

The Snowdonia Income Fund, a sub-fund of the Snowdonia Fund

Interim Short Report for the year 1st April 2009 to 30th September 2009



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 Interim Report & Accounts are available free of charge by calling Premier on 01483 306 090, or can be downloaded from the Fund's website at www.thesnowdoniafund.co.uk.

Investment Objective and Policy

The Snowdonia Income Fund aims to provide income together with some long-term capital growth from a portfolio of investments. The Fund is managed such that a maximum of 60% of the Fund's property will be exposed to equities. The Fund may achieve this by investing in collective investment schemes and may also invest in equities, fixed interest securities, money market instruments, deposits and warrants.

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

Total Expense Ratio (TER)

31/03/2009

2.23%

The TER shows the annual operating expenses of the Fund including the annual management charge and other expenses. It does not include transaction charges. Funds highlight the TER to help you compare the annual operating expenses to different schemes. The TER for income and accumulation shares is the same.

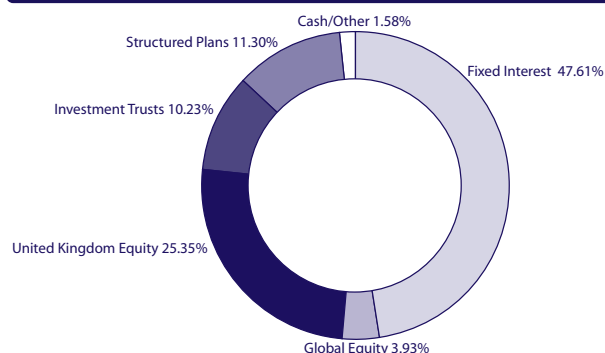
Portfolio Turnover Rate (PTR)

31/03/2009

84.80%

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

Asset Allocation as at 30/09/2009



Top Ten Holdings at 30/09/2009

Legal & General Dynamic Bond	5.51%
FIL Investment Services UK Sterling Bond	5.25%
PSigma Income.....	5.14%
Schroder Income Maximiser	4.76%
Standard Life UK Equity High Income	4.57%
Royal London Corporate Bond.....	4.38%
Neptune Income.....	4.29%
M&G Strategic Corporate Bond.....	4.07%
Legg Mason Global Multi-Strategy Bond	4.06%
Thames River Sterling Global Bond	3.99%

Fund Facts

Launch date:14th October 2004

Ex-dividend dates:..31st March, 30th June, 30th September, 31st December

Income dates:.....28th February, 31st May, 31st August, 30th November

IMA sector:.....Cautious Managed

Performance Record

Year	Share Class	Highest Price (p)	Lowest Price (p)
2004 ¹	Income	103.66	99.40
	Accumulation	103.65	99.40
2005	Income	116.39	103.66
	Accumulation	116.39	103.29
2006	Income	121.24	112.78
	Accumulation	128.09	116.17
2007	Income	123.53	113.72
	Accumulation	132.72	124.06
2008	Income	115.24	76.98
	Accumulation	127.49	88.44
2009 ²	Income	91.93	72.08
	Accumulation	109.27	83.62

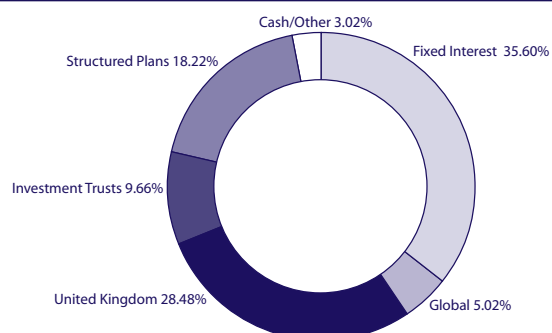
¹ 14th October 2004 to 31st December 2004. ² To 30th September 2009.

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.

Net Asset Values

As at	Share Class	Net Asset Value Per Share (p)
31/03/2009	Income	72.61
	Accumulation	85.48
30/09/2009	Income	90.28
	Accumulation	108.97

Asset Allocation as at 31/03/2009



Top Ten Holdings at 31/03/2009

Henderson Preference & Bond	5.04%
Ignis Corporate Bond	4.98%
Legal & General Dynamic Bond	4.94%
M&G Strategic Corporate Bond.....	4.93%
Aegon Sterling Corporate Bond.....	4.87%
Royal London Corporate Bond.....	4.82%
Baillie Gifford Corporate Bond.....	4.80%
PSigma Income.....	4.75%
Rensburg UK Equity Income	4.73%
Neptune Income.....	4.45%

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Investment Review

Performance

The reporting period has coincided with a strong recovery across financial markets leading to positive returns from most asset classes. Over this period the Snowdonia Income Fund achieved a return of 25.84%, which is well ahead of the IMA Cautious Managed Sector return of 19.62%.

