Lowest share price	138.45	111.79	105.43

^ On 1 April 2017, the 'C' Share Class was renamed 'D' and the AMC was reduced from 0.75% down to 0.50%.

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# PREMIER DIVERSIFIED FUND

## SYNTHETIC RISK AND REWARD INDICATOR (SRRI)



The sub-fund is ranked as 4 because the sub-fund and portfolios holding similar assets have experienced medium rises and falls in value. Please note that even the lowest ranking does not mean a risk-free investment.

The Synthetic Risk and Reward Indicator demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund.

## LEVERAGE

The sub-fund may use both exchange traded and off-exchange derivatives for the purposes of efficient portfolio management as part of its investment strategy which generates some leverage within the sub-fund. The sub-fund may use currency forward transactions to reduce the risk of adverse movements in the exchange rate in which it holds investments to its base currency. Since it typically holds securities denominated in a range of currencies, these forward currency transactions may be extensive at certain points in time. In addition, the sub-fund may experience a small amount of leverage when using the permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. The maximum leverage of the sub-fund calculated using the 'commitment leverage' methodology has therefore been set at 50%. The maximum leverage of the sub-fund calculated using the 'gross leverage' methodology has been set at 50%.

### Leverage as at 28 February 2018

Commitment Leverage		Gross Leverage	
Actual	Max. Limit	Actual	Max. Limit
10%	50%	5%	50%

The sub-fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. The sub-fund may in future post or receive margin or collateral. The sub-fund has not granted any guarantees in relation to leveraging arrangements or any rights to reuse collateral.

## INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Premier Diversified Fund is to provide long term capital growth.

The sub-fund will achieve this by investing in units of collective investment schemes (both regulated and unregulated structures), exchange traded funds, and transferable securities (such as bonds and shares, both quoted and unquoted).

The sub-fund may also invest in closed end investment companies, warrants, money market instruments, deposits, cash and near cash, and may borrow, and may enter into stock lending and underwriting arrangements. The sub-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 Premier Diversified Fund (class B income shares) performed extremely well over the year, returning 12.4%. This compares to the IA Mixed Investment 40%-85% sector which rose by 5.4% and the FTSE All-Share Index which increased 4.4%.

### MARKET REVIEW

Global equity markets performed well for the majority of the period, with many indices reaching record highs. The global economy remained robust on the back of tax reform in the US, strong global GDP growth and corporate earnings; volatility remained low, despite geopolitical tensions on the Korean peninsula and bond yields were range bound.

This continued economic strength led to an increasingly hawkish tone from central banks, which ultimately resulted in the equity markets revising their interest rates expectations upwards, causing an abrupt and severe fall in stock prices. Volatility spiked, catching many investors off guard, forcing them to unwind their positions which exacerbated the situation.

### PORTFOLIO ACTIVITY

The benefits of diversification can be expected to come to the fore during times of market stress and the events of February were no exception. The sub-fund remains invested across four main asset classes: fixed income, alternative investments, property and equities; portfolio hedges were introduced during the period.

In fixed income, whilst we do not believe that there are significant risks to prices in the short term, we continue to keep a relatively low profile. It is our opinion that the valuation of the asset class does not provide an attractive entry point, other than in some specialist areas of the market. The allocation to alternative investments increased during the period. This asset class contains a wide range of investments, providing valuable diversification benefits, something which helped dampen volatility during the recent market turbulence.

The sub-fund's allocation to property is unchanged, although the underlying holdings have been altered. We believe there are attractive valuations in Europe, where rental growth remains strong. Our exposure to UK retail is in the convenience sub-sector, which we expect to remain robust in the face of weaker domestic demand.

The weighting to equities remains substantial, as we believe the outlook is positive, but as indices reached record highs and valuations increased, the allocation was slightly reduced. The number of UK holdings increased, with the aim of reducing stock specific risk. The global equity portfolio remains biased towards more economically sensitive companies, in line with the strong economic data coming from most regions of the world.

Put options on the S&P 500 index were first introduced in November, taking advantage of low volatility and allowing us to maintain the desired equity exposure whilst providing downside protection. Further positions were purchased in January, with the possibility of more hedges being added to the portfolio if and when it is deemed appropriate.

### OUTLOOK

Looking ahead, the fundamentals are positive; corporate earnings are strong and global GDP growth remains robust. In the UK, higher inflation which resulted from sterling's depreciation should begin to fall back towards the Bank of England's 2% target. This should help the squeeze on real wages, helping the domestic consumer and hopefully feeding through to the wider economy.

Global equity markets may well rally, but it is difficult to know how sustainable it will be. It is not unreasonable to assume that returns will not be as attractive as the previous two years. Recent events have shown that risks are there and, when they do come to the surface, markets will react quickly. Volatility may well be back, which is not all bad, with it comes the opportunity for an actively managed diversified portfolio to produce attractive absolute and relative returns.

## PREMIER DIVERSIFIED FUND

Source: Premier Fund Managers Limited, March 2018. Performance data taken from FE Analytics and Bloomberg, quoted on a total return (income reinvested), bid to bid, UK sterling basis, class B income shares as at 28 February 2018. Past performance is not a guide to future returns. Reference to any particular stock does not constitute a recommendation to buy or sell the stock.

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The top ten purchases and sales during the year were as follows:

<b>Purchases</b>	<b>Costs £'000</b>	<b>Sales</b>	<b>Proceeds £'000</b>
GCP Infrastructure Investments	1,220	Phoenix Spree Deutschland	1,332
Phoenix Spree Deutschland	1,169	Aldermore	737
Tetragon Financial	1,149	Costain	707
APQ Global 3.50% 30/09/2024	1,000	Crest Nicholson	658
Diversified Gas & Oil	958	Indivior	620
Greencoat UK Wind	889	Micro Focus International	606
Merlin Properties Socimi	688	Princess Private Equity	602
P2P Global Investments	680	FDM	580
Vonovia	653	Victoria	564
NextEnergy Solar	642	Vonovia	558
<b>Total purchases during the year were</b>	<b>40,709</b>	<b>Total sales during the year were</b>	<b>25,289</b>

# PREMIER DIVERSIFIED FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %	Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>COLLECTIVE INVESTMENT SCHEMES 1.58% (3.63%)</b>				<b>Germany 1.01% (2.34%)</b>			
<b>Europe 0.00% (3.63%)</b>				20,789	Vonovia	684	1.01
						<b>684</b>	<b>1.01</b>
<b>United Kingdom 1.58% (0.00%)</b>				<b>Guernsey 21.13% (25.62%)</b>			
900,000	Premier Global Infrastructure Income Fund 'C'	1,069	1.58	165,000	BH Global	2,301	3.40
		<b>1,069</b>	<b>1.58</b>	60,000	BH Macro	1,211	1.79
<b>DEBT SECURITIES 1.55% (0.00%)</b>				100,000	Boussard & Gavaudan	1,685	2.48
<b>United Kingdom 1.55% (0.00%)</b>				150,000	DW Catalyst	911	1.35
GBP 200	APQ Global 3.50% 30/09/2024	1,045	1.55	1,031,000	Hadrians Wall Secured Investments	1,000	1.48
		<b>1,045</b>	<b>1.55</b>	894,474	Highbridge Multi Strategy	1,989	2.93
<b>EQUITIES 91.70% (91.95%)</b>				230,526	Highbridge Multi Strategy (Assented)	13	0.02
<b>Australia 0.66% (0.67%)</b>				700,000	JPMorgan Global Convertibles	676	1.00
25,819	BHP Billiton	444	0.66	65,000	NB Private Equity	644	0.95
		<b>444</b>	<b>0.66</b>	600,000	NextEnergy Solar	669	0.99
<b>Austria 0.66% (0.69%)</b>				758,233	Phaunos Timber	230	0.34
12,357	Erste Group Bank	445	0.66	375,000	Real Estate Credit Investments	626	0.93
		<b>445</b>	<b>0.66</b>	500,000	Sherborne Investors	525	0.78
<b>Belgium 0.69% (0.75%)</b>				575,000	SQN Asset Finance Income	500	0.74
6,925	KBC Group	469	0.69	140,000	Tetragon Financial	1,319	1.95
		<b>469</b>	<b>0.69</b>			<b>14,299</b>	<b>21.13</b>
<b>Bermuda 1.40% (1.90%)</b>				<b>Hong Kong 0.70% (1.23%)</b>			
786,345	Blue Capital Alternative Income	352	0.52	448,000	CNOOC	471	0.70
800,000	Catco Reinsurance Opportunities	592	0.88			<b>471</b>	<b>0.70</b>
		<b>944</b>	<b>1.40</b>	<b>Ireland 1.25% (1.47%)</b>			
<b>Canada 0.60% (0.48%)</b>				292,722	Green REIT	401	0.59
18,990	Teck Resources 'B'	403	0.60	5,480	ICON	449	0.66
		<b>403</b>	<b>0.60</b>			<b>850</b>	<b>1.25</b>
<b>Cayman Islands 2.51% (1.33%)</b>				<b>Isle of Man 0.81% (0.00%)</b>			
190,000	China Conch Venture	412	0.61	416,415	Strix Group	546	0.81
300,000	Kingboard Laminates	381	0.56			<b>546</b>	<b>0.81</b>
263,100	Nexteer Automotive	423	0.63	<b>Japan 4.69% (4.82%)</b>			
424,000	Xinyi Glass	477	0.71	13,800	Asahi	511	0.76
		<b>1,693</b>	<b>2.51</b>	27,500	CKD	505	0.75
<b>China 0.48% (0.73%)</b>				3,200	Kose	434	0.64
401,000	Weichai Power	326	0.48	10,100	Okuma	464	0.69
		<b>326</b>	<b>0.48</b>	31,300	Sekisui House	397	0.59
<b>Denmark 0.65% (0.70%)</b>				10,500	Taisei	385	0.57
5,760	Pandora	436	0.65	3,300	Tokyo Electron	469	0.69
		<b>436</b>	<b>0.65</b>			<b>3,165</b>	<b>4.69</b>
<b>France 3.32% (2.14%)</b>				<b>Jersey 2.20% (0.00%)</b>			
4,500	Atos	430	0.64	1,000,000	GCP Infrastructure Investments	1,177	1.74
1,660	Fonciere des Regions	126	0.19	10,000	Shire	308	0.46
1,351	Kering	464	0.69			<b>1,485</b>	<b>2.20</b>
3,415	Teleperformance	348	0.52	<b>Luxembourg 1.96% (0.72%)</b>			
2,611	Unibail-Rodamco	436	0.65	18,951	ArcelorMittal	476	0.70
5,923	Vinci	426	0.63	100,000	B&M European Value Retail	415	0.61
		<b>2,230</b>	<b>3.32</b>	7,419	Trinseo	438	0.65
						<b>1,329</b>	<b>1.96</b>
				<b>Netherlands 0.68% (0.00%)</b>			
				8,851	Randstad Holding	457	0.68
						<b>457</b>	<b>0.68</b>



# PREMIER DIVERSIFIED FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %	Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	<b>Panama 0.64% (0.89%)</b>				<b>United Kingdom continued</b>		
8,878	Carnival	433	0.64	85,000	P2P Global Investments	674	1.00
		<b>433</b>	<b>0.64</b>	267,000	Proactis	502	0.74
	<b>Russia 0.63% (0.74%)</b>			30,500	Prudential	563	0.83
8,839	Lukoil	429	0.63	60,000	Redrow	356	0.53
		<b>429</b>	<b>0.63</b>	9,600	Rio Tinto	378	0.56
	<b>Singapore 0.64% (0.96%)</b>			45,000	Robert Walters	290	0.43
2,390	Broadcom	435	0.64	21,600	Royal Dutch Shell 'B'	502	0.74
		<b>435</b>	<b>0.64</b>	81,523	Safestore Holdings	402	0.60
	<b>Spain 0.66% (0.00%)</b>			740,937	Savannah Petroleum	200	0.30
44,145	Merlin Properties Socimi	449	0.66	31,621	Shaftesbury	302	0.45
		<b>449</b>	<b>0.66</b>	625,000	Sirius Minerals	169	0.25
	<b>Sweden 1.28% (1.34%)</b>			124,000	SThree	428	0.63
62,551	Dometic	466	0.69	529,412	Sumo Group	556	0.82
28,999	Volvo	398	0.59	127,400	TT Electronics	280	0.41
		<b>864</b>	<b>1.28</b>	26,000	Ultra Electronics	405	0.60
	<b>Switzerland 0.63% (0.69%)</b>			40,502	Workspace	382	0.57
7,343	Adecco	426	0.63			<b>18,264</b>	<b>27.03</b>
		<b>426</b>	<b>0.63</b>		<b>United States 14.21% (17.16%)</b>		
	<b>Turkey 0.58% (0.00%)</b>			3,758	Aetna	478	0.71
195,330	Akbank	395	0.58	25,438	American Eagle Outfitters	353	0.52
		<b>395</b>	<b>0.58</b>	2,784	Amgen	374	0.55
	<b>United Kingdom 27.03% (24.58%)</b>			10,683	Applied Materials	445	0.66
550,000	Arena Events	341	0.50	23,400	Bank of America	547	0.81
41,000	BAE Systems	237	0.35	8,400	Citigroup	463	0.69
19,335	Big Yellow	159	0.24	25,778	Express	134	0.20
549,000	BioPharma Credit	409	0.61	21,948	Fifth Third Bancorp	527	0.78
108,500	CareTech	429	0.63	5,980	Foot Locker	205	0.30
100,250	Central Asia Metals	320	0.47	6,467	Gilead Sciences	375	0.56
222,778	City Pub Group	379	0.56	6,901	JPMorgan Chase & Co	585	0.87
45,552	CLS	103	0.15	8,774	Lincoln National	496	0.73
50,000	Countryside Properties	160	0.24	10,980	MetLife	375	0.56
1,197,000	Diversified Gas & Oil	1,056	1.56	26,408	ON Semiconductor	464	0.69
10,373	FDM	91	0.13	5,753	Prudential Financial	452	0.67
127,536	Footasylum	259	0.38	6,300	Qorvo	369	0.55
190,000	Forterra	545	0.81	3,031	Raytheon	480	0.71
110,000	Grainger	301	0.45	6,076	Skyworks Solutions	484	0.72
660,000	Greencoat UK Wind	809	1.20	4,191	Stryker	497	0.74
201,500	Gym Group	490	0.73	3,183	United Health	535	0.79
287,567	Hansteen	384	0.57	5,943	Visa	530	0.78
70,000	HSBC	505	0.75	6,667	Western Digital	420	0.62
7,900	Imperial Brands	207	0.31			<b>9,588</b>	<b>14.21</b>
155,000	JD Sports Fashion	590	0.87		<b>INVESTMENT TRUST 0.85% (2.12%)</b>		
68,223	John Laing Group	186	0.28		<b>United Kingdom 0.85% (2.12%)</b>		
27,927	Just Eat	245	0.36	420,000	Premier Global Infrastructure Trust	571	0.85
376,726	Just Group	548	0.81			<b>571</b>	<b>0.85</b>
140,000	Kingfisher	503	0.74		<b>FORWARD FX CURRENCY CONTRACTS 0.00% (0.57%)</b>		
525,000	Learning Technologies	414	0.61		<b>OPTIONS 0.83% (0.00%)</b>		
70,000	Marlowe	259	0.38	32	Option S&P 500 Index Put 2450 15/06/2018	61	0.09
106,241	McKay Securities	251	0.37	67	Option S&P 500 Index Put 2550 21/09/2018	315	0.46
100,000	Melrose Industries	226	0.33	30	Option S&P 500 Index Put 2650 21/09/2018	186	0.28
185,276	NewRiver REIT	569	0.84			<b>562</b>	<b>0.83</b>
92,000	On the Beach	531	0.79				
90,000	OneSavings Bank	369	0.55				

# PREMIER DIVERSIFIED FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>WARRANTS 0.00% (0.00%)</b>			
371,361	Savannah Petroleum 09/02/2019	—	—
		—	—
<b>Total Value of Investments</b>		<b>65,206</b>	<b>96.51</b>
Net Other Assets		2,356	3.49
<b>Total Net Assets</b>		<b>67,562</b>	<b>100.00</b>

Figures in brackets represent sector distribution at 28 February 2017.

