Dear Fellow Shareholders:

Performance

As you know, 2008 was a brutal year for investment performance. How bad? Since 1824, only one year, 1931, experienced a greater decline in the S&P Index than in 2008. The DF Dent Premier Growth Fund ("the/your Fund") experienced a decline of –42.20% for 2008 compared with a decline of –37.00% for the S&P 500 Composite Index (the "S&P 500"), the benchmark we use for performance comparisons, an underperformance of –5.20% for the Fund. Although the Fund outperformed the benchmark in the first half of 2008, the year's second half was particularly disappointing, resulting in this underperformance. Your Fund outperformed the Morningstar Mid Cap Growth peer group average of –43.77% by +1.57% total return for 2008. As stated in our most recent Annual Report of 06/30/2008, we, along with all shareholders, take little comfort in these negative returns. As presented later in the Management Discussion of Fund Performance section of this report, for the period ending 12/31/08, Morningstar ranked your Fund in the 39%, 38%, and 25% of the Mid Cap Growth peer group for the past 1-year (308 out of 934 funds), 3-year (259 out of 821 funds), and 5-year (141 out of 674 funds) periods respectively.

Performance data quoted represents past performance and is no guarantee of future results. *Results of an investment made today may differ substantially from the Fund's historical performance. Investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.18%. However, the Fund's Adviser has agreed to contractually waive a portion of its fees and/or reimburse expenses such that the total operating expense ratio (net) does not exceed 1.10%, through October 31, 2009. During the period, certain fees were waived and/or expenses reimbursed; otherwise, returns would have been lower.*

Portfolio Turnover

Portfolio turnover in recent years has been between 14% and 21% as reported in last year's Annual Report. For 2008, portfolio turnover increased to 33.02%. This was mainly the result of shareholder redemptions in October and November during the year's market lows. Shareholder redemptions accounted for portfolio turnover of 23.20% and, of that, redemptions by one large institutional investor resulted in 18.38% of the turnover. Consequently, portfolio turnover excluding required sales to meet redemptions was only 9.82% in 2008, consistent with our low turnover management strategy.

We mention this because it will influence the availability of future capital gain distributions by your Fund. These sales during the market lows realized significant capital losses, which can be carried forward indefinitely until they are offset with any gains in the future. While we cannot predict future capital gain distributions, if any, shareholders should be aware that there is a significant capital loss carry-forward which will offset gains, if realized, within the portfolio in the foreseeable future. This is actually very desirable for taxable shareholders in that the Fund has the potential to realize gains in the future without requiring taxable capital gain

distributions to shareholders. As of 12/31/2008, the net realized capital losses amounted to $3.68 per share in the current fiscal year which ends on 06/30/2009. The history of capital gain distributions is in the Management Discussion of Fund Performance section found later in this report.

Management ownership of Fund

Employees and related family members of the adviser invested $2,194,192 in your Fund during 2008. This increased their total ownership from 4.63% to 7.35% of the Fund in 2008.

Asset Allocation

The below decrease in large capitalization allocation along with accompanying increases in mid and small capitalization allocations as of 12/31/08 reflect the decline in overall market capitalizations during the past year:

	12/31/05*	12/31/06*	12/31/07*	12/31/08*
Large Capitalization	34.9%	39.4%	52.5%	28.0%
Mid Capitalization	45.7%	44.6%	41.1%	56.9%
Small Capitalization	16.0%	8.6%	4.7%	13.8%
Reserve Funds	3.4%	7.4%	1.7%	1.3%
Total Fund	100.0%	100.0%	100.0%	100.0%

* Percentages calculated based on total value of investments.

Concentration

One year ago, I wrote of our intent to continue our program to increase concentration in what we consider “best in class”** companies. We have continued this program by reducing and eliminating smaller positions in what we consider to be less promising companies. The total number of equities held was reduced from 52 on Dec. 31, 2007 to 32 on Dec. 31, 2008. The strategy is to have larger positions in the companies we like most due to our belief in their earnings and growth potential, rather than owning additional companies which we view less favorably. Concentration in the 10 largest positions in the Fund was intentionally increased as indicated:

Top 10 Holdings	12/31/2005	12/31/2006	12/31/2007	12/31/2008
% of Fund	27.10%	25.60%	33.70%	53.00%
Average Position Size of Top 10	2.71%	2.56%	3.37%	5.30%

We view this strategy of the past 2 years to focus on a more concentrated portfolio as essentially completed and do not anticipate further concentration in the future.

