

The Liberation Absolute Growth Fund, a sub-fund of The Liberation Fund

Annual Short Report for the period from 1st November 2008 to 31st October 2009

The information in this report is designed to enable investors to make an informed judgement on the activities of the Fund during the period. Copies of the Long-Form Annual Report & Accounts are available free of charge by calling Premier on 01483 306 090, or can be downloaded from the Fund's website, www.theliberationfund.co.uk.

Investment Objective and Policy

The investment objective of the Liberation Absolute Growth Fund is to achieve steady capital growth. The Fund will achieve this by investing principally in a portfolio of securities which, in the Investment Adviser's opinion, are lower risk securities and which will produce capital appreciation over the longer term. 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).

Fund Facts

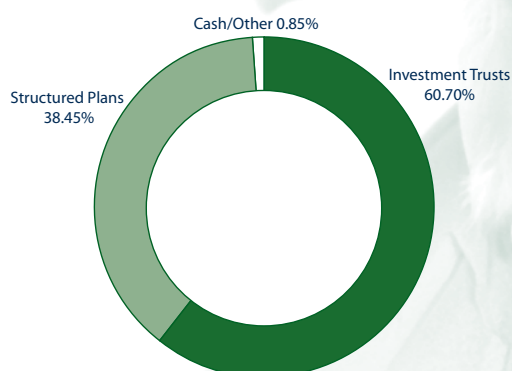
Launch date:	11th May 2007
Ex-dividend dates:	30th April and 31st October
Income dates:	28 February and 30 June

Total Expense Ratio (TER)

31/10/2009
2.68%

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.

Asset Allocation as at 31/10/2009



Top Ten Holdings as at 31/10/2009

MW Tops Pref Shares	7.22%
Merrill Lynch FTSE Autocallable Warrant	6.65%
Elders (Merrill Lynch) Capital Accumulation II 16A	5.33%
Goldman Sachs FTSE 100 Index 2014	5.24%
Symphony 15% FTSE Defensive Autocall	5.01%
Alternative Investment Sterling Hedged	4.66%
The Cayenne Trust	4.54%
Utilico 2014 ZDP	4.51%
Dexion Equity Alternative	4.48%
Utilico 2012 ZDP	4.46%

Performance Record

Year	Share Class	Highest Price (p)	Lowest Price (p)
2007 ¹	Income	100.68	91.85
	Accumulation	100.68	91.78
2008	Income	96.83	68.97
	Accumulation	96.83	69.76
2009 ²	Income	87.37	69.52
	Accumulation	88.45	70.32

¹ 11th May 2007 to 31st December 2007. ² To 31st October 2009.

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

Net Asset Values

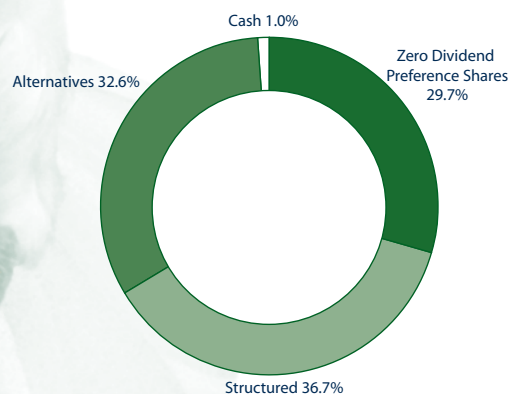
As at	Share Class	Net Asset Value per Share (p)
31/10/2008	Income	71.27
	Accumulation	71.95
31/10/2009	Income	85.17
	Accumulation	86.23

Dividend Distribution (in pence per share)

XD date	Paid/Payable	Share Class	Distribution per Share (p)
31/10/2008	27/02/2009	Income	0.1706
		Accumulation	0.1790

Expenses exceeded income during the first two distribution periods ending 31st January 2009 and 30th April 2009, as a result no distributions were paid at these points.

Asset Allocation as at 31/10/2008



Source: Premier Fund Managers Limited.

Top Ten Holdings as at 31/10/2008

Symphony 15% FTSE Defensive Autocall	10.36%
Merrill Lynch FTSE 100 Stepped Growth & Income	9.95%
M&G Recovery ZDP	9.55%
Goldman Sachs FTSE 100 Index 29/12/2014	9.54%
AcenciA Debt Strategies	8.95%
Dexion Equity Alternative	8.68%
MW Tops	8.47%
Utilico ZDP	8.47%
Elders 16A Capital Accumulation II	7.53%
JP Morgan Private Equity ZDP	7.13%

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Investment Review

Performance

The Fund was relaunched with a new objective on 6 October 2008, this report covers the year from 1 November 2008. The Fund has achieved a positive performance over this period, returning 19.10% which is a very healthy start.

Portfolio Activity

A year ago the portfolio was highly concentrated in just a dozen stocks, but as new monies flowed into the portfolio, we have diversified and now hold around 20 stocks and would expect it to remain between 20 and 25 positions. A number of the original holdings have gone as a consequence of reaching their redemption date; JZ Capital and M&G Recovery zero dividend preference shares, (ZDPs) and Merrill Lynch FTSE Growth shares all paid out in full and produced healthy profits at a time when equity markets were struggling. The ZDP positions have been replaced with newly issued ZDPs from Ecofin and Electra, both of which have gone to a healthy premium. Other new holdings have included Cayenne Trust which aims to deliver cautious positive returns through investing in investment trusts, FRM Credit Alpha which is a fund of bond based hedge funds and a number of defensively positioned structured products. In addition, the Euro class of Dexion Absolute was redeemed, as was MW Tops, giving healthy profits and we have subsequently bought back into both companies at lower prices.

Outlook

Following a strong rise since March, equity and credit markets look in need of a pause as valuations in certain areas are looking stretched. The portfolio remains well positioned to weather any market correction whilst retaining scope for further progress. The strong rise in the unit price over the last six months will have resulted in the equity responsiveness reducing, as the exceptional value in the structured products has begun to be reflected in the prices. There still remain good returns to be made in these structures as well as the ZDPs but it is the fund of hedge funds exposure that may produce the best returns if the market continues to rise. The defensive characteristics of the Fund are likely to be clearly exhibited in the months ahead as we anticipate the current strength in markets petering out. Once again it is worth emphasising that all three areas of our Fund do not require rising markets to produce useful capital growth.

Source: Premier Fund Managers Limited, November 2009. Performance data taken from Financial Express Analytics, quoted 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 Fund's website, www.theliberationfund.co.uk.

Investment Risks

There is a market risk. This is the risk that the value of investments and any income from them, can fall as well as rise. Neither capital or income is guaranteed.

This Fund may invest in derivatives for investment purposes. Although this may mean that the value of the Fund could be subject to volatility from time to time, investing in derivatives is not expected to alter the risk profile of the Fund.

Historically, zero dividend preference shares proved to be a lower risk investment than more traditional shares. However, serious falls in stockmarket levels can produce material changes to their structure. Most zeros are now regarded as lower risk investments than equities.

A fund which invests heavily in securities (including zero dividend preference shares) which may be subject to significant levels of borrowing, often known as "gearing", is vulnerable to sudden and large falls in value which may result in no realisable value if there is a sufficiently large fall in value of the underlying investments subject to gearing.

Important Information

On 6th October 2008, the name of the Fund changed from the Liberation Balanced Fund to the Liberation Absolute Growth Fund. At the same time, the investment policy was changed to that now stated.

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 and 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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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. 2602106176