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

# PREMIER DIVERSIFIED FUND

## STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	28/02/18 £'000	28/02/17 £'000
Income			
Net capital gains	4	5,416	9,636
Revenue	5	1,148	1,065
Expenses	6	(511)	(499)
Interest payable and similar charges		—	—
Net revenue before taxation		637	566
Taxation	7	(44)	(44)
Net revenue after taxation		593	522
Total return before distributions		6,009	10,158
Distributions	8	(594)	(523)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>5,415</b>	<b>9,635</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	Note	28/02/18 £'000	28/02/17 £'000
<b>Opening net assets attributable to shareholders</b>		<b>47,352</b>	<b>43,666</b>
Amounts receivable on issue of shares		27,602	4,108
Amounts payable on cancellation of shares		(12,807)	(10,057)
		14,795	(5,949)
Change in net assets attributable to shareholders from investment activities		5,415	9,635
Retained distributions on accumulation shares	8	—	—
<b>Closing net assets attributable to shareholders</b>		<b>67,562</b>	<b>47,352</b>

## BALANCE SHEET

As at 28 February 2018

	Notes	28/02/18 £'000	28/02/17 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		65,206	46,532
Current assets:			
Debtors	9	990	268
Cash and bank balances	10	2,751	1,046
<b>Total assets</b>		<b>68,947</b>	<b>47,846</b>
<b>LIABILITIES</b>			
Creditors:			
Bank overdrafts	11	(20)	(19)
Distribution payable on income shares	8	(324)	(147)
Other creditors	12	(1,041)	(328)
<b>Total liabilities</b>		<b>(1,385)</b>	<b>(494)</b>
<b>Net assets attributable to shareholders</b>		<b>67,562</b>	<b>47,352</b>

The notes on pages 16 to 21 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson  
Finance Director (of the ACD)  
15 June 2018



Ian West  
Chief Operating Officer (of the ACD)

# PREMIER DIVERSIFIED FUND

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 6 to 7.

### 4. NET CAPITAL GAINS

	28/02/18 £'000	28/02/17 £'000
Non-derivative securities*	5,260	9,515
Forward currency contracts	78	118
Other currency gains/(losses)	66	(14)
Transaction charges	(9)	(4)
Capital management fee rebates	21	21
<b>Net capital gains</b>	<b>5,416</b>	<b>9,636</b>

\*Includes realised losses of £1,992,451 and unrealised gains of £7,251,900 (2017: realised gains of £3,654,439 and unrealised gains of £5,860,977). The realised gains/(losses) on investments in the accounting period includes amounts previously recognised as unrealised gains in the prior accounting period.

### 5. REVENUE

	28/02/18 £'000	28/02/17 £'000
Bank interest	2	9
Franked distributions	77	80
Franked PID revenue	7	–
Franked UK dividends	346	324
Interest on debt securities	17	–
Offshore dividend CIS revenue	–	57
Offshore interest CIS revenue	–	55
Overseas dividends	658	527
Unfranked distributions	–	6
Unfranked PID revenue	41	7
	<b>1,148</b>	<b>1,065</b>

### 6. EXPENSES

	28/02/18 £'000	28/02/17 £'000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
ACD's periodic charge	430	422
	<b>430</b>	<b>422</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary's fees	13	12
Safe custody fees	8	14
	<b>21</b>	<b>26</b>
<b>Other expenses:</b>		
Auditor's remuneration	6	6
Electronic messaging fees	4	2
Legal fees	2	–
Printing fees	3	2
PRS fees	6	5
Registration fees	39	36
	<b>60</b>	<b>51</b>
<b>Total expenses</b>	<b>511</b>	<b>499</b>

Irrecoverable VAT is included in the above expenses where relevant.

# PREMIER DIVERSIFIED FUND

## 7. TAXATION

(a) The tax charge comprises:

	28/02/18 £'000	28/02/17 £'000
<b>Current tax:</b>		
Overseas withholding tax	44	44
<b>Total current tax (note 7 (b))</b>	<b>44</b>	<b>44</b>
Deferred tax (note 7 (c))	–	–
<b>Total taxation</b>	<b>44</b>	<b>44</b>

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	28/02/18 £'000	28/02/17 £'000
Net revenue before taxation	637	566
	<b>637</b>	<b>566</b>
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)	127	113
<b>Effects of:</b>		
Capital transaction charges not expensed at 20%	4	4
Expenses not utilised in the year	82	57
Franked UK dividends and distributions not subject to taxation	(86)	(92)
Double taxation relief	–	3
Non-taxable overseas dividends	(124)	(86)
Overseas withholding tax	44	44
Taxation due to timing differences	(3)	1
<b>Total tax charge (note 7 (a))</b>	<b>44</b>	<b>44</b>
(c) Deferred tax		
Provision at the start of the year	–	–
Deferred tax charge in the year	–	–
<b>Provision at the end of the year</b>	<b>–</b>	<b>–</b>

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

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £505,850 (2017: £423,694) arising as a result of having unutilised management expenses. It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

## 8. DISTRIBUTIONS

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

	28/02/18 £'000	28/02/17 £'000
Interim distribution	336	354
Final distribution	324	147
	<b>660</b>	<b>501</b>
Add: Revenue deducted on cancellation of shares	41	39
Deduct: Revenue received on issue of shares	(107)	(17)
<b>Net distributions for the year</b>	<b>594</b>	<b>523</b>

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

	28/02/18 £'000	28/02/17 £'000
Net revenue after taxation	593	522
Equalisation uplift on share conversions	1	1
<b>Distributions</b>	<b>594</b>	<b>523</b>

## 9. DEBTORS

	28/02/18 £'000	28/02/17 £'000
Accrued revenue	96	79
Amounts receivable for issue of shares	687	27
CIS income tax recoverable	–	1
Currency deals awaiting settlement	–	57
Fee rebates receivables	18	8
Overseas tax recoverable	30	39
PID income tax recoverable	2	–
Sales awaiting settlement	157	57
	<b>990</b>	<b>268</b>

## 10. CASH AND BANK BALANCES

	28/02/18 £'000	28/02/17 £'000
Sterling	2,719	1,006
Overseas balances	32	40
<b>Cash and bank balances</b>	<b>2,751</b>	<b>1,046</b>

## 11. BANK OVERDRAFTS

	28/02/18 £'000	28/02/17 £'000
Euro	20	19
	<b>20</b>	<b>19</b>



# PREMIER DIVERSIFIED FUND

## 12. OTHER CREDITORS

	28/02/18 £'000	28/02/17 £'000
Accrued expenses	56	62
Amounts payable for cancellation of shares	112	138
Currency deals awaiting settlement	–	57
Purchases awaiting settlement	873	71
	<b>1,041</b>	<b>328</b>

## 13. RELATED PARTIES

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 15.

Premier Fund Managers Limited, as an associate of Premier Portfolio Managers Limited, had the following shareholdings in the Fund held on behalf of its private clients:

	Held at 28/02/18	Change in a year	Held at 28/02/17
Class B Income Shares	16,273,956	(5,583,504)	21,857,460
Class D Income Shares	9,918,990	1,423,242	8,495,748

A shareholder may be able to exercise significant influence over the financial and operating policies of the sub-fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held a material interest in the sub-fund.

Premier Fund Managers Limited	59.55% (2017: 88.52%)
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## 14. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2017: £nil).

## 15. FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

### Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

At 28 February 2018, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £3,260,302 (2017: £2,326,579).

### Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-fund at the balance sheet date.

However, there was some foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations.

## Currency exposure as at 28 February 2018

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
Australian dollar	444	–	444	0.66
Canadian dollar	403	–	403	0.60
Danish kroner	436	6	442	0.65
Euro	7,298	23	7,321	10.84
Hong Kong dollar	2,490	–	2,490	3.69
Japanese yen	3,165	11	3,176	4.70
Swedish krona	863	–	863	1.28
Swiss franc	426	1	427	0.63
Turkish lira	395	–	395	0.58
US dollar	15,236	45	15,281	22.62
	<b>31,156</b>	<b>86</b>	<b>31,242</b>	<b>46.24</b>
Sterling	34,050	2,270	36,320	53.76
<b>Total</b>	<b>65,206</b>	<b>2,356</b>	<b>67,562</b>	<b>100.00</b>

## Currency exposure as at 28 February 2017

Currency	Portfolio of investments £'000	Forward currency contracts £'000	Net other assets/ liabilities £'000	Total £'000	Total exposure %
Australian dollar	315	–	–	315	0.67
Canadian dollar	226	–	–	226	0.48
Danish kroner	331	–	5	336	0.71
Euro	4,904	(5,100)	(22)	(218)	(0.46)
Hong Kong dollar	1,555	–	–	1,555	3.28
Japanese yen	2,290	–	9	2,299	4.85
Swedish krona	631	–	–	631	1.33
Swiss franc	325	–	–	325	0.69
US dollar	12,473	(8,031)	63	4,505	9.51
	<b>23,050</b>	<b>(13,131)</b>	<b>55</b>	<b>9,974</b>	<b>21.06</b>
Sterling	23,211	13,402	765	37,378	78.94
<b>Total</b>	<b>46,261</b>	<b>271</b>	<b>820</b>	<b>47,352</b>	<b>100.00</b>

At 28 February 2018, if the value of sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £313,270 (2017: £99,717).

# PREMIER DIVERSIFIED FUND

## 15. FINANCIAL INSTRUMENTS continued

### Interest Rate Risk

The sub-fund does not have any direct interest rate risk as the majority of financial assets are in collective investment schemes and equities, 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 which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

### Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

### Counterparty Risk

The types of derivatives held at the balance sheet date were forward foreign exchange contracts and option contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

Counterparty Name	2018 £'000	2017 £'000
<b>Options</b>		
S&P 500	562	–
<b>Forward Currency Contracts</b>		
JP Morgan	–	271
<b>Total<sup>1</sup></b>	<b>562</b>	<b>271</b>

<sup>1</sup> Net exposure represents the mark to market value of derivative contracts less any cash collateral held. Positive exposure represents the sub-fund's exposure to that counterparty.

## 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 where applicable.

Valuation technique as at 28th February 2018	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Equities	59,683	1,352	924	61,959
Warrants	–	–	–	–
Debt Securities	–	–	1,045	1,045
Collective Investment Schemes	–	1,069	–	1,069
Options	562	–	–	562
Investment Funds	571	–	–	571
	<b>60,816</b>	<b>2,421</b>	<b>1,969</b>	<b>65,206</b>

Valuation technique as at 28th February 2017	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Equities	43,542	–	–	43,542
Collective Investment Schemes	–	1,717	–	1,717
Forward Currency Contracts	–	271	–	271
Investment Funds	1,002	–	–	1,002
	<b>44,544</b>	<b>1,988</b>	<b>–</b>	<b>46,532</b>

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e., for which market data is unavailable for the asset or liability).

### Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each sub-fund and the manner in which the derivatives are being used and has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-fund's depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The investment adviser may use derivative instruments to hedge the investment portfolio against risk.

# PREMIER DIVERSIFIED FUND

## 16. SHARE CLASSES

The sub-fund currently has two types of share. The AMC on each share class is as follows:

Class B Income Shares:	1.00%
Class D Income Shares*:	0.50%

The following table shows the shares in issue during the year:

<b>Class B Shares</b>	<b>Income</b>
Opening Shares	23,088,317
Shares Created	1,164,411
Shares Liquidated	(5,439,391)
Shares Converted	(392,578)
<b>Closing Shares</b>	<b>18,420,759</b>
<b>Class D Shares</b>	<b>Income</b>
Opening Shares	11,199,598
Shares Created	17,179,663
Shares Liquidated	(3,236,604)
Shares Converted	391,836
<b>Closing Shares</b>	<b>25,534,493</b>

The net asset value, the net asset value per share and the number of shares in issue are given in the Fund Information on pages 8 to 9. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables on page 22.

\*On 1 April 2017, the 'C' share class was renamed 'D' and the AMC was reduced from 0.75% down to 0.50%

## 17. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 8.

	<b>28/02/18</b>	<b>28/02/17</b>
	<b>£'000</b>	<b>£'000</b>
Analysis of total purchase costs:		
Purchases <sup>1</sup> in year before transaction costs	40,620	53,540
Commissions:		
Equities total value paid	23	38
CIS total value paid	—	—
Bonds total value paid	—	—
Derivatives total value paid	—	—
Taxes:		
Equities total value paid	66	98
CIS total value paid	—	—
Bonds total value paid	—	—
Derivatives total value paid	—	—
<b>Total purchase costs</b>	<b>89</b>	<b>136</b>
<b>Gross purchases total</b>	<b>40,709</b>	<b>53,676</b>

Analysis of total sale costs:		
Gross sales before transaction costs	25,309	59,148
Commissions:		
Equities total value paid	(19)	(31)
CIS total value paid	—	—
Bonds total value paid	—	—
Derivatives total value paid	—	—
Taxes:		
Equities total value paid	(1)	(1)
CIS total value paid	—	—
Bonds total value paid	—	—
Derivatives total value paid	—	—
<b>Total sales costs</b>	<b>(20)</b>	<b>(32)</b>
<b>Total sales net of transaction costs</b>	<b>25,289</b>	<b>59,116</b>

<sup>1</sup> Excluding corporate actions

## PREMIER DIVERSIFIED FUND

### 17. PORTFOLIO TRANSACTION COSTS continued

	28/02/18 %	28/02/17 %
Analysis of total purchase costs:		
Commissions:		
Equities percentage of average NAV	0.04	0.08
CIS percentage of average NAV	—	—
Bonds percentage of average NAV	—	—
Derivatives percentage of average NAV	—	—
Taxes:		
Equities percentage of average NAV	0.12	0.22
CIS percentage of average NAV	—	—
Bonds percentage of average NAV	—	—
Derivatives percentage of average NAV	—	—
Analysis of total sale costs:		
Commissions:		
Equities percentage of average NAV	0.04	0.07
CIS percentage of average NAV	—	—
Bonds percentage of average NAV	—	—
Derivatives percentage of average NAV	—	—
Taxes:		
Equities percentage of average NAV	—	—
CIS percentage of average NAV	—	—
Bonds percentage of average NAV	—	—
Derivatives percentage of average NAV	—	—
Analysis of total costs:		
Commissions	0.08	0.15
Taxes	0.12	0.22

As at the balance sheet date, the average portfolio dealing spread was 0.86% (2017: 0.63%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

# PREMIER DIVERSIFIED FUND

## DISTRIBUTION TABLES

For the period from 1 March 2017 to 31 August 2017

**Interim dividend distribution in pence per share**

### Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/10/17	28/10/16
Group 1	0.8155	—	0.8155	0.9350
Group 2	0.3083	0.5072	0.8155	0.9350

### Class D Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/10/17	28/10/16
Group 1	1.1523	—	1.1523	1.0850
Group 2	0.4203	0.7320	1.1523	1.0850

For the period from 1 September 2017 to 28 February 2018

**Final dividend distribution in pence per share**

### Class B Income Shares

	Net Income	Equalisation	Distribution Payable/Paid	
			28/06/18	24/06/17
Group 1	0.5144	—	0.5144	0.3736
Group 2	0.1836	0.3308	0.5144	0.3736

### Class D Income Shares

	Net Income	Equalisation	Distribution Payable/Paid	
			28/06/18	24/06/17
Group 1	0.8968	—	0.8968	0.5383
Group 2	0.3502	0.5466	0.8968	0.5383



# PREMIER DIVERSIFIED INCOME FUND

## FUND INFORMATION

The Comparative Tables on pages 23 to 24 give the performance of each active share class in the sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-fund's performance disclosed in the ACD's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

## COMPARATIVE TABLES

For the financial year ended 28 February 2018

Class B Income Shares

	2018 <sup>^</sup> (pence per share)
<b>Change in Net Asset Value Per Share</b>	
Opening net asset value per share	100.00
Return before operating charges*	2.27
Operating charges	(0.88)
Return after operating charges*	1.39
Distributions on income shares	(2.37)
Closing net asset value per share	99.02
* after direct transaction costs of**:	0.10
<b>Performance</b>	
Return after charges**	1.39%
<b>Other Information</b>	
Closing net asset value (£'000)	15,181
Closing number of shares	15,332,110
Operating charges <sup>†</sup>	1.25%
Direct transaction costs	0.10%
<b>Prices</b>	
Highest share price	104.48
Lowest share price	98.39

<sup>^</sup> There are no comparative figures shown as the sub-fund launched on 19 June 2017.

