North Growth Management

North Growth US Equity Fund
North Growth CDN Money Market Fund

"Growth at a Reasonable Price"

2000
Annual Report

Performance Summary

The North Growth US Equity Fund performed exceptionally well during 2000.

The reasons for this performance go right to the core of our investment philosophy of "growth at a reasonable price". While much of the US market, as measured by market capitalization and the popular indices, is dangerously overvalued, mid- and smaller-cap growth stocks, representing a good cross section of the economy, are attractively priced. These stocks are beginning to perform better than the big-cap sector of the market. The North Growth US Equity Fund has 5% of its assets invested in large-cap stocks, 41% in mid-cap stocks, 22% in small-cap stocks and 32% in a buying reserve of short-term fixed income securities.

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2000: Performance Review

2000 was a year of exceptional performance for the North Growth US Equity Fund. The Fund rose 43.4% per unit in Canadian dollars, which is how all funds, whether Canadian, US, Foreign or Global, are reported in the Canadian press. Expressed in US dollars, which allows a proper comparison to the US market indices, the North Growth US Equity Fund grew by 38.0% per unit.

We use the S&P 500 as the long-term record of US equity investments. We do not consider it to be a benchmark as used by many investment managers. Our goal is to obtain the best possible long-term, after-tax total return or growth of capital consistent with our investment philosophy and our understanding of what represents responsible investment practices. We do not target the S&P 500 Index.

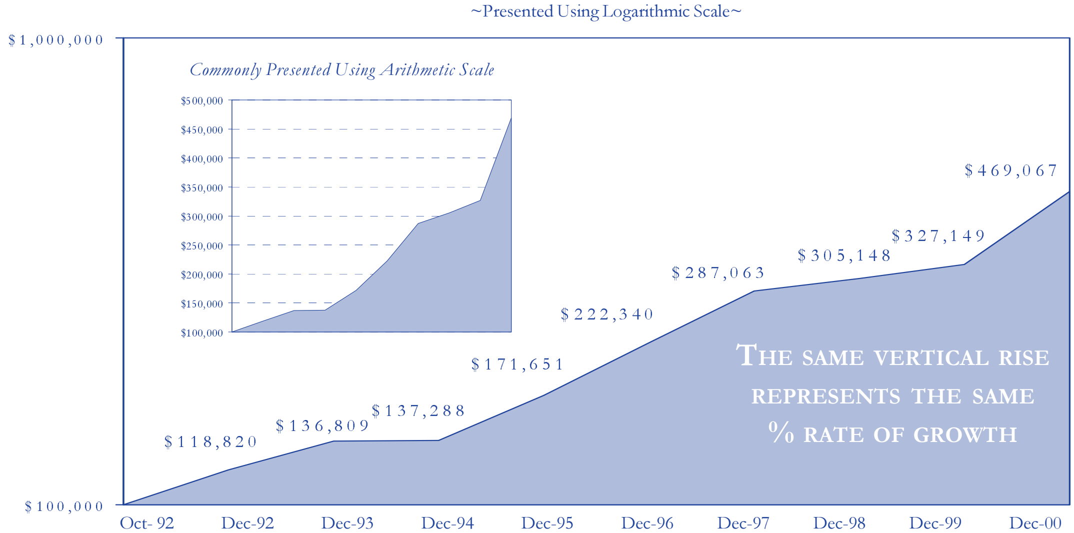
That being said, during the year 2000, the S&P Index declined by 9.1%. The North Growth US Equity Fund's 38% year 2000 growth therefore represents a 47.1 percentage point gain on the S&P 500 Index. By any measure this is good performance and should not be considered a reasonable expectation for future years' performance. Later in this report, however, we will discuss why continued above average results appear to be attainable.

For us the most satisfying aspect of our results in 2000 was that they were attained by sticking to our often-repeated investment philosophy of seeking out situations representing "growth at a reasonable price". The year's performance was also very satisfying from the point of view of the investment industry's long-standing debate as to the merits of indexing. Yes, it is hard to outperform the market, but is that any reason to give up trying? At any rate, the Fund's performance does help justify our contention that Index Funds are