

# The Snowdonia Balanced Fund, a sub-fund of the Snowdonia Fund

## Annual Short Report for the year to 31<sup>st</sup> March 2008



The information in this report is designed to enable investors to make an informed judgement on the activities of the Fund during the year. Copies of the Long-Form Annual Report & Accounts are available free of charge by calling Premier on 01483 306 090, or can be downloaded from the Premier website, [www.premierassetmanagement.co.uk](http://www.premierassetmanagement.co.uk).

### Investment Objective and Policy

The Snowdonia Balanced Fund aims to provide long-term capital growth from a portfolio of investments. The Fund is managed such that a maximum of 85% of the Fund's property will be exposed to equities, both UK and global. The Fund may invest in units in collective investment schemes and may also invest in equities, fixed interest securities, money market instruments, deposits and warrants.

### Total Expense Ratios (TERs)

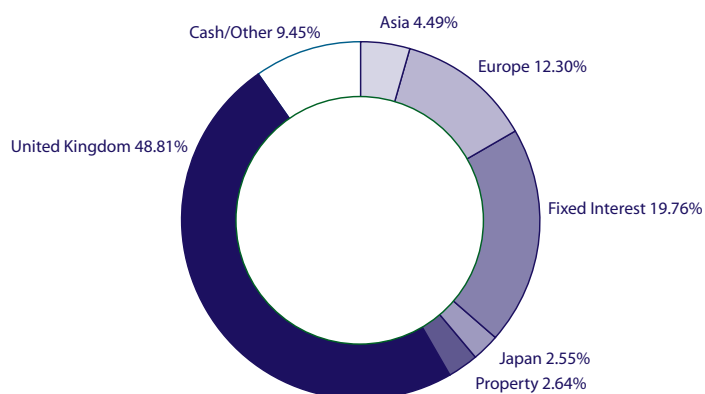
	31/03/2008	31/03/2007
	2.86%	3.01%

The TERs show the annual operating expenses of the Fund including the annual management charge and other expenses. It does not include transaction charges. Funds highlight the TER to help you compare the annual operating expenses to different schemes.

### Net Asset Values

As at	Share Class	Net Asset Value Per Share (p)
31/03/2007	Accumulation	132.88
31/03/2008	Accumulation	118.38

### Asset Allocation as at 31/03/2008



### Top Ten Holdings at 31/03/2008

Thames River Global Bond	8.77%
Threadneedle UK Equity Alpha	8.33%
Walker Crips UK Growth	8.27%
Gartmore UK Focus	7.44%
Odey Continental European	7.14%
M&G Optimal Income	6.98%
River & Mercantile UK Equity High Alpha	6.90%
Edinburgh Partners UK Opportunities	6.74%
Gartmore UK Equity Income	5.20%
Premier European Growth	5.16%

### Fund Facts

Launch date:	14th October 2004
Ex-dividend dates:	31st March and 30th September
Income dates:	31st July and 30th November
IMA sector:	Balanced Managed

### Performance Record

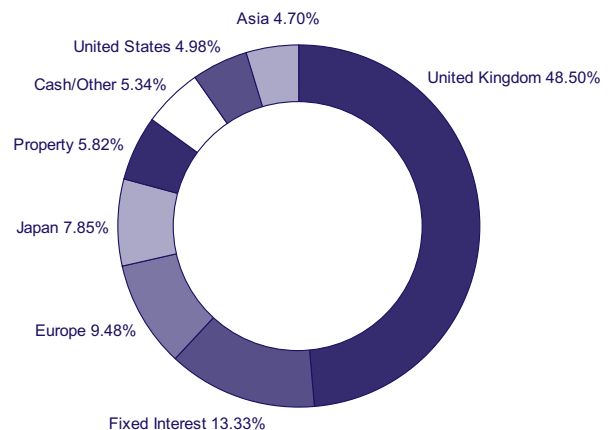
Year	Share Class	Highest Price (p)	Lowest Price (p)
2004 <sup>1</sup>	Accumulation	102.26	99.02
2005	Accumulation	120.79	100.36
2006	Accumulation	130.60	115.22
2007	Accumulation	138.00	123.56
2008 <sup>2</sup>	Accumulation	128.51	115.10

<sup>1</sup> 14th October 2004 to 31st December 2004.