<sup>\*\*</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>†</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. The expenses have been annualised for calculation of OCF as the fund was started during the year.

# PREMIER DIVERSIFIED INCOME FUND

## FUND INFORMATION

### COMPARATIVE TABLES continued

For the financial year ended 28 February 2018

Class D Income Shares

	2018^ (pence per share)
<b>Change in Net Asset Value Per Share</b>	
Opening net asset value per share	100.00
Return before operating charges*	2.20
Operating charges	(0.53)
Return after operating charges*	1.67
Distributions on income shares	(2.37)
Closing net asset value per share	99.30
* after direct transaction costs of**:	0.10
<b>Performance</b>	
Return after charges**	1.67%
<b>Other Information</b>	
Closing net asset value (£'000)	9,165
Closing number of shares	9,228,823
Operating charges†	0.75%
Direct transaction costs	0.10%
<b>Prices</b>	
Highest share price	104.71
Lowest share price	98.41

^ There are no comparative figures shown as the sub-fund launched on 19 June 2017.

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. The expenses have been annualised for calculation of OCF as the fund was started during the year.

# PREMIER DIVERSIFIED INCOME FUND

## SYNTHETIC RISK AND REWARD (SRRI)

Typically lower rewards ← Typically higher rewards  
Lower risk → Higher risk

1 2 3 **4** 5 6 7

The sub-fund is ranked as 4 because the fund and portfolios holding similar assets have experienced medium rises and falls in value. Please note that even the lowest ranking does not mean a risk-free investment.

The Synthetic Risk and Reward Indicator demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund.

## LEVERAGE

The sub-fund may use both exchange traded and off-exchange derivatives for the purposes of efficient portfolio management as part of its investment strategy which generates some leverage within the sub-fund. The sub-fund may use currency forward transactions to reduce the risk of adverse movements in the exchange rate in which it holds investments to its base currency. Since it typically holds securities denominated in a range of currencies, these forward currency transactions may be extensive at certain points in time. In addition, the sub-fund may experience a small amount of leverage when using the permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. The maximum leverage of the sub-fund calculated using the 'commitment leverage' methodology has therefore been set at 50%. The maximum leverage of the sub-fund calculated using the 'gross leverage' methodology has been set at 50%.

### Leverage as at 28 February 2018

Commitment Leverage		Gross Leverage	
Actual	Max. Limit	Actual	Max. Limit
9%	50%	7%	50%

The sub-fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. The sub-fund may in future post or receive margin or collateral. The sub-fund has not granted any guarantees in relation to leveraging arrangements or any rights to reuse collateral.

## INVESTMENT OBJECTIVE AND POLICY

The Premier Diversified Income Fund aims to produce dividend income and offer long-term capital growth potential by holding a diversified mix of global assets.

The sub-fund aims to achieve its investment objective by investing primarily in a diversified portfolio of different assets, such as equities (including exchange traded funds and investment trusts), fixed income, property companies (including REITs), collective investment schemes (including those managed by the ACD and its affiliates) and alternative investments, covering global markets. The sub-fund may also invest in warrants, structured investments, money market instruments and cash-type deposits investments. The sub-fund may borrow and may enter into stock lending and underwriting arrangements. The sub-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 Premier Diversified Income Fund was launched on the 19th June 2017 and has performed well over the period, returning 1.9% (class B income shares). This compares to the IA Mixed Investment 20%-60% sector which rose by 0.6% and the FTSE All-Share Index which fell 1.00%.

### MARKET REVIEW

Global equity markets performed well for the majority of the period, with many indices reaching record highs. The global economy remained robust on the back of tax reform in the US, strong global GDP growth and corporate earnings; volatility remained low, despite geopolitical tensions on the Korean peninsula and bond yields were range bound.

This continued economic strength led to an increasingly hawkish tone from central banks, which ultimately resulted in the equity markets revising their interest rates expectations upwards, causing an abrupt and severe fall in stock prices. Volatility spiked, catching many investors off guard, forcing them to unwind their positions which exacerbated the situation.

### PORTFOLIO ACTIVITY

The portfolio is allocated to four main asset classes: fixed income, alternative investments, property and equities. Portfolio hedges were introduced in January.

In fixed income we are slightly over the target allocation of 30%. We keep a relatively low profile when it comes to traditional bonds, such as corporate bonds and gilts, which we do not believe offer much value. Most of the Fund's exposure to the asset class comes from convertible bonds and specialist alternative fixed income positions.

The allocation to alternative investments is 15% and contains a wide range of investments, providing valuable diversification benefits, something that can help dampen volatility during times of market stress.

The Fund's exposure to property is slightly below the target allocation of 10%. We believe there are attractive valuations in Europe, where rental growth remains strong. Our UK retail exposure is in the convenience sub-sector, which we expect to remain robust in the face of weaker domestic demand.

The Fund's largest weighting is to equities at 47.5%, with around two thirds invested in the UK and the remainder in global positions. There is a bias in the equity portfolio to more cyclical stocks, reflecting the positive economic data coming from most major regions of the world. There is a focus on positions that provide attractive levels of income and the opportunity for long-term capital growth.

We believe the outlook for equities is positive, but as indices reached record highs and valuations increased, the decision was taken at the start of the year to purchase put options on the S&P 500 Index. This allowed us to maintain an appropriate equity exposure whilst providing downside protection, which proved beneficial during the sharp downturn in February. Further hedges could be added to the portfolio in future months, if and when it is deemed appropriate.

## PREMIER DIVERSIFIED INCOME FUND

### OUTLOOK

Looking ahead, the fundamentals are positive; corporate earnings are strong and global GDP growth remains robust. In the UK, higher inflation which resulted from sterling's depreciation should begin to fall back towards the Bank of England's 2% target. This should help the squeeze on real wages, helping the domestic consumer and hopefully feeding through to the wider economy.

Global equity markets may well rally, but it is difficult to know how sustainable it will be. It is not unreasonable to assume that returns will not be as attractive as the previous two years. Recent events have shown that risks are there and, when they do come to the surface, markets will react quickly. Volatility may well be back, which is not all bad, with it comes the opportunity for an actively managed diversified portfolio to produce attractive absolute and relative returns.

Source: Premier Fund Managers Limited, March 2018. Performance data taken from FE Analytics and Bloomberg, quoted on a total return (income reinvested), bid to bid, UK sterling basis, class B income shares as at 28 February 2018. Past performance is not a guide to future returns. Reference to any particular stock does not constitute a recommendation to buy or sell the stock.

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The top ten purchases and sales during the period were as follows:

<b>Purchases</b>	<b>Costs £'000</b>	<b>Sales</b>	<b>Proceeds £'000</b>
Premier Corporate Bond Monthly Income 'C'	1,005	Princess Private Equity	440
Tetragon Financial	524	B&M European Value	
Premier Global		Retail	270
Infrastructure Income Fund 'C'	514	Conviviality	226
SQN Asset Finance		Computacenter	223
Income	501	Bellway	195
APQ Global 3.50%		Deutsche Wohnen	195
30/09/2024	500	Third Point Offshore	
JPMorgan Global		Investors	190
Convertibles	489	Sirius Real Estate	187
GCP Infrastructure		FDM	186
Investments	488	Greencoat UK Wind	184
TwentyFour Income	482		
Real Estate Credit			
Investments	459		
Apax Global Alpha	456		
<b>Total purchases during the period were</b>	<b>29,410</b>	<b>Total sales during the period were</b>	<b>4,939</b>

# PREMIER DIVERSIFIED INCOME FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Fund %	Holding	Investment	Market Value £'000	Total Value of Fund %
<b>COLLECTIVE INVESTMENT SCHEMES 6.02%</b>				<b>Guernsey 15.99%</b>			
<b>United Kingdom 6.02%</b>				300,000	Apax Global Alpha	411	1.69
1,162,099	Premier Corporate Bond Monthly Income 'C'	992	4.07	429,816	Hadrians Wall Secured Investments	417	1.71
400,000	Premier Global Infrastructure Income Fund 'C'	475	1.95	350,000	John Laing Environmental Assets	355	1.46
		<b>1,467</b>	<b>6.02</b>	500,000	JPMorgan Global Convertibles	483	1.98
<b>DEBT SECURITIES 11.33%</b>				250,000	NextEnergy Solar	279	1.15
<b>France 0.91%</b>				269,539	Real Estate Credit Investments	450	1.85
GBP 200,000	Orange 5.75% Perpetual	221	0.91	500,000	SQN Asset Finance Income	435	1.79
		<b>221</b>	<b>0.91</b>	52,107	Tetragon Financial	490	2.01
<b>United Kingdom 10.42%</b>				300,000	TwentyFour Income	353	1.45
GBP 100	APQ Global 3.50% 30/09/2024	523	2.15	250,000	UK Mortgages	220	0.90
GBP 200,000	Aviva 6.125% Perpetual	223	0.92			<b>3,893</b>	<b>15.99</b>
GBP 200,000	Barclays Bank 14.00% Perpetual	229	0.94	<b>Hong Kong 0.91%</b>			
GBP 75,000	Brit Insurance 6.625% 09/12/2030	80	0.33	211,000	CNOOC	222	0.91
GBP 200,000	Burford Capital 6.125% 26/10/2024	214	0.88			<b>222</b>	<b>0.91</b>
USD 300,000	Lloyds Banking Group 6.413% Perpetual	250	1.03	<b>Isle of Man 1.80%</b>			
GBP 150,000	Nationwide Building Society 6.875% Perpetual	157	0.64	334,383	Strix Group	438	1.80
GBP 200,000	Phoenix 6.625% 18/12/2025	234	0.96			<b>438</b>	<b>1.80</b>
GBP 300,000	SSE 5.00% 01/10/2018	307	1.26	<b>Japan 2.23%</b>			
GBP 50,000	Tesco 6.125% 24/02/2022	57	0.23	8,400	KDDI	149	0.61
GBP 250,000	Vodafone Group 8.125% 26/11/2018	263	1.08	13,100	Sekisui House	166	0.68
		<b>2,537</b>	<b>10.42</b>	1,600	Tokyo Electron	228	0.94
<b>EQUITIES 77.07%</b>						<b>543</b>	<b>2.23</b>
<b>Australia 0.95%</b>				<b>Jersey 2.98%</b>			
13,442	BHP Billiton	231	0.95	253,891	GCP Asset Backed Income	254	1.04
		<b>231</b>	<b>0.95</b>	400,000	GCP Infrastructure Investments	471	1.94
<b>Belgium 0.96%</b>						<b>725</b>	<b>2.98</b>
3,441	KBC Group	233	0.96	<b>Luxembourg 0.60%</b>			
		<b>233</b>	<b>0.96</b>	35,000	B&M European Value Retail	145	0.60
<b>Bermuda 0.87%</b>						<b>145</b>	<b>0.60</b>
400,000	Catco Reinsurance Opportunities	211	0.87	<b>Netherlands 0.63%</b>			
		<b>211</b>	<b>0.87</b>	5,180	Eurocommercial Properties	153	0.63
<b>Cayman Islands 1.12%</b>						<b>153</b>	<b>0.63</b>
242,000	Xinyi Glass	272	1.12	<b>Panama 0.85%</b>			
		<b>272</b>	<b>1.12</b>	4,237	Carnival	207	0.85
<b>Denmark 1.08%</b>						<b>207</b>	<b>0.85</b>
3,460	Pandora	262	1.08	<b>Russia 1.19%</b>			
		<b>262</b>	<b>1.08</b>	5,981	Lukoil	290	1.19
<b>France 2.50%</b>						<b>290</b>	<b>1.19</b>
1,814	Fonciere des Regions	138	0.57	<b>Singapore 0.70%</b>			
1,451	Unibail-Rodamco	242	0.99	5,335	XP Power	170	0.70
3,182	Vinci	229	0.94			<b>170</b>	<b>0.70</b>
		<b>609</b>	<b>2.50</b>	<b>Spain 0.63%</b>			
<b>Germany 1.93%</b>				14,981	Merlin Properties Socimi	153	0.63
2,311	LEG Immobilien	172	0.71			<b>153</b>	<b>0.63</b>
9,088	Vonovia	299	1.22	<b>United Kingdom 35.86%</b>			
		<b>471</b>	<b>1.93</b>	200,000	Arena Events	124	0.51
				27,357	BAE Systems	158	0.65
				93,458	BCA Marketplace	157	0.64
				300,000	BioPharma Credit	223	0.92
				39,052	BP	187	0.77
				100,000	Central Asia Metals	320	1.31



# PREMIER DIVERSIFIED INCOME FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Fund %
<b>United Kingdom continued</b>			
29,929	CLS	68	0.28
29,471	Countryside Properties	94	0.39
35,000	Crest Nicholson	168	0.69
532,000	Diversified Gas & Oil	468	1.92
5,112	FDM	45	0.18
150,000	Flowtech Fluidpower	266	1.09
79,020	Forterra	227	0.93
230,000	Greencoat UK Wind	282	1.16
36,648	HSBC	264	1.08
5,000	Imperial Brands	131	0.54
50,000	John Laing Group	137	0.56
26,078	John Menzies	170	0.70
147,136	Just Group	214	0.88
15,406	Kier Group	159	0.65
63,000	Kingfisher	227	0.93
140,568	Legal & General	371	1.52
267,683	Lloyds Banking Group	185	0.76
90,000	McColl's Retail Group	222	0.91
7,067	Micro Focus International	146	0.60
40,000	P2P Global Investments	317	1.30
23,756	Phoenix	187	0.77
180,000	Premier Global Infrastructure Trust	245	1.01
69,642	Ramsdens	136	0.56
50,000	Ranger Direct Lending	366	1.50
37,500	Redrow	222	0.91
5,952	Rio Tinto	234	0.96
250,000	RM Secured Direct Lending	253	1.04
10,100	Royal Dutch Shell 'B'	235	0.97
59,295	SThree	205	0.84
50,000	STV Group	180	0.74
176,471	Sumo Group	185	0.76
38,801	TP ICAP	209	0.86
200,000	Trinity Mirror	153	0.63
92,518	TT Electronics	204	0.84
12,000	Ultra Electronics	187	0.77
99,347	Watkin Jones	203	0.83
		<b>8,734</b>	<b>35.86</b>
<b>United States 3.29%</b>			
1,633	Amgen	218	0.90
3,662	Gilead Sciences	213	0.87
5,107	MetLife	174	0.71
2,493	Prudential Financial	196	0.81
		<b>801</b>	<b>3.29</b>
<b>INVESTMENT TRUSTS 3.85%</b>			
<b>United Kingdom 3.85%</b>			
37,535	A & J Mucklow Group	194	0.80
18,420	Big Yellow	151	0.62
236,857	Capital & Regional	127	0.52
84,848	Hansteen	113	0.46
107,354	LondonMetric Property	189	0.78
52,951	NewRiver REIT	163	0.67
		<b>937</b>	<b>3.85</b>

Holding	Investment	Market Value £'000	Total Value of Fund %
<b>FORWARD FX CURRENCY CONTRACTS 0.00%</b>			
USD (344,000)	Sold USD, Bought GBP 249,204 for settlement on 19/04/2018	1	—
		<b>1</b>	<b>—</b>
<b>OPTIONS 0.83%</b>			
19	Option S&P 500 Index Put 2550 21/09/2018	89	0.37
18	Option S&P 500 Index Put 2650 21/09/2018	112	0.46
		<b>201</b>	<b>0.83</b>
<b>Total Value of Investments</b>		<b>24,127</b>	<b>99.10</b>
Net Other Assets		219	0.90
<b>Total Net Assets</b>		<b>24,346</b>	<b>100.00</b>

There are no comparative figures shown as the sub-fund launched on 19 June 2017.