Portfolio Activity

Having taken on the management of the portfolio at the end of March our first task was to assess the position as it stood. Our view was that, given the outlook at the time, the portfolio was very exposed to downside risk and had little to protect it from a continuation of market nervousness. There was significant exposure to higher risk assets, which would go on to recover very strongly, but we felt that there was the opportunity to achieve significant growth in value whilst also reducing the risk.

To that end the initial actions on the portfolio were to sell out of structured products that were close to the floor levels (where the capital protection becomes void if the market falls below a certain level). Here the risk was that values could fall by a further 20-30% with the benefit of the upside being no greater than holding an equity fund.

Our other priority, in terms of sales, was to reduce some of the risk within the bond holdings, where there were significant holdings of non-investment grade bond funds and funds with high exposure to bank bonds. This latter area had been the hardest hit through the first quarter of the year as uncertainty about the UK banks' ability to survive was at its greatest. Although we had seen the Government support equity issues to refinance Lloyds Banking Group and RBS, there remained a great deal of uncertainty about their future at this stage.

Purchases have been made to diversify the investments within the portfolio and, in particular, to increase the overseas assets within the portfolio. The funds we added were: Veritas Global Equity Income, a fund that uses a thematic approach to stock selection; Thames River Global Bond; Legg Mason Global Multi Strategy Bond and Investec Global Bond. These last three funds have increased the quality of the underlying bonds held and benefited from sterling weakness over the period.

Outlook

Despite a recovery in confidence, the future remains uncertain; the fiscal and financial stimulus that we have enjoyed over the past six months will have to be withdrawn. What then? Well, my feeling is that for the indebted nations, which must include the UK, the excessive levels of both private and public debt cloud the future. Inevitably, we will face higher taxes as the Government tries to balance the books and the consequence will be to subdue economic growth. So, I will look to continue the process of diversifying the portfolio in the coming

months, consolidating gains and broadening the sources of capital and income growth.

Source: Sanlam Fund Solutions Limited, October 2009. Performance figures are taken from Financial Express Analytics and are quoted on a bid to bid, total return, UK sterling basis.

The full Investment Review is available in the Long-Form Interim Report & Accounts, which is available on request, or from the Fund's website, www.thesnowdoniafund.co.uk.

Notable Changes In Period

From 1st June 2009 Principal Investment Management Limited (who are authorised and regulated by the Financial Services Authority) took over as the Investment Adviser to the Snowdonia Fund. Sanlam Fund Solutions is the trading name of Principal Investment Management Limited.

Investment Risks

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

Dividend Distribution

XD date	Paid	Share Class	Distribution (Per Share (P))
30/06/2009	31/08/2009	Income	0.7947
		Accumulation	0.9428
30/09/2009	30/11/2009	Income	1.4013
		Accumulation	1.6658

Other Information

Authorised Corporate Director (ACD) & Registered Office:	Premier Portfolio Managers Limited, Eastgate Court, High Street, Guildford, Surrey, GU1 3DE
Auditor:	Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU
Depository:	The Royal Bank of Scotland plc, Trustee & Depository Services, The Broadstone, 50 South Gyle Crescent, Edinburgh, EH12 9UZ
Administrators & Registrar:	Northern Trust Global Services Limited, PO Box 55736, 50 Bank Street, Canary Wharf, London, E14 1BT

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

You should remember that past performance is not a guide to future returns and the price of shares and the income from them may go down as well as up and you may get back less than you invested. Investment in these funds should be viewed as a long term investment. Exchange rates will also cause the value of underlying investments to fall as well as rise. Tax concessions are not guaranteed and may be changed at any time, their value will depend on your individual circumstances. Reference to any particular stock does not constitute a recommendation to buy or sell the stock. Details of the nature of the investments, the commitment required and fund specific risk warnings are described in the Simplified Prospectus document which is available on request. Monthly cash withdrawals may lead to erosion of the capital value of your investment should you take a higher cash withdrawal than the growth or income generated. 1911096021