<sup>2</sup> To 31st March 2008.

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

### Asset Allocation as at 31/03/2007



### Top Ten Holdings at 31/03/2007

Edinburgh Partners UK Opportunities	9.25%
CF Walker Crips Corporate UK Growth	7.51%
Gartmore UK Focus	7.27%
M&G Optimal Income	7.03%
Threadneedle UK Equity Alpha	6.64%
Gartmore UK Equity Income	6.47%
Premier European Growth	4.88%
Mellon Newton Asian Income	4.70%
River & Mercantile UK Equity High Alpha	4.65%
Odey Continental European	4.60%

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## Annual Short Report for the year to 31<sup>st</sup> March 2008



### Investment Review

#### Performance

Over the 12 month period the Snowdonia Balanced Fund returned -11.1%<sup>3</sup> and its Sector, Balanced Managed returned -5.0%.

#### Portfolio Activity

Following the changes made at the end of February, we used subscriptions to add to holdings of River & Mercantile UK Equity High Alpha, Gartmore UK Focus, Rathbone Income, and Threadneedle UK Equity Alpha with significant additions on a day of volatility at the end of July. We also added to Premier European Growth Fund. The holding of SWIP Property Trust was sold at this stage, the commercial property bubble having peaked before the domestic. In December, the holdings of Rathbone Income and UBS US Equity were sold due to deteriorating performance.

During January, we switched the holding of Thames River Japan into their Global Bond Fund, added to Odey Continental European and Walker Crips UK Growth. A new holding in Schroder UK Alpha was established.

In February, exposure to Japan was reduced by selling JO Hambro Japan and trimming the remaining Framlington Fund. The holding in Thames River Global Bond was doubled.

Deterioration in credit markets prompted the sale of Old Mutual Dynamic Bond in March and JO Hambro American Growth was disposed of, pending the departure of the manager.

#### Outlook

The rescue of Bear Stearns has caused equity markets to rally. However, the underlying problems regarding credit markets remain and we expect this to begin playing through in earnings downgrades before long. The extent to which markets are able to look through this will determine their short term direction but, for the moment, we remain cautious.

Source: Mercater, June 2008.

<sup>3</sup>Performance data taken from Financial Express Analytics on a total return, bid to bid, UK sterling basis. Past performance is not a guide to future returns.

The full Investment Review is available in the Long-form Annual Report & Accounts, which is available on request, or from the Premier website, [www.premierassetmanagement.co.uk](http://www.premierassetmanagement.co.uk).

### Risk Profile

As the Snowdonia Balanced Fund invests primarily in the UK, there is a market risk that the sub-fund might suffer through holding market positions concentrated in the UK in the face of price movements. The value of these investments may decline over a given period because of economic changes or other events that impact large portions of the market.

### Dividend Distribution (in pence per share)

XD date	Paid	Share Class	Distribution
30/09/07	30/11/07	Accumulation	0.2285
31/03/08	31/07/08	Accumulation	0.7669 <sup>4</sup>

<sup>4</sup> Payable

### Other Information

Authorised Corporate Director (ACD) & Registered Office:

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

Auditors:

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

Depository:

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

Administrators & Registrar:

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

Issued by:

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You should remember that past performance is not a guide to future returns and the price of shares and the income from them may go down as well as up and you may get back less than you invested. Investment in these funds should be viewed as a long term investment. Exchange rates will also cause the value of underlying investments to fall as well as rise. Tax concessions are not guaranteed and may be changed at any time, their value will depend on your individual circumstances. Reference to any particular stock does not constitute a recommendation to buy or sell the stock. Details of the nature of the investments, the commitment required and fund specific risk warnings are described in the Simplified Prospectus document which is available on request. Monthly cash withdrawals may lead to erosion of the capital value of your investment should you take a higher cash withdrawal than the growth or income generated. 1607085072