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

# PREMIER DIVERSIFIED INCOME FUND

## STATEMENT OF TOTAL RETURN

For the period from 19 June 2017 to 28 February 2018

	Notes	28/02/18*	28/02/18*
		£'000	£'000
Income			
Net capital losses	4		(73)
Revenue	5	588	
Expenses	6	(178)	
Interest payable and similar charges		(1)	
Net revenue before taxation		409	
Taxation	7	(13)	
Net revenue after taxation			396
Total return before distributions			323
Distributions	8		(540)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(217)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period from 19 June 2017 to 28 February 2018

	Note	28/02/18*	28/02/18*
		£'000	£'000
<b>Opening net assets attributable to shareholders</b>			–
Amounts receivable on issue of shares		27,258	
Amounts payable on cancellation of shares		(2,695)	
			24,563
Change in net assets attributable to shareholders from investment activities			(217)
<b>Closing net assets attributable to shareholders</b>			<b>24,346</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

## BALANCE SHEET

As at 28 February 2018

	Notes	28/02/18*	28/02/18*
		£'000	£'000
<b>ASSETS</b>			
Fixed assets:			
Investments			24,127
Current assets:			
Debtors	9		386
Cash and bank balances	10		729
<b>Total assets</b>			<b>25,242</b>
<b>LIABILITIES</b>			
Creditors:			
Distribution payable on income shares	8		(373)
Other creditors	11		(523)
<b>Total liabilities</b>			<b>(896)</b>
<b>Net assets attributable to shareholders</b>			<b>24,346</b>

The notes on pages 30 to 35 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson  
Finance Director (of the ACD)  
15 June 2018



Ian West  
Chief Operating Officer (of the ACD)

# PREMIER DIVERSIFIED INCOME FUND

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 6 to 7.

### 4. NET CAPITAL LOSSES

	28/02/18* £'000
Non-derivative securities^	(101)
Forward currency contracts	12
Other currency gains	12
Transaction charges	(1)
Capital management fee rebates	5
<b>Net capital losses</b>	<b>(73)</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

^ Includes realised losses of £184,561 and unrealised gains of £82,728 (2017: realised gains of £nil and unrealised gains of £nil).

### 5. REVENUE

	28/02/18* £'000
Franked distributions	2
Franked UK dividends	155
Interest on debt securities	78
Overseas dividends	255
Unfranked distributions	73
Unfranked PID revenue	25
	<b>588</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

### 6. EXPENSES

	28/02/18* £'000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>	
ACD's periodic charge	138
	<b>138</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>	
Depositary's fees	8
Safe custody fees	6
	<b>14</b>
<b>Other expenses:</b>	
Auditor's remuneration	6
Electronic messaging fees	1
Printing fees	1
Registration fees	18
	<b>26</b>
<b>Total expenses</b>	<b>178</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

Irrecoverable VAT is included in the above expenses where relevant.

# PREMIER DIVERSIFIED INCOME FUND

## 7. TAXATION

(a) The tax charge comprises:

	28/02/18* £'000
<b>Current tax:</b>	
Corporation tax	2
Overseas withholding tax	11
<b>Total current tax (note 7 (b))</b>	<b>13</b>
Deferred tax (note 7 (c))	—
<b>Total taxation</b>	<b>13</b>

(b) Factors affecting the tax charge for the period:

The tax charge for the period differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	28/02/18* £'000
Net revenue before taxation	409
	<b>409</b>
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)	82

Effects of:

Franked UK dividends and distributions not subject to taxation	(32)
Double taxation relief	(1)
Overseas withholding tax	11
Taxation due to timing differences	(8)
Tax effect on capital management fee rebates	1
Tax effect on non-taxable overseas dividends	(40)
<b>Total tax charge (note 7 (a))</b>	<b>13</b>

(c) Deferred tax	
Provision at the start of the year	—
Deferred tax charge in the year	—
<b>Provision at the end of the year</b>	<b>—</b>

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

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £nil arising as a result of having unutilised management expenses. It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

## 8. DISTRIBUTIONS

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

	28/02/18* £'000
Third interim distribution	199
Final distribution	373
	<b>572</b>
Add: Revenue deducted on cancellation of shares	27
Deduct: Revenue received on issue of shares	(59)
<b>Net distributions for the year</b>	<b>540</b>
Interest payable and similar charges	(1)
	<b>539</b>

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

Net revenue after taxation	396
Expenses offset against capital	179
Tax relief on expenses transferred to capital	(35)
<b>Distributions</b>	<b>540</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

## 9. DEBTORS

	28/02/18* £'000
Accrued revenue	127
Amounts receivable for issue of shares	132
Overseas tax recoverable	2
PID income tax recoverable	2
Sales awaiting settlement	123
	<b>386</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

## 10. CASH AND BANK BALANCES

	28/02/18* £'000
Sterling	729
<b>Cash and bank balances</b>	<b>729</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

# PREMIER DIVERSIFIED INCOME FUND

## 11. OTHER CREDITORS

	28/02/18*
	£'000
Accrued expenses	31
Amounts payable for cancellation of shares	132
Corporation tax payable	2
Purchases awaiting settlement	358
	<b>523</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

## 12. RELATED PARTIES

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 29.

Premier Fund Managers Limited, as an associate of Premier Portfolio Managers Limited, had the following shareholdings in the Fund held on behalf of its private clients:

	Held at 28/02/18	Change in a year	Held at 28/02/17
Class B Income Shares	14,677,424	14,677,424	-
Class D Income Shares	4,218,833	4,218,833	-

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held a material interest in the Fund.

Premier Fund Managers Limited	76.90% (2017: 0.00%)
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## 13. CONTINGENT LIABILITIES AND COMMITMENTS

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

## 14. FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

### Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

At 28 February 2018, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £1,206,331.

### Currency Risk

The revenue and capital value of the sub-fund's investments can be significantly affected by foreign currency translation movements as the sub-fund's assets and revenue may be denominated in currencies other than sterling, which is the sub-fund's base currency.

There are three main areas of currency risk. These are, movement in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movements during the period between when an investment purchase or sale is entered into and the date when settlement occurs, and movements in exchange rates affecting revenue received by the sub-fund.

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 28 February 2018\*

Currency	Portfolio of investments £'000	Forward currency contracts £'000	Net other assets £'000	Total £'000	Total exposure %
Australian dollar	231	—	—	231	0.95
Danish kroner	262	—	—	262	1.08
Euro	1,618	—	2	1,620	6.65
Hong Kong dollar	494	—	—	494	2.03
Japanese yen	543	—	3	546	2.24
US dollar	2,675	(248)	33	2,460	10.10
	<b>5,823</b>	<b>(248)</b>	<b>38</b>	<b>5,613</b>	<b>23.05</b>
Sterling	18,303	249	181	18,733	76.95
<b>Total</b>	<b>24,126</b>	<b>1</b>	<b>219</b>	<b>24,346</b>	<b>100.00</b>

At 28 February 2018, if the value of sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £56,500.

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

### Interest Rate Risk

The interest rate risk profile of the sub-fund's financial assets and liabilities at the balance sheet date was:

### Interest rate exposure as at 28 February 2018\*

Currency	Fixed rate financial assets & liabilities £'000	Floating rate financial assets & liabilities <sup>1</sup> £'000	Non- interest bearing financial assets & liabilities £'000	Total £'000	Weighted average fixed interest rate %	Weighted average period for which rate is fixed years
Australian dollar	—	—	231	231	—	—
Danish kroner	—	—	262	262	—	—
Euro	—	—	1,620	1,620	—	—
Hong Kong dollar	—	—	494	494	—	—
Japanese yen	—	—	546	546	—	—
US dollar	—	249	2,211	2,460	—	—
	—	<b>249</b>	<b>5,364</b>	<b>5,613</b>	—	—
Sterling	1,677	1,559	15,497	18,733	1.84	4.96
<b>Total</b>	<b>1,677</b>	<b>1,808</b>	<b>20,861</b>	<b>24,346</b>	<b>1.84</b>	<b>4.96</b>

At 28 February 2018, if interest rates increased or decreased by 0.1% against all debt securities, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £243,445.

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

# PREMIER DIVERSIFIED INCOME FUND

## Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

## Credit Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

The portfolio at the year end has been analysed into the credit ratings as shown below:

	28/02/18*
Credit Risk	£'000
Investment grade securities	1,248
Below investment grade securities	693
Unrated securities	816
Other investments	21,370
	<b>24,127</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

## Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

The types of derivatives held at the balance sheet date were forward foreign exchange contracts and option contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

Counterparty Name	2018* £'000	2017 £'000
<b>Options</b>		
S&P 500	201	–
<b>Forward Currency Contracts</b>		
JP Morgan	1	–
<b>Total<sup>1</sup></b>	<b>202</b>	<b>–</b>

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

<sup>1</sup> Net exposure represents the mark to market value of derivative contracts less any cash collateral held. Positive exposure represents the sub-fund's exposure to that counterparty.

## 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 where applicable.

Valuation technique as at 28th February 2018*	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Equities	18,755	783	–	19,538
Debt Securities	–	2,235	522	2,757
Collective Investment Schemes	–	1,467	–	1,467
Options	201	–	–	201
Forward Currency Contracts	–	1	–	1
Investment Funds	163	–	–	163
	<b>19,119</b>	<b>4,486</b>	<b>522</b>	<b>24,127</b>

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e., for which market data is unavailable for the asset or liability).

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

## Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each sub-fund and the manner in which the derivatives are being used and has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Sub-fund's depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The investment adviser may use derivative instruments to hedge the investment portfolio against risk.

# PREMIER DIVERSIFIED INCOME FUND

## 15. SHARE CLASSES

The sub-fund currently has two types of share. The AMC on each share class is as follows:

Class B Income Shares:	1.00%
Class D Income Shares:	0.50%

The following table shows the shares in issue during the period:

<b>Class B Shares</b>	<b>Income</b>
Opening Shares	—
Shares Created	17,652,505
Shares Liquidated	(2,023,792)
Shares Converted	(296,603)
<b>Closing Shares</b>	<b>15,332,110</b>
<b>Class D Shares</b>	<b>Income</b>
Opening Shares	—
Shares Created	9,591,557
Shares Liquidated	(658,705)
Shares Converted	295,971
<b>Closing Shares</b>	<b>9,228,823</b>

The net asset value, the net asset value per share and the number of shares in issue are given in the Fund Information on pages 23 to 24. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables on page 36.

## 16. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 23.

	<b>28/02/18*</b>
	<b>£'000</b>
Analysis of total purchase costs:	
Purchases <sup>1</sup> in year before transaction costs	29,390
Commissions:	
Equities total value paid	12
CIS total value paid	—
Bonds total value paid	—
Derivatives total value paid	—
Taxes:	
Equities total value paid	8
CIS total value paid	—
Bonds total value paid	—
Derivatives total value paid	—
<b>Total purchase costs</b>	<b>20</b>
<b>Gross purchases total</b>	<b>29,410</b>
Analysis of total sale costs:	
Gross sales before transaction costs	4,942
Commissions:	
Equities total value paid	(3)
CIS total value paid	—
Bonds total value paid	—
Derivatives total value paid	—
Taxes:	
Equities total value paid	—
CIS total value paid	—
Bonds total value paid	—
Derivatives total value paid	—
<b>Total sales costs</b>	<b>(3)</b>
<b>Total sales net of transaction costs</b>	<b>4,939</b>

<sup>1</sup> Excluding corporate actions

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.



# PREMIER DIVERSIFIED INCOME FUND

## 16. PORTFOLIO TRANSACTION COSTS continued

28/02/18\*

%

### Analysis of total purchase costs:

#### Commissions:

Equities percentage of average NAV	0.05
CIS percentage of average NAV	—
Bonds percentage of average NAV	—
Derivatives percentage of average NAV	—

#### Taxes:

Equities percentage of average NAV	0.03
CIS percentage of average NAV	—
Bonds percentage of average NAV	—
Derivatives percentage of average NAV	—

### Analysis of total sale costs:

#### Commissions:

Equities percentage of average NAV	0.02
CIS percentage of average NAV	—
Bonds percentage of average NAV	—
Derivatives percentage of average NAV	—

#### Taxes:

Equities percentage of average NAV	—
CIS percentage of average NAV	—
Bonds percentage of average NAV	—
Derivatives percentage of average NAV	—

### Analysis of total costs:

Commissions	0.07
Taxes	0.03

\* There are no comparative figures shown as the sub-fund launched on 19 June 2017.