Commentary

Whether one invested in large cap or small cap companies, value or growth, international or domestic in 2008, many equity funds experienced significant losses. We had anticipated problems that highly leveraged financial institutions might experience and we managed to avoid this sector, but we failed to foresee the pervasive damage of the 2008 credit crisis across the economy. The fact that so many companies lost so much capital is scant consolation to you or us as co-investors and advisers of your Fund. Neither is the fact that your Fund outperformed its Morningstar Mid Cap Growth peer group average return for 2008. The current issue however is, “Where do we go from here?”

First, we need to understand what happened. For the past two decades consumers, corporations, and the federal government have been on a debt binge. Many sectors have been living beyond their means spending well in excess of their revenues and accumulating debt to make up the difference. We all now know about the consequences of reckless lending and irresponsible borrowing. Our first conclusion is that the behavior of the corporate and consumer sectors will become much more risk and debt averse. The federal government, however, is initiating programs which will result in the issuance of more Treasury debt to solve the problems created by too much private debt. This needs to be monitored closely in the future for the repercussions of these actions by our government.

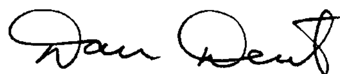
The U.S. Treasury and the Federal Reserve have embarked upon massive stimulus programs intended to arrest the current economic recession and to create job growth. It is important to note that the central banks of our major trading partners are also acting in a concentrated and coordinated manner to stimulate their economies. In addition, one would expect that consumer confidence, which was at an all-time low of 38 in December 2008, compared with 90.6 a year ago, will not continue its steep decline. Gasoline prices, which severely affected disposable income last summer, have declined 60% from their highs. Although the housing inventory is very large in most areas, housing affordability is improving dramatically due to low mortgage interest rates and declining house prices. Household formations are exceeding the supply of new housing, which implies the absorption of this housing inventory albeit at a slow pace in the future. These are encouraging signs amid the widespread gloom.

The 2008 stock market decline approximated the two worst post-World War II bear markets of 1974-1975 and 2000-2002. It correctly anticipated the recession and “shared pain” brought on by the debt binge. The excesses built up over the past two decades will not be corrected in a short time. We expect continued de-leveraging and elimination of excess capacity as consumers and corporations scale back to lower levels of consumption and production respectively in 2009. However, much of this is already priced into the markets at today’s depressed levels. So, we return to the question, “Where do we go from here?”

As in the past, we are focused upon building a strong portfolio of “best in class” growth companies where we anticipate the investor’s rate of return to correlate with the underlying growth of earnings. The 2008 bear market certainly reached even these companies, driving down their valuations significantly by year end. Furthermore, by the final quarter of 2008, many of the customers of our “best in class” companies were

succumbing to credit issues and weakness in their own operations. We expect these well managed enterprises to scale back to the new realities of today's economic environment and then grow from this new base. In an investment world populated by volatile commodities, interest rates that will rise one day and destroy value and imploding hedge funds with little transparency, a core group of strong companies historically generating free cash flow for reinvestment at high returns or distribution to shareholders represents an attractive alternative for your capital. We will continue to seek out and invest in such companies in your Fund.

Respectfully submitted,



Daniel F. Dent

** The determination of "best in class" is solely the opinion of the Fund's Adviser, and such opinion is subject to change. Those companies which hold leading market share positions, strong growth potential, historically good profitability, and management teams known for integrity and good corporate governance are generally considered to be "best in class."

Past performance is no guarantee of future results. Investing involves risk, including the possible loss of principal. The Fund invests in small and medium size companies. Investments in these companies, especially smaller companies, carry greater risk than is customarily associated with larger companies for various reasons such as increased volatility of earnings and prospects, narrower markets, limited financial resources and less liquid stock. Factors influencing sectors may contribute to the Fund's focused portfolio risk.

The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. One cannot invest directly in an index.

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