As at the balance sheet date, the average portfolio dealing spread was 1.46% based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

# PREMIER DIVERSIFIED INCOME FUND

## DISTRIBUTION TABLES

For the period from 1 September 2017 to 30 November 2017

### Third interim dividend distribution in pence per share

#### Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			26/01/18	27/01/17*
Group 1	0.8490	—	0.8490	—
Group 2	0.2596	0.5894	0.8490	—

#### Class D Income Shares

	Net Income	Equalisation	Distribution Paid	
			26/01/18	27/01/17*
Group 1	0.8500	—	0.8500	—
Group 2	0.2536	0.5964	0.8500	—

For the period from 1 December 2017 to 28 February 2018

### Final dividend distribution in pence per share

#### Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/04/18	28/04/17*
Group 1	1.5210	—	1.5210	—
Group 2	0.2866	1.2344	1.5210	—

#### Class D Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/04/18	28/04/17*
Group 1	1.5180	—	1.5180	—
Group 2	0.4193	1.0987	1.5180	—

\*There are no comparative figures shown as the sub-fund launched on 19 June 2017.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## FUND INFORMATION

The Comparative Tables on pages 37 to 39 give the performance of each active share class in the sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-fund's performance disclosed in the ACD's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

## COMPARATIVE TABLES

For the financial year ended 28 February 2018

Class A Income Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	137.02	126.68	134.81
Return before operating charges*	8.54	19.06	0.29
Operating charges	(2.89)	(2.74)	(2.83)
Return after operating charges*	5.65	16.32	(2.54)
Distributions on income shares	(5.85)	(5.98)	(5.59)
Closing net asset value per share	136.82	137.02	126.68
* after direct transaction costs of**:	0.02	0.01	0.02
<b>Performance</b>			
Return after charges**	4.12%	12.88%	(1.88)%
<b>Other Information</b>			
Closing net asset value (£'000)	18,223	18,967	28,786
Closing number of shares	13,319,083	13,842,964	22,723,249
Operating charges†	2.06%	2.06%	2.11%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	142.85	138.53	138.62
Lowest share price	136.56	125.85	123.94

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## FUND INFORMATION

### COMPARATIVE TABLES continued

For the financial year ended 28 February 2018

Class A Accumulation Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	332.47	293.95	299.87
Return before operating charges*	20.81	44.99	0.44
Operating charges	(7.11)	(6.47)	(6.36)
Return after operating charges*	13.70	38.52	(5.92)
Distributions	(14.41)	(14.11)	(10.76)
Distributions on accumulation shares	14.41	14.11	10.76
Closing net asset value per share	346.17	332.47	293.95
* after direct transaction costs of**:	0.04	0.03	0.04
<b>Performance</b>			
Return after charges**	4.12%	13.10%	(1.98)%
<b>Other Information</b>			
Closing net asset value (£'000)	65,469	81,430	77,623
Closing number of shares	18,912,447	24,492,396	26,407,094
Operating charges†	2.06%	2.06%	2.11%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	355.03	332.96	308.57
Lowest share price	333.19	294.74	284.38

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

Class B Income Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	281.11	258.60	273.78
Return before operating charges*	17.22	38.71	(0.85)
Operating charges	(4.49)	(4.24)	(4.37)
Return after operating charges*	12.73	34.47	(5.22)
Distributions on income shares	(11.71)	(11.96)	(9.96)
Closing net asset value per share	282.13	281.11	258.60
* after direct transaction costs of**:	0.03	0.03	0.04
<b>Performance</b>			
Return after charges**	4.53%	13.33%	(1.91)%
<b>Other Information</b>			
Closing net asset value (£'000)	6,929	24,034	24,359
Closing number of shares	2,456,071	8,549,807	9,419,677
Operating charges†	1.56%	1.56%	1.61%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	293.36	284.15	281.82
Lowest share price	281.47	257.32	252.89

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## FUND INFORMATION

### COMPARATIVE TABLES continued

For the financial year ended 28 February 2018

Class C Income Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	286.82	263.19	277.93
Return before operating charges*	17.48	39.31	0.53
Operating charges	(3.86)	(3.63)	(3.74)
Return after operating charges*	13.62	35.68	(3.21)
Distributions on income shares	(11.83)	(12.05)	(11.53)
Closing net asset value per share	288.61	286.82	263.19
* after direct transaction costs of**:	0.04	0.03	0.04
<b>Performance</b>			
Return after charges**	4.75%	13.56%	(1.16)%
<b>Other Information</b>			
Closing net asset value (£'000)	613,169	568,951	449,139
Closing number of shares	212,459,042	198,367,779	170,654,361
Operating charges†	1.31%	1.31%	1.36%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	299.46	289.88	286.27
Lowest share price	287.44	262.09	257.34

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

### Class C Accumulation Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	315.94	277.65	281.07
Return before operating charges*	19.33	42.21	0.41
Operating charges	(4.32)	(3.92)	(3.83)
Return after operating charges*	15.01	38.29	(3.42)
Distributions	(13.23)	(12.93)	(11.78)
Distributions on accumulation shares	13.23	12.93	11.78
Closing net asset value per share	330.95	315.94	277.65
* after direct transaction costs of**:	0.04	0.03	0.04
<b>Performance</b>			
Return after charges**	4.75%	13.79%	(1.22)%
<b>Other Information</b>			
Closing net asset value (£'000)	660,631	465,134	226,431
Closing number of shares	199,615,076	147,221,240	81,551,807
Operating charges†	1.31%	1.31%	1.36%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Prices</b>			
Highest share price	339.16	316.40	289.82
Lowest share price	316.63	278.41	268.55

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## SYNTHETIC RISK AND REWARD INDICATOR (SRRI)

Typically lower rewards ← Typically higher rewards  
Lower risk → Higher risk

1 2 3 **4** 5 6 7

The sub-fund is ranked as 4 because it has experienced medium rises and falls in value over the past five years. Please note that even the lowest ranking does not mean a risk-free investment.

The Synthetic Risk and Reward Indicator demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund.

## LEVERAGE

The sub-fund may use derivatives for the purposes of efficient portfolio management as part of its investment strategy which generates some leverage within the sub-fund. The sub-fund may use currency forward transactions to reduce the risk of adverse movements in the exchange rate in which it holds investments to its base currency. In addition, the sub-fund may experience a small amount of leverage when using the permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. The maximum leverage of the sub-fund calculated using the 'commitment leverage' methodology has therefore been set at 20%. The maximum leverage of the sub-fund calculated using the 'gross leverage' methodology has been set at 20%.

### Leverage as at 28 February 2018

Commitment Leverage		Gross Leverage	
Actual	Max. Limit	Actual	Max. Limit
0%	20%	0%	20%

The sub-fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. Nor does the sub-fund post or receive margin or collateral. The Fund has not granted any guarantees in relation to leveraging arrangements or any rights to reuse collateral.

## 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 sub-fund will achieve this by mainly investing in the majority in a portfolio of collective investment schemes and may also invest in equities, fixed interest securities, money market instruments, deposits and warrants. The sub-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 sub-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 sub-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

Over the last year, the sub-fund returned 4.0% compared to the sector return of 3.2%. At the same time, the sub-fund continued to generate an attractive level of income, which is its primary aim. Performance benefited from firmer equity markets, though these did weaken towards the end of the period.

### MARKET REVIEW

UK and global equity markets performed well for the majority of the period. This was following the continued rebound after the Brexit vote, with small and middle-sized companies outperforming large companies over the last 12 months. Global equity markets also provided attractive returns, and indeed in many cases outperformed UK equities despite the rise in the pound versus most currencies. The top-performing major overseas equity markets were Asia ex-Japan, Emerging Markets, Japan and Europe, with the latter receiving a boost from currency gains. Accommodative monetary policy, solid company earnings and firm levels of economic growth supported equity markets. However, towards the end of the period, equity markets saw a sell-off, triggered by stronger economic data in the US in early February, in particular higher US wages, which led to concerns that the US Federal Reserve (Fed) might accelerate the pace at which they were raising interest rates. This led to a sharp fall in the US equity market, which in turn affected global equity markets. This in turn caused weakness in UK equities, which also suffered due to ongoing uncertainty over Brexit as well as some company specific issues such as the collapse of Carillion that also weighed on sentiment. UK gilts produced negative returns over the year due to the low yields on offer and the unexpected interest rate hike in November to 0.5%, with the prospect of a reduction of Quantitative Easing (QE) in Europe, the continued withdrawal of QE in the US and US interest rate hikes also proving to be headwinds. Furthermore, in the UK the Monetary Policy Committee also hinted that interest rates may have to be increased again earlier than expected.

### PORTFOLIO ACTIVITY

Over the year as a whole, we maintained healthy exposure to UK and global equities that benefited from the broadly strong equity market environment. In particular, the sub-fund benefited from exposure to Asian ex-Japan, Emerging Markets and Japanese equities. Over the year, the overall level of equity exposure was little changed, but we did slightly reduce exposure to UK equities with proceeds directed to Emerging Markets and the Other Equity category. Bond exposure rose slightly even though the average maturity of holdings remained low, with a higher allocation to Specialist Bonds. Property exposure was slightly reduced over the year, while the small exposure to Alternatives fell slightly. Ahead of the UK General Election in June, we took profits on some of the UK equity exposure due to their strong run, and the focus here was on small and middle-sized companies that had performed particularly well. We used some of the proceeds from this to slightly increase the exposure to Emerging Markets equities as the valuations still looked appealing. Following the post-election sell-off, we added some exposure back to UK equities. Towards the end of the calendar year, following strong performance within the UK, we sold out of two small and middle-sized companies funds, Miton Multi Cap Income and Aberforth UK Small Companies Fund. We used some of the proceeds here to add a new holding in the Other Equity category, Legg Mason RARE Infrastructure Income. At the same time, we added a new fund in the Emerging Markets allocation, HMG Emerging Market Equity fund. Over the year we did continue to take profits in some strong performing commercial property funds, completely selling out of Tritax Big Box REIT and Picton Property Income. Towards the end of the period, following the sell-off in equity markets in February, we used this as an opportunity to add some exposure back to UK equities, adding two new funds, Evenlode Income, and MAN GLG UK Income. On the fixed-income side, within Specialist Bonds, we added Fairoaks Dynamic Credit Fund, which invests in corporate floating rate loans, while selling out of Longbow Senior Secured UK Property.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## OUTLOOK

We remain of the view that QE has 'borrowed' returns from the future and that returns are likely to be more muted going ahead, in particular as the US continues to gradually raise interest rates and the size of the Fed's balance sheet is reduced. Markets will also focus on the eventual end of the European Central Bank's QE programme, though an actual rise in rates still seems very distant. A further hike in UK rates is also anticipated around the summer. We still believe that while equity valuations are stretched, they are not yet dangerously expensive with the exception of the US. We certainly feel that equities will continue to provide a better level of income than government bonds, and we prefer shorter maturity bonds in order to maintain low sensitivity to possible higher interest rates.

Source: Premier Fund Managers Limited, March 2018. Performance data taken from FE Analytics and Bloomberg, quoted on a total return (income reinvested), bid to bid, UK sterling basis, class A income shares as at 28 February 2018. Past performance is not a guide to future returns. Reference to any particular stock does not constitute a recommendation to buy or sell the stock.

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The top ten purchases and sales during the year were as follows:

<b>Purchases</b>	<b>Costs £'000</b>	<b>Sales</b>	<b>Proceeds £'000</b>
TB Wise Evenlode Income	68,000	Rathbone Income	65,761
Legg Mason IF RARE		Aberforth UK Smaller	
Global Infrastructure		Companies	35,657
Income Fund	46,420	Hermes Multi Strategy	
Alpha Fair Oaks		Credit Fund	31,000
Dynamic 'P'	40,000	BlackRock Continental	
Royal London Corporate		European Income	21,959
Bond 'B'	32,200	CF Miton UK Multi Cap	
Polar Capital European ex		Income 'B'	21,764
UK Income 'S'	27,100	Smith & Williamson UK	
Angel Oak Multi-Strategy		Equity Income	21,239
Income	23,300	International Public	
Fidante Partners Liquid		Partnership	16,178
Strategies - WyeTree US		Tritax Big Box REIT	14,436
'A'	21,256	Wyetree Yield Distribution	
Downing Monthly Income	20,000	'B'	10,994
Fidelity MoneyBuilder		Magna Emerging Markets	
Dividend Fund	19,200	'B'	7,600
Schroder Income 'Z'	15,100		
<b>Total purchases during the year were</b>	<b>527,114</b>	<b>Total sales during the year were</b>	<b>313,628</b>



# PREMIER MULTI-ASSET DISTRIBUTION FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>COLLECTIVE INVESTMENT SCHEMES 79.28% (73.97%)</b>			
<b>Emerging Markets 7.25% (5.62%)</b>			
36,819,873	Fidelity Funds - Emerging Market Total Return Debt	41,139	3.02
1,116,025	Goodhart Partners Horizon HMG Global Emerging Markets	11,395	0.84
4,018,120	Magna Emerging Markets 'B'	46,212	3.39
		<b>98,746</b>	<b>7.25</b>
<b>Europe - Equities 6.57% (6.29%)</b>			
2,032,301	Investec Premier PCC Limited - Multi-Asset Credit Fund	40,477	2.97
4,760,945	Polar Capital European ex UK Income 'S'	49,275	3.60
		<b>89,752</b>	<b>6.57</b>
<b>Far East - Equities 3.30% (3.37%)</b>			
91,418	Prusik Asian Equity Income	12,402	0.91
71,992	Prusik Asian Equity Income 'B'	10,932	0.80
29,189,823	Schroder Asian Income 'Z'	21,650	1.59
		<b>44,984</b>	<b>3.30</b>
<b>Fixed Interest 26.09% (21.50%)</b>			
39,669	Alpha Fair Oaks Dynamic 'P'	40,409	2.96
321,669	Angel Oak Multi-Strategy Income	34,543	2.53
44,301,925	Baillie Gifford Corporate Bond 'B'	39,048	2.86
210,081	Fidante Partners Liquid Strategies - WyeTree US 'A'	20,185	1.48
71,671,160	Henderson Preference & Bond	41,204	3.02
16,837,209	Hermes Multi Strategy Credit Fund	17,302	1.27
3,733,228	PIMCO Select UK Income Bond	39,647	2.91
3,927,998	Polar Capital Global Convertible	41,087	3.01
40,381,193	Royal London Corporate Bond 'Z'	41,714	3.06
360,439	TwentyFour Dynamic Bond 'I'	40,766	2.99
		<b>355,905</b>	<b>26.09</b>
<b>Japan 3.32% (3.33%)</b>			
1,418,215	Coupland Cardiff Japan Income & Growth Founder	28,040	2.06
1,002,029	Coupland Cardiff Japan Income & Growth GBP Founder	17,186	1.26
		<b>45,226</b>	<b>3.32</b>
<b>United Kingdom - Commercial Property 0.91% (0.99%)</b>			
9,153,688	AEW UK Core Property Fund 'C'	12,467	0.91
		<b>12,467</b>	<b>0.91</b>
<b>United Kingdom - Equities 31.84% (32.87%)</b>			
13,698,799	Downing Monthly Income	19,981	1.46
53,627,706	Fidelity MoneyBuilder Dividend Fund	68,322	5.01
42,168,494	Franklin UK Equity Income 'W'	66,234	4.85
43,291,227	Legg Mason IF RARE Global Infrastructure Income Fund	42,148	3.09
10,492,333	Man GLG UK Income Fund	13,304	0.98
12,685,639	Montanaro Equity Income	25,321	1.86

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>United Kingdom - Equities continued</b>			
89,894,535	Schroder Income 'Z'	68,553	5.01
107,896,808	Standard Life UK Equity High Income 'I'	62,159	4.56
32,864,377	TB Wise Evenlode Income	68,564	5.02
		<b>434,586</b>	<b>31.84</b>
<b>INVESTMENT TRUSTS 15.30% (18.81%)</b>			
<b>Alternative 3.11% (3.53%)</b>			
11,329,336	Foresight Solar	11,951	0.87
5,000,000	GCP Asset Backed Income	5,000	0.37
11,331,543	Project Finance Investments	11,332	0.82
2,482,474	Psouce Structured Debt <sup>1</sup>	9	—
6,048,415	UK Mortgages	5,323	0.39
11,600,000	VPC Specialty Lending Investments	9,048	0.66
		<b>42,663</b>	<b>3.11</b>
<b>Global 3.63% (4.44%)</b>			
7,834,184	CVC Credit Partners European Opportunities	8,813	0.65
4,000,000	Doric Nimrod Air Three	3,960	0.29
3,210,000	Doric Nimrod Air Two	6,741	0.49
11,665,000	NB Global Floating Rate Income	10,638	0.78
1,368,421	P2P Global Investments	10,852	0.80
7,141,942	TwentyFour Income	8,392	0.62
		<b>49,396</b>	<b>3.63</b>
<b>Infrastructure 1.29% (1.39%)</b>			
14,641,501	GCP Infrastructure Investments	17,248	1.26
331,431	Sequoia Economic Infrastructure Income	353	0.03
		<b>17,601</b>	<b>1.29</b>
<b>Property 7.27% (9.45%)</b>			
11,518,969	Assura	6,623	0.49
13,288,306	Empiric Student Property	11,043	0.81
9,794,664	GCP Student Living	13,556	0.99
7,445,359	MedicX	6,120	0.45
6,523,256	Real Estate Credit Investments	10,894	0.80
14,486,923	Schroder Real Estate	9,141	0.67
3,814,824	Secure Income REIT	13,582	1.00
9,625,942	Starwood European Real Estate	10,348	0.76
11,668,974	Target Healthcare REIT	12,719	0.93
5,890,500	UK Commercial Property Trust	5,084	0.37
		<b>99,110</b>	<b>7.27</b>
<b>UNREGULATED COLLECTIVE INVESTMENT SCHEMES 2.76% (2.91%)</b>			
<b>Europe 2.76% (2.91%)</b>			
419,825	M&G European Loan 'C'	37,625	2.76
		<b>37,625</b>	<b>2.76</b>

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	<b>Total Value of Investments</b>	<b>1,328,061</b>	<b>97.34</b>
	Net Other Assets	36,360	2.66
	<b>Total Net Assets</b>	<b>1,364,421</b>	<b>100.00</b>

Figures in brackets represent sector distribution at 28 February 2017.

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

<sup>1</sup> Securities in liquidation/delisted.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	28/02/18 £'000	28/02/17 £'000
Income			
Net capital gains	4	16,118	93,831
Revenue	5	52,331	46,023
Expenses	6	(10,878)	(9,000)
Interest payable and similar charges		—	(1)
Net revenue before taxation		41,453	37,022
Taxation	7	(2,485)	(1,961)
Net revenue after taxation		38,968	35,061
Total return before distributions		55,086	128,892
Distributions	8	(51,456)	(44,061)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>3,630</b>	<b>84,831</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	Note	28/02/18 £'000	28/02/17 £'000
<b>Opening net assets attributable to shareholders</b>		<b>1,158,516</b>	<b>806,338</b>
Amounts receivable on issue of shares		411,496	448,327
Amounts payable on cancellation of shares		(236,018)	(201,465)
		175,478	246,862
Change in net assets attributable to shareholders from investment activities		3,630	84,831
Retained distributions on accumulation shares	8	26,797	20,482
Unclaimed distributions		—	3
<b>Closing net assets attributable to shareholders</b>		<b>1,364,421</b>	<b>1,158,516</b>

## BALANCE SHEET

As at 28 February 2018

	Notes	28/02/18 £'000	28/02/17 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		1,328,061	1,108,528
Current assets:			
Debtors	9	53,466	14,018
Cash and bank balances	10	39,192	49,108
<b>Total assets</b>		<b>1,420,719</b>	<b>1,171,654</b>
<b>LIABILITIES</b>			
Creditors:			
Distribution payable on income shares	8	(6,252)	(5,653)
Other creditors	11	(50,046)	(7,485)
<b>Total liabilities</b>		<b>(56,298)</b>	<b>(13,138)</b>
<b>Net assets attributable to shareholders</b>		<b>1,364,421</b>	<b>1,158,516</b>

The notes on pages 45 to 49 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson  
Finance Director (of the ACD)  
15 June 2018

Ian West  
Chief Operating Officer (of the ACD)

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 6 to 7.

### 4. NET CAPITAL GAINS

	28/02/18 £'000	28/02/17 £'000
Non-derivative securities*	14,584	93,113
Other currency gains	273	206
Transaction charges	(8)	(11)
Capital management fee rebates	1,269	523
<b>Net capital gains</b>	<b>16,118</b>	<b>93,831</b>

\*Includes realised gains of £63,956,256 and unrealised losses of £49,371,935 (2017: realised gains of £13,516,956 and unrealised gains of £79,595,626). The realised gains/(losses) on investments in the accounting period includes amounts previously recognised as unrealised gains in the prior accounting period.

### 5. REVENUE

	28/02/18 £'000	28/02/17 £'000
Bank interest	20	61
CIS income equalisation	–	2,512
Franked distributions	15,652	12,195
Franked PID revenue	968	372
Management fee rebates	115	128
Offshore dividend CIS revenue	6,687	5,732
Offshore interest CIS revenue	12,391	8,769
Overseas dividends	7,332	6,930
Unfranked distributions	7,442	7,374
Unfranked PID revenue	1,724	1,950
	<b>52,331</b>	<b>46,023</b>

### 6. EXPENSES

	28/02/18 £'000	28/02/17 £'000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
ACD's periodic charge	10,313	8,427
	<b>10,313</b>	<b>8,427</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary's fees	156	127
Safe custody fees	8	20
	<b>164</b>	<b>147</b>
<b>Other expenses:</b>		
Auditor's remuneration	6	6
Electronic messaging fees	50	63
Legal fees	1	2
Printing fees	70	57
PRS fees	6	4
Registration fees	268	294
	<b>401</b>	<b>426</b>
<b>Total expenses</b>	<b>10,878</b>	<b>9,000</b>

Irrecoverable VAT is included in the above expenses where relevant.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## 7. TAXATION

(a) The tax charge comprises:

	28/02/18 £'000	28/02/17 £'000
<b>Current tax:</b>		
Corporation tax	2,432	1,961
Overseas withholding tax	11	–
Prior year adjustment	42	–
<b>Total current tax (note 7 (b))</b>	<b>2,485</b>	<b>1,961</b>
Deferred tax (note 7 (c))	–	–
<b>Total taxation</b>	<b>2,485</b>	<b>1,961</b>

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	28/02/18 £'000	28/02/17 £'000
Net revenue before taxation	41,453	37,022
	<b>41,453</b>	<b>37,022</b>

Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)

8,291 7,404

Effects of:

Capital transaction charges not expensed at 20%	254	105
CIS equalisation	–	(502)
Franked UK dividends and distributions not subject to taxation	(4,662)	(3,660)
Non-taxable CIS dividends	(14)	–
Non-taxable overseas dividends	(1,517)	(1,339)
Overseas withholding tax	11	–
Prior year adjustment	42	–
Taxation due to timing differences	80	(47)
<b>Total tax charge (note 7 (a))</b>	<b>2,485</b>	<b>1,961</b>

(c) Deferred tax

Provision at the start of the year	–	–
Deferred tax charge in the year	–	–
<b>Provision at the end of the year</b>	<b>–</b>	<b>–</b>

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

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £nil (2017: £nil) arising as a result of having unutilised management expenses. It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

## 8. DISTRIBUTIONS

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

	28/02/18 £'000	28/02/17 £'000
First interim distribution	6,129	6,787
First interim accumulation	5,697	4,965
Second interim distribution	6,374	6,353
Second interim accumulation	6,523	5,110
Third interim distribution	6,943	6,301
Third interim accumulation	7,519	5,385
Final distribution	6,252	5,653
Final accumulation	7,058	5,022
	<b>52,495</b>	<b>45,576</b>
Add: Revenue deducted on cancellation of shares	1,205	1,155
Deduct: Revenue received on issue of shares	(2,244)	(2,670)
<b>Net distributions for the year</b>	<b>51,456</b>	<b>44,061</b>
Interest payable and similar charges	–	1
	<b>51,456</b>	<b>44,062</b>

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

Net revenue after taxation	38,968	35,061
Expenses offset against capital	10,879	9,000
Equalisation on underlying funds	1,615	–
Equalisation uplift on share conversions	(6)	–
<b>Distributions</b>	<b>51,456</b>	<b>44,061</b>

Under the 2014 SORP section 3.71, it is now acceptable not to take into account marginal tax relief in determining the distribution. This policy has been applied to the sub-fund for the current accounting period.

## 9. DEBTORS

	28/02/18 £'000	28/02/17 £'000
Accrued revenue	5,250	4,370
Amounts receivable for issue of shares	6,008	4,347
CIS income tax recoverable	70	2,349
Management fee rebates receivable	768	430
PID income tax recoverable	109	338
Sales awaiting settlement	41,261	2,184
	<b>53,466</b>	<b>14,018</b>

## 10. CASH AND BANK BALANCES

	28/02/18 £'000	28/02/17 £'000
Sterling	39,192	49,108
<b>Cash and bank balances</b>	<b>39,192</b>	<b>49,108</b>

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## 11. OTHER CREDITORS

	28/02/18 £'000	28/02/17 £'000
Accrued expenses	917	875
Amounts payable for cancellation of shares	2,952	2,658
Corporation tax payable	1,677	2,552
Purchases awaiting settlement	44,500	1,400
	<b>50,046</b>	<b>7,485</b>

## 12. RELATED PARTIES

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 44.

Premier Fund Managers Limited, as an associate of Premier Portfolio Managers Limited, had the following shareholdings in the Fund held on behalf of its private clients:

	Held at 28/02/18	Change in a year	Held at 28/02/17
Class B Income Shares	416,965	(5,953,986)	6,370,951
Class C Accumulation Shares	40,494	-	40,494
Class C Income Shares	181,662	(982,169)	1,163,831

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held a material interest in the Fund.

Premier Fund Managers Limited	0.14% (2017: 1.85%)
-------------------------------	---------------------

## 13. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2017: £nil).

## 14. FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

### Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

At 28 February 2018, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £66,403,055 (2017: £55,426,331).

### Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-fund at the balance sheet date. However, there was some foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations. Forward currency FX contracts can be used to reduce the exposure of exchange rate movements in the assets of the holdings in collective investment schemes. The portfolio statement on pages 42 to 43, shows that nil% (2017: nil%) of the sub-fund's portfolio consists of forward currency FX contracts.

### Currency exposure as at 28 February 2018

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
US dollar	23,334	-	23,334	1.71
	<b>23,334</b>	<b>-</b>	<b>23,334</b>	<b>1.71</b>
Sterling	1,304,727	36,360	1,341,087	98.29
<b>Total</b>	<b>1,328,061</b>	<b>36,360</b>	<b>1,364,421</b>	<b>100.00</b>

### Currency exposure as at 28 February 2017

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
US dollar	21,113	-	21,113	1.82
	<b>21,113</b>	<b>-</b>	<b>21,113</b>	<b>1.82</b>
Sterling	1,087,415	49,988	1,137,403	98.18
<b>Total</b>	<b>1,108,528</b>	<b>49,988</b>	<b>1,158,516</b>	<b>100.00</b>

At 28 February 2018, if the value of sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £233,340 (2017: £211,130).

### Interest Rate Risk

The sub-fund does not have any 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. At the year end 26.09% (2017: 20.55%) of the Portfolio of Investments was held in bond funds.

The interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

### Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

### Credit Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

### Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## 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 where applicable.

Valuation technique as at 28th February 2018	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Equities	156,279	–	9	156,288
Collective Investment Schemes	39,090	1,132,683	–	1,171,773
	<b>195,369</b>	<b>1,132,683</b>	<b>9</b>	<b>1,328,061</b>

Valuation technique as at 28th February 2017	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Equities	152,625	–	–	152,625
Collective Investment Schemes	65,272	890,631	–	955,903
	<b>217,897</b>	<b>890,631</b>	<b>–</b>	<b>1,108,528</b>

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e., for which market data is unavailable for the asset or liability).

## Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The Investment Adviser does not currently use derivative instruments to hedge the investment portfolio against risk.

## 15. SHARE CLASSES

The sub-fund currently has five types of share. The AMC on each share class is as follows:

Class A Income & Accumulation Shares:	1.50%
Class B Income Shares:	1.00%
Class C Income & Accumulation Shares:	0.75%

The following table shows the shares in issue during the year:

	Income	Accumulation
<b>Class A Shares</b>		
Opening Shares	13,842,964	24,492,396
Shares Created	1,003,119	3,504,550
Shares Liquidated	(1,737,698)	(3,054,029)
Shares Converted	210,698	(6,030,470)
<b>Closing Shares</b>	<b>13,319,083</b>	<b>18,912,447</b>
<b>Class B Shares</b>	<b>Income</b>	
Opening Shares	8,549,807	
Shares Created	459,207	
Shares Liquidated	(6,486,212)	
Shares Converted	(66,731)	
<b>Closing Shares</b>	<b>2,456,071</b>	
<b>Class C Shares</b>	<b>Income</b>	<b>Accumulation</b>
Opening Shares	198,367,779	147,221,240
Shares Created	50,594,000	75,825,794
Shares Liquidated	(36,532,874)	(29,702,683)
Shares Converted	30,137	6,270,725
<b>Closing Shares</b>	<b>212,459,042</b>	<b>199,615,076</b>

The net asset value, the net asset value per share and the number of shares in issue are given in the Fund Information on pages 37 to 39. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables on pages 50 to 51.



# PREMIER MULTI-ASSET DISTRIBUTION FUND

## 16. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 37.

	28/02/18 £'000	28/02/17 £'000
Analysis of total purchase costs:		
Purchases <sup>1</sup> in year before transaction costs	527,010	480,256
Commissions:		
Equities total value paid	6	17
CIS total value paid	57	—
Derivatives total value paid	—	—
Taxes:		
Equities total value paid	41	26
CIS total value paid	—	—
Derivatives total value paid	—	—
<b>Total purchase costs</b>	<b>104</b>	<b>43</b>
<b>Gross purchases total</b>	<b>527,114</b>	<b>480,299</b>
Analysis of total sale costs:		
Gross sales before transaction costs	313,676	254,175
Commissions:		
Equities total value paid	(33)	(10)
CIS total value paid	(15)	(52)
Derivatives total value paid	—	—
Taxes:		
Equities total value paid	—	—
CIS total value paid	—	—
Derivatives total value paid	—	—
<b>Total sales costs</b>	<b>(48)</b>	<b>(62)</b>
<b>Total sales net of transaction costs</b>	<b>313,628</b>	<b>254,113</b>

<sup>1</sup> Excluding corporate actions

	28/02/18 %	28/02/17 %
Analysis of total purchase costs:		
Commissions:		
Equities percentage of average NAV	—	—
CIS percentage of average NAV	0.01	—
Derivatives percentage of average NAV	—	—
Taxes:		
Equities percentage of average NAV	—	—
CIS percentage of average NAV	—	—
Derivatives percentage of average NAV	—	—
Analysis of total sale costs:		
Commissions:		
Equities percentage of average NAV	—	—
CIS percentage of average NAV	—	0.01
Derivatives percentage of average NAV	—	—
Taxes:		
Equities percentage of average NAV	—	—
CIS percentage of average NAV	—	—
Derivatives percentage of average NAV	—	—
Analysis of total costs:		
Commissions	0.01	0.01
Taxes	—	—

As at the balance sheet date, the average portfolio dealing spread was 0.19% (2017: 0.30%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## DISTRIBUTION TABLES

For the period from 1 March 2017 to 31 May 2017

**First interim dividend distribution in pence per share**

### Class A Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/07/17	28/07/16
Group 1	1.4003	—	1.4003	1.6745
Group 2	0.6300	0.7703	1.4003	1.6745

### Class A Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			28/07/17	28/07/16
Group 1	3.3976	—	3.3976	3.8782
Group 2	1.4170	1.9806	3.3976	3.8782

### Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/07/17	28/07/16
Group 1	2.8021	—	2.8021	3.3466
Group 2	1.2737	1.5284	2.8021	3.3466

### Class C Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/07/17	28/07/16
Group 1	2.8222	—	2.8222	3.3753
Group 2	1.1685	1.6537	2.8222	3.3753

### Class C Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			28/07/17	28/07/16
Group 1	3.1085	—	3.1085	3.5691
Group 2	1.3444	1.7641	3.1085	3.5691

For the period from 1 June 2017 to 31 August 2017

**Second interim dividend distribution in pence per share**

### Class A Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/10/17	28/10/16
Group 1	1.4864	—	1.4864	1.5168
Group 2	0.7326	0.7538	1.4864	1.5168

### Class A Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			27/10/17	28/10/16
Group 1	3.6380	—	3.6380	3.5639
Group 2	1.8619	1.7761	3.6380	3.5639

### Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/10/17	28/10/16
Group 1	2.9578	—	2.9578	3.0350
Group 2	1.5870	1.3708	2.9578	3.0350

### Class C Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/10/17	28/10/16
Group 1	3.0018	—	3.0018	3.0554
Group 2	1.3516	1.6502	3.0018	3.0554

### Class C Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			27/10/17	28/10/16
Group 1	3.3381	—	3.3381	3.2614
Group 2	1.3336	2.0045	3.3381	3.2614

For the period from 1 September 2017 to 30 November 2017

**Third interim dividend distribution in pence per share**

### Class A Income Shares

	Net Income	Equalisation	Distribution Paid	
			26/01/18	28/01/17
Group 1	1.5685	—	1.5685	1.4763
Group 2	0.8203	0.7482	1.5685	1.4763

### Class A Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			26/01/18	28/01/17
Group 1	3.8851	—	3.8851	3.5088
Group 2	1.4790	2.4061	3.8851	3.5088

### Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			26/01/18	28/01/17
Group 1	3.1563	—	3.1563	2.9539
Group 2	0.5236	2.6327	3.1563	2.9539

### Class C Income Shares

	Net Income	Equalisation	Distribution Paid	
			26/01/18	28/01/17
Group 1	3.1878	—	3.1878	2.9748
Group 2	1.3670	1.8208	3.1878	2.9748

# PREMIER MULTI-ASSET DISTRIBUTION FUND

## Class C Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			26/01/18	28/01/17
Group 1	3.5805	—	3.5805	3.2105
Group 2	1.5425	2.0380	3.5805	3.2105

For the period from 1 December 2017 to 28 February 2018

**Final dividend distribution in pence per share**

## Class A Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/04/18	28/04/17
Group 1	1.3915	—	1.3915	1.3149
Group 2	0.5475	0.8440	1.3915	1.3149

## Class A Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			28/04/18	28/04/17
Group 1	3.4850	—	3.4850	3.1610
Group 2	1.4788	2.0062	3.4850	3.1610

## Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/04/18	28/04/17
Group 1	2.7963	—	2.7963	2.6273
Group 2	1.5591	1.2372	2.7963	2.6273

## Class C Income Shares

	Net Income	Equalisation	Distribution Paid	
			28/04/18	28/04/17
Group 1	2.8231	—	2.8231	2.6446
Group 2	1.5441	1.2790	2.8231	2.6446

## Class C Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			28/04/18	28/04/17
Group 1	3.2058	—	3.2058	2.8851
Group 2	1.7364	1.4694	3.2058	2.8851

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## FUND INFORMATION

The Comparative Tables on pages 52 to 53 give the performance of each active share class in the sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-fund's performance disclosed in the ACD's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee to a broker to execute the trades and research costs.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

## COMPARATIVE TABLES

For the financial year ended 28 February 2018

Class B Income Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	178.65	139.98	141.63
Return before operating charges*	19.48	43.29	2.57
Operating charges	(3.70)	(3.29)	(3.06)
Return after operating charges*	15.78	40.00	(0.49)
Distributions on income shares	(0.67)	(1.33)	(1.16)
Closing net asset value per share	193.76	178.65	139.98
* after direct transaction costs of**:	0.08	0.03	0.02
<b>Performance</b>			
Return after charges**	8.83%	28.58%	(0.35)%
<b>Other Information</b>			
Closing net asset value (£'000)	35,009	38,986	35,634
Closing number of shares	18,068,230	21,822,196	25,456,452
Operating charges†	1.96%	2.06%	2.16%
Direct transaction costs	0.04%	0.02%	0.02%
<b>Prices</b>			
Highest share price	199.45	180.38	152.02
Lowest share price	178.39	140.16	131.27

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## FUND INFORMATION

### COMPARATIVE TABLES continued

For the financial year ended 28 February 2018

Class C Income Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	178.83	140.10	141.75
Return before operating charges*	19.53	43.39	2.57
Operating charges	(3.25)	(2.92)	(2.70)
Return after operating charges*	16.28	40.47	(0.13)
Distributions on income shares	(1.15)	(1.74)	(1.52)
Closing net asset value per share	193.96	178.83	140.10
* after direct transaction costs of**:	0.08	0.03	0.02
<b>Performance</b>			
Return after charges**	9.10%	28.89%	(0.09)%
<b>Other Information</b>			
Closing net asset value (£'000)	60,427	43,427	22,273
Closing number of shares	31,153,665	24,283,351	15,897,985
Operating charges <sup>†</sup>	1.71%	1.81%	1.91%
Direct transaction costs	0.04%	0.02%	0.02%
<b>Prices</b>			
Highest share price	199.85	180.77	152.21
Lowest share price	178.63	140.28	131.53

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>†</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

### Class C Accumulation Shares

	2018 (pence per share)	2017 (pence per share)	2016 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	183.61	142.42	142.59
Return before operating charges*	20.08	44.21	2.52
Operating charges	(3.36)	(3.02)	(2.69)
Return after operating charges*	16.72	41.19	(0.17)
Distributions	(1.19)	(1.78)	(1.55)
Distributions on accumulation shares	1.19	1.78	1.55
Closing net asset value per share	200.33	183.61	142.42
* after direct transaction costs of**:	0.08	0.03	0.02
<b>Performance</b>			
Return after charges**	9.11%	28.92%	(0.12)%
<b>Other Information</b>			
Closing net asset value (£'000)	94,645	27,950	6,892
Closing number of shares	47,244,634	15,222,468	4,839,211
Operating charges <sup>†</sup>	1.71%	1.81%	1.91%
Direct transaction costs	0.04%	0.02%	0.02%
<b>Prices</b>			
Highest share price	205.55	184.33	153.03
Lowest share price	183.39	142.58	132.71

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>†</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## SYNTHETIC RISK AND REWARD INDICATOR (SRRI)



The sub-fund is ranked as 4 because it has experienced medium rises and falls in value over the past five years. Please note that even the lowest ranking does not mean a risk-free investment.

The Synthetic Risk and Reward Indicator demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund.

## LEVERAGE

The sub-fund may use derivatives for the purposes of efficient portfolio management as part of its investment strategy which generates some leverage within the sub-fund. The sub-fund may use currency forward transactions to reduce the risk of adverse movements in the exchange rate in which it holds investments to its base currency. In addition, the sub-fund may experience a small amount of leverage when using the permitted 10% of net asset value short term borrowing facility used in the course of the routine settlement of positions. The maximum leverage of the sub-fund calculated using the 'commitment leverage' methodology has therefore been set at 20%. The maximum leverage of the sub-fund calculated using the 'gross leverage' methodology has been set at 20%.

### Leverage as at 28 February 2018

Commitment Leverage		Gross Leverage	
Actual	Max. Limit	Actual	Max. Limit
0%	20%	0%	20%

The sub-fund does not and will not employ any financial engineering structures, such as repurchase or reverse repurchase agreements, securities lending or borrowing, or cash borrowings and re-investment which can be used to create leverage. Nor does the sub-fund post or receive margin or collateral. The Fund has not granted any guarantees in relation to leveraging arrangements or any rights to reuse collateral.

## INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Premier Multi-Asset Global Growth Fund is to provide long-term capital appreciation.

The sub-fund will achieve this principally through investment in collective investment schemes (both regulated and unregulated structures) and structured products and other assets which, in the Investment Adviser's opinion have a high potential for capital and/or income growth. The sub-fund may therefore invest in exchange traded funds, transferable securities (such as bonds and shares, both quoted and unquoted), and closed end investment companies.

The sub-fund may also invest in money market instruments, deposits, warrants, cash and near cash, and may borrow and may enter into stock lending and underwriting arrangements. The sub-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 Premier Multi-Asset Global Growth Fund produced a return of 9.0% over the year compared to the sector return of 6.2%, and 5.8% for the FTSE All World Index. The sub-fund benefited from strong global equity markets, though these did weaken towards the end of the period.

### MARKET REVIEW

Over the last year, UK and global equity markets performed well for the majority of the period. Global equity markets provided attractive returns, and indeed in many cases outperformed UK equities despite the rise in the pound versus most currencies. The top-performing major overseas equity markets were Asia ex-Japan, Emerging Markets, Japan and Europe, with the latter receiving a boost from currency gains. Very accommodative monetary policy, solid company earnings, and firm levels of economic growth supported global equity markets. The UK equity market performed well following the continued rebound after the Brexit vote, with small and middle-sized companies outperforming large companies over the last 12 months. However, towards the end of the period, global equity markets saw a sell-off, triggered by stronger economic data in the US in early February, in particular higher US wages, which led to concerns that the US Federal Reserve (Fed) might accelerate the pace at which they were raising interest rates. This led to a sharp fall in the US equity market, which in turn affected global equity markets. The Fed did indeed raise interest rates by three times over the year, from a range of 0.5-0.75% to a range of 1.25-1.50%.

### PORTFOLIO ACTIVITY

We maintained a high level of equity exposure over the year, with the sub-fund benefiting from the rally in equity markets over the period. However, across several regions, we took profits over the period on the back of strong performance, in particular reducing Asia ex-Japan as well as European equities and Emerging Markets towards the end of 2017. One exception here was US equities, which is partly because they underperformed early in the period which improved their (admittedly limited) appeal relative to other parts of the world. We bought into a couple of new holdings here which give us attractive US exposure that we didn't otherwise have, namely to US micro-sized companies via THB US Opportunities, as well as Baillie Gifford American, who specialise in finding companies they think will grow substantially over the next decade. A second exception was UK equities, where we increased exposure via a holding in a new UK micro-sized company investment trust, Downing Strategic Micro-Cap Investment Trust. In addition, in the UK we also added Woodford Patient Capital Trust, which is predominantly British early-stage companies with a heavy bias towards healthcare (particularly biotech) as well as tech and industrial names. Lastly, in the UK we added a new smaller companies fund with a value bias via VT Teviot UK Smaller Companies.

Within Other Equities we added two further new holdings. Firstly, we added Polar Biotechnology where we believed the valuations were more reasonable. Secondly, we added Lazard Global Equity Franchise which looks to identify the highest quality companies globally (mostly large caps) that have an 'economic franchise' with predictable earnings and large competitive advantages. To in part make way for some of these new holdings, we sold out of Polar Global Convertibles. In Emerging Markets, we participated in a new closed-ended fund launch for ScotGems plc to be managed by Stewart Investors, investing in a fairly concentrated portfolio of small companies in less liquid emerging markets stocks. Over the period we increased exposure to Alternatives where three new holdings were added. Firstly we added Man GLG UK Absolute Value, which operates a long/short equity strategy. Secondly, we invested into a C share issue for Catco, a catastrophe reinsurance fund which is designed to benefit from the anticipated rise in insurance premiums following the US storm damages over the summer. Lastly, we added Polar UK Absolute Equity that also utilises a long/short equity approach.

## PREMIER MULTI-ASSET GLOBAL GROWTH FUND

### OUTLOOK

We remain of the view that Quantitative Easing has effectively 'borrowed' returns from the future and that returns are likely to be more muted going ahead, in particular as the US continues to gradually raise interest rates and the size of the Fed's balance sheet is reduced. Markets will also focus on the eventual end of the European Central Bank's QE programme, though an actual rise in rates still seems very distant. We still believe that while equity valuations are stretched, they are not yet dangerously expensive with the notable exception of the US. Hence we favour UK, European, Asian, Japanese and Emerging Market equities, though the sub-fund is underweight in expensively priced US equities.

Source: Premier Fund Managers Limited, March 2018. Performance data taken from FE Analytics and Bloomberg, quoted on a total return (income reinvested), bid to bid, UK sterling basis, class C accumulation shares as at 28 February 2018. Past performance is not a guide to future returns. Reference to any particular stock does not constitute a recommendation to buy or sell the stock.

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The top ten purchases and sales during the year were as follows:

<b>Purchases</b>	<b>Costs £'000</b>	<b>Sales</b>	<b>Proceeds £'000</b>
J O Hambro Capital UK Opportunities 'Y'	5,153	J O Hambro Capital UK Opportunities 'A'	5,153
Lazard Global Equity Franchise Fund	4,505	Polar Capital Global Convertible Fund	4,195
TB Wise Evenlode Income	4,350	Investec Series UK Special Situations	2,082
VT Teviot UK Smaller Companies Net Income	3,920	Artemis US Absolute Return 'I' Acc	1,916
Polar Capital Global Insurance 'E'	3,870	J O Hambro Capital UK Opportunities 'Y'	1,320
Man GLG UK Absolute Value	3,460	Legg Mason Martin Currie Global Resources	902
GLG Japan Core Alpha 'AAX'	3,235	Fidelity UK Smaller Companies 'W'	900
First State Investments Stewart Investors Latin America 'B'	2,820	Artemis US Absolute Return 'I' Hedged	820
Artemis US Absolute Return 'I' Hedged	2,752	Fidelity American Special Situations	670
Coupland Cardiff Japan Income & Growth GBP Founder	2,645	Fidelity Active Strategy Emerging Markets 'Y'	665
<b>Total purchases during the year were</b>	<b>93,656</b>	<b>Total sales during the year were</b>	<b>24,854</b>



# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>COLLECTIVE INVESTMENT SCHEMES 94.34% (95.14%)</b>			
<b>Alternative 6.95% (5.84%)</b>			
1,739,839	Artemis US Absolute Return 'I' Hedged	1,969	1.04
5,081,209	Jupiter Absolute Return	2,814	1.48
205,076	Kames Global Equity Market Neutral	2,131	1.12
3,324,703	Man GLG UK Absolute Value	3,667	1.93
206,779	Old Mutual UK Specialist Equity	2,630	1.38
		<b>13,211</b>	<b>6.95</b>
<b>Asia - Equities 14.72% (16.44%)</b>			
197,394	Fidelity Asian Smaller Companies 'Y'	5,306	2.79
2,550,851	Hermes Asia Ex-Japan Equity 'F'	6,831	3.59
23,376	Prusik Asian Equity Income 'B'	3,550	1.87
18,471	Schroder Asian Total Return 'C'	6,717	3.53
6,568,215	Schroder Small Cap Discovery 'Z'	5,597	2.94
		<b>28,001</b>	<b>14.72</b>
<b>Emerging Markets - Equities 12.42% (13.58%)</b>			
11,577	Fidelity Active Strategy Emerging Markets 'Y'	2,492	1.31
1,972,516	First State Investments Stewart Investors Latin America 'B'	5,855	3.08
521,737	Goodhart Partners Horizon HMG Global Emerging Markets	5,327	2.80
1,633,698	M&G Global Emerging Markets 'I'	5,167	2.72
414,025	Magna Emerging Markets 'B'	4,762	2.51
		<b>23,603</b>	<b>12.42</b>
<b>Europe - Equities 12.72% (11.26%)</b>			
289,192	Baillie Gifford European 'B'	4,945	2.60
2,206,077	Edinburgh Partners European Opportunities	5,389	2.84
6,938,533	F&C European Small Cap ex UK	4,712	2.48
88,245	Polar Capital Biotechnology	1,536	0.81
543,533	Polar Capital European ex UK Income 'S'	5,626	2.96
95,355	Polar Capital Funds - UK Absolute Equity Fund	1,950	1.03
		<b>24,158</b>	<b>12.72</b>
<b>Global - Equities 10.48% (8.24%)</b>			
39,838	Lazard Global Equity Franchise Fund	4,489	2.36
2,500,889	Lazard Global Listed Infrastructure Equity	3,824	2.01
1,627,065	Polar Capital Global Insurance 'E'	7,964	4.20
19,860	RobecoSAM Smart Materials	3,628	1.91
		<b>19,905</b>	<b>10.48</b>
<b>Global - Fixed Interest 2.24% (6.25%)</b>			
5,435	Shenkman Finsbury Global Convertible Bond	4,255	2.24
		<b>4,255</b>	<b>2.24</b>

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
<b>Japan - Equities 15.20% (15.25%)</b>			
372,623	Coupland Cardiff Japan Income & Growth GBP Founder	6,391	3.36
434,194	Eastspring Japan Smaller Companies	7,078	3.73
32,705	GLG Japan Core Alpha 'AAX'	6,677	3.51
1,078,256	GLG Japan Core Alpha 'C'	2,062	1.08
5,429,965	Lindsell Train Japanese Equity	6,697	3.52
		<b>28,905</b>	<b>15.20</b>
<b>North America - Equities 5.68% (4.56%)</b>			
286,088	Baillie Gifford American 'B'	1,755	0.92
295,460	Fidelity American Special Situations	4,326	2.28
1,036,698	Hermes US SMID Equity 'F'	2,387	1.26
235,559	THB US Opportunities 'I'	2,327	1.22
		<b>10,795</b>	<b>5.68</b>
<b>United Kingdom - Commercial Property 0.94% (1.49%)</b>			
1,316,598	AEW UK Core Property Fund 'C'	1,793	0.94
		<b>1,793</b>	<b>0.94</b>
<b>United Kingdom - Equities 12.99% (12.23%)</b>			
1,423,747	Fidelity UK Smaller Companies 'W'	3,514	1.85
4,644,486	GLG UK ICVC - Undervalued Assets Fund	6,813	3.58
2,422,256	J O Hambro Capital UK Opportunities 'Y'	3,626	1.91
3,286,293	TB Wise Evenlode Income	6,856	3.61
3,414,518	VT Teviot UK Smaller Companies Net Income	3,877	2.04
		<b>24,686</b>	<b>12.99</b>
<b>INVESTMENT TRUSTS 4.67% (3.04%)</b>			
<b>Alternative 0.00% (0.43%)</b>			
<b>Emerging Markets 0.68% (1.04%)</b>			
795,555	BlackRock Frontiers Investment Trust 'C'	1,297	0.68
		<b>1,297</b>	<b>0.68</b>
<b>UK Smaller Companies 3.99% (1.57%)</b>			
3,500,000	Catco Reinsurance Opportunities	2,592	1.36
1,800,000	Downing Strategic Micro-Cap Investment Trust	1,656	0.87
902,419	River & Mercantile UK Micro Cap Investment	1,534	0.81
1,400,000	Scotgems	1,260	0.66
725,000	Woodford Patient Capital	552	0.29
		<b>7,594</b>	<b>3.99</b>

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	<b>Total Value of Investments</b>	<b>188,203</b>	<b>99.01</b>
	Net Other Assets	1,878	0.99
	<b>Total Net Assets</b>	<b>190,081</b>	<b>100.00</b>

Figures in brackets represent sector distribution at 28 February 2017.

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	28/02/18 £'000	28/02/17 £'000
Income			
Net capital gains	4	11,007	20,345
Revenue	5	2,237	1,710
Expenses	6	(1,397)	(864)
Interest payable and similar charges		—	(2)
Net revenue before taxation		840	844
Taxation	7	—	—
Net revenue after taxation		840	844
Total return before distributions		11,847	21,189
Distributions	8	(840)	(845)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>11,007</b>	<b>20,344</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	Note	28/02/18 £'000	28/02/17 £'000
<b>Opening net assets attributable to shareholders</b>		<b>110,363</b>	<b>64,799</b>
Amounts receivable on issue of shares		101,074	54,167
Amounts payable on cancellation of shares		(32,862)	(29,186)
		68,212	24,981
Change in net assets attributable to shareholders from investment activities		11,007	20,344
Retained distributions on accumulation shares	8	499	239
<b>Closing net assets attributable to shareholders</b>		<b>190,081</b>	<b>110,363</b>

## BALANCE SHEET

As at 28 February 2018

	Notes	28/02/18 £'000	28/02/17 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		188,203	108,350
Current assets:			
Debtors	9	1,545	1,581
Cash and bank balances	10	2,586	3,218
<b>Total assets</b>		<b>192,334</b>	<b>113,149</b>
<b>LIABILITIES</b>			
Creditors:			
Bank overdrafts	11	(437)	(388)
Distribution payable on income shares	8	(352)	(520)
Other creditors	12	(1,464)	(1,878)
<b>Total liabilities</b>		<b>(2,253)</b>	<b>(2,786)</b>
<b>Net assets attributable to shareholders</b>		<b>190,081</b>	<b>110,363</b>

The notes on pages 59 to 63 are an integral part of these financial statements.

On behalf of Premier Portfolio Managers Limited.



Neil Macpherson  
Finance Director (of the ACD)  
15 June 2018



Ian West  
Chief Operating Officer (of the ACD)

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 6 to 7.

### 4. NET CAPITAL GAINS

	28/02/18 £'000	28/02/17 £'000
Non-derivative securities*	10,857	20,353
Other currency gains/(losses)	82	(38)
Transaction charges	(16)	(11)
Capital management fee rebates	84	41
<b>Net capital gains</b>	<b>11,007</b>	<b>20,345</b>

\*Includes realised losses of £16,347,391 and unrealised gains of £27,204,522 (2017: realised gains of £1,055,912 and unrealised gains of £19,297,212). The realised gains on investments in the accounting period include amounts previously recognised as unrealised gains in the prior accounting period.

### 5. REVENUE

	28/02/18 £'000	28/02/17 £'000
Bank interest	1	3
Franked distributions	605	416
Franked UK dividends	59	58
Management fee rebates	53	28
Offshore dividend CIS revenue	1,351	731
Offshore interest CIS revenue	111	199
Overseas dividends	(34)	151
Unfranked distributions	91	124
	<b>2,237</b>	<b>1,710</b>

### 6. EXPENSES

	28/02/18 £'000	28/02/17 £'000
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
ACD's periodic charge	1,227	729
	<b>1,227</b>	<b>729</b>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary's fees	20	13
Safe custody fees	8	11
	<b>28</b>	<b>24</b>
<b>Other expenses:</b>		
Auditor's remuneration	6	6
Electronic messaging fees	19	14
Legal fees	2	2
Printing fees	11	1
PRS fees	5	5
Registration fees	99	83
	<b>142</b>	<b>111</b>
<b>Total expenses</b>	<b>1,397</b>	<b>864</b>

Irrecoverable VAT is included in the above expenses where relevant.

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## 7. TAXATION

(a) The tax charge comprises:

	28/02/18 £'000	28/02/17 £'000
<b>Current tax:</b>		
Overseas withholding tax	–	–
<b>Total current tax (note 7 (b))</b>	–	–
Deferred tax (note 7 (c))	–	–
<b>Total taxation</b>	–	–

(b) Factors affecting the tax charge for the year:

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEICs). The differences are explained below:

	28/02/18 £'000	28/02/17 £'000
Net revenue before taxation	840	844
	<b>840</b>	<b>844</b>

Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)

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**Effects of:**

Capital transaction charges not expensed at 20%	–	8
Expenses not utilised in the year	215	94
Franked UK dividends and distributions not subject to taxation	(403)	(241)
Non-taxable overseas dividends	6	(31)
Taxation due to timing differences	(3)	1
Tax effect on capital management fee rebates	17	–
<b>Total tax charge (note 7 (a))</b>	–	–

(c) Deferred tax

Provision at the start of the year	–	–
Deferred tax charge in the year	–	–
<b>Provision at the end of the year</b>	–	–

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

Factors that may affect the future tax charge:

The sub-fund has not recognised a deferred tax asset of £746,490 (2017: £531,191) arising as a result of having unutilised management expenses. It is unlikely that the sub-fund will obtain relief for these in the future so no deferred tax asset has been recognised.

## 8. DISTRIBUTIONS

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

	28/02/18 £'000	28/02/17 £'000
Interim distribution	121	170
Interim accumulation	108	48
Final distribution	352	520
Final accumulation	391	191
	<b>972</b>	<b>929</b>
Add: Revenue deducted on cancellation of shares	58	79
Deduct: Revenue received on issue of shares	(190)	(163)
<b>Net distributions for the year</b>	<b>840</b>	<b>845</b>
Interest payable and similar charges	–	2
	<b>840</b>	<b>847</b>

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

Net revenue after taxation	840	844
Equalisation uplift on share conversions	–	1
<b>Distributions</b>	<b>840</b>	<b>845</b>

## 9. DEBTORS

	28/02/18 £'000	28/02/17 £'000
Accrued revenue	447	226
Amounts receivable for issue of shares	1,063	1,212
CIS income tax recoverable	–	18
Currency deals awaiting settlement	–	111
Management fee rebates receivable	35	14
	<b>1,545</b>	<b>1,581</b>

## 10. CASH AND BANK BALANCES

	28/02/18 £'000	28/02/17 £'000
Sterling	2,219	2,938
US dollar	367	280
<b>Cash and bank balances</b>	<b>2,586</b>	<b>3,218</b>

## 11. BANK OVERDRAFTS

	28/02/18 £'000	28/02/17 £'000
Japanese yen	–	111
Sterling	77	–
US dollar	360	277
	<b>437</b>	<b>388</b>

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## 12. OTHER CREDITORS

	28/02/18	28/02/17
	£'000	£'000
Accrued expenses	145	113
Amounts payable for cancellation of shares	350	497
Currency deals awaiting settlement	–	111
Purchases awaiting settlement	969	1,157
	<b>1,464</b>	<b>1,878</b>

## 13. RELATED PARTIES

The aggregate monies received by the ACD through the issue of shares and paid on cancellation of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 58.

Premier Fund Managers Limited, as an associate of Premier Portfolio Managers Limited, had the following shareholdings in the Fund held on behalf of its private clients:

	Held at 28/02/18	Change in a year	Held at 28/02/17
Class B Income Shares	13,627,606	(4,369,518)	17,997,124
Class C Income Shares	8,015,528	1,426,580	6,588,948

A shareholder may be able to exercise significant influence over the financial and operating policies of the Fund and as such is deemed to be a related party. At the balance sheet date the following shareholder held a material interest in the Fund.

Premier Fund Managers Limited	22.10% (2017: 39.86%)
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## 14. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2017: £nil).

## 15. FINANCIAL INSTRUMENTS

In pursuing the sub-fund's investment objective, the main risks arising from the sub-fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

### Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

At 28 February 2018, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £9,410,174 (2017: £5,417,504).

### Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-fund at the balance sheet date. However, there was some foreign currency exposure within the sub-fund's holdings of collective investment schemes since their assets are denominated in currencies other than sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations. Forward currency FX contracts can be used to reduce the exposure of exchange rate movements in the assets of the holdings in collective investment schemes. The portfolio statement on pages 56 to 57, shows that nil% (2017: nil%) of the sub-fund's portfolio consists of forward currency FX contracts.

## Currency exposure as at 28 February 2018

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
Japanese yen	6,697	–	6,697	3.53
US dollar	10,396	6	10,402	5.47
	<b>17,093</b>	<b>6</b>	<b>17,099</b>	<b>9.00</b>
Sterling	171,110	1,872	172,982	91.00
<b>Total</b>	<b>188,203</b>	<b>1,878</b>	<b>190,081</b>	<b>100.00</b>

## Currency exposure as at 28 February 2017

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
Japanese yen	4,081	(111)	3,970	3.60
US dollar	8,916	4	8,920	8.08
	<b>12,997</b>	<b>(107)</b>	<b>12,890</b>	<b>11.68</b>
Sterling	95,353	2,120	97,473	88.32
<b>Total</b>	<b>108,350</b>	<b>2,013</b>	<b>110,363</b>	<b>100.00</b>

At 28 February 2018, if the value of sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £170,990 (2017: £128,904).

### Interest Rate Risk

The sub-fund does not have any 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. At the year end nil% (2017: 6.25%) of the Portfolio of Investments was held in bond funds.

The interest-bearing financial assets of the sub-fund are bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

### Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

### Credit Risk

Risk management policies surrounding this risk are discussed in note 3 on page 7.

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## 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 where applicable.

Valuation technique as at 28th February 2018	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Equities	6,299	–	–	6,299
Collective Investment Schemes	2,592	179,312	–	181,904
	<b>8,891</b>	<b>179,312</b>	<b>–</b>	<b>188,203</b>

Valuation technique as at 28th February 2017	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Equities	3,361	–	–	3,361
Collective Investment Schemes	–	104,989	–	104,989
	<b>3,361</b>	<b>104,989</b>	<b>–</b>	<b>108,350</b>

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e., for which market data is unavailable for the asset or liability).

## Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-fund.

The Investment Adviser does not use derivative instruments to hedge the investment portfolio against risk.

## 16. SHARE CLASSES

The sub-fund currently has three types of share. The AMC on each share class is as follows:

Class B Income Shares:	1.00%
Class C Income & Accumulation Shares:	0.75%

The following table shows the shares in issue during the year:

Class B Shares	Income	
Opening Shares	21,822,196	
Shares Created	1,492,386	
Shares Liquidated	(4,974,704)	
Shares Converted	(271,648)	
<b>Closing Shares</b>	<b>18,068,230</b>	
Class C Shares	Income	Accumulation
Opening Shares	24,283,351	15,222,468
Shares Created	14,439,366	36,507,130
Shares Liquidated	(7,837,445)	(4,487,645)
Shares Converted	268,393	2,681
<b>Closing Shares</b>	<b>31,153,665</b>	<b>47,244,634</b>

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on pages 52 to 53. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables on page 64.

# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## 17. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 52.

	28/02/18 £'000	28/02/17 £'000
Analysis of total purchase costs:		
Purchases <sup>1</sup> in year before transaction costs	93,592	59,166
Commissions:		
Equities total value paid	–	1
CIS total value paid	61	6
Taxes:		
Equities total value paid	3	2
CIS total value paid	–	4
<b>Total purchase costs</b>	<b>64</b>	<b>13</b>
<b>Gross purchases total</b>	<b>93,656</b>	<b>59,179</b>
Analysis of total sale costs:		
Gross sales before transaction costs	24,854	32,530
Commissions:		
Equities total value paid	–	(3)
CIS total value paid	–	–
Taxes:		
Equities total value paid	–	–
CIS total value paid	–	–
<b>Total sales costs</b>	<b>–</b>	<b>(3)</b>
<b>Total sales net of transaction costs</b>	<b>24,854</b>	<b>32,527</b>

<sup>1</sup> Excluding corporate actions

	28/02/18 %	28/02/17 %
Analysis of total purchase costs:		
Commissions:		
Equities percentage of average NAV	–	–
CIS percentage of average NAV	0.04	0.01
Taxes:		
Equities percentage of average NAV	–	–
CIS percentage of average NAV	–	–
Analysis of total sale costs:		
Commissions:		
Equities percentage of average NAV	–	–
CIS percentage of average NAV	–	–
Taxes:		
Equities percentage of average NAV	–	–
CIS percentage of average NAV	–	–
Analysis of total costs:		
Commissions	0.04	0.01
Taxes	–	–
As at the balance sheet date, the average portfolio dealing spread was 0.14% (2017: 0.09%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.		



# PREMIER MULTI-ASSET GLOBAL GROWTH FUND

## DISTRIBUTION TABLES

For the period from 1 March 2017 to 31 August 2017

**Interim dividend distribution in pence per share**

### Class B Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/10/17	28/10/16
Group 1	0.1099	—	0.1099	0.3200
Group 2	—	0.1099	0.1099	0.3200

### Class C Income Shares

	Net Income	Equalisation	Distribution Paid	
			27/10/17	28/10/16
Group 1	0.3461	—	0.3461	0.5105
Group 2	0.0068	0.3393	0.3461	0.5105

### Class C Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			27/10/17	28/10/16
Group 1	0.3581	—	0.3581	0.5212
Group 2	0.0060	0.3521	0.3581	0.5212

For the period from 1 September 2017 to 28 February 2018

**Final dividend distribution in pence per share**

### Class B Income Shares

	Net Income	Equalisation	Distribution Payable/Paid	
			28/06/18	28/06/17
Group 1	0.5608	—	0.5608	1.0134
Group 2	0.2913	0.2695	0.5608	1.0134

### Class C Income Shares

	Net Income	Equalisation	Distribution Payable/Paid	
			28/06/18	28/06/17
Group 1	0.8033	—	0.8033	1.2291
Group 2	0.4367	0.3666	0.8033	1.2291

### Class C Accumulation Shares

	Net Income	Equalisation	Amount Accumulated	
			28/06/18	28/06/17
Group 1	0.8280	—	0.8280	1.2546
Group 2	0.4465	0.3815	0.8280	1.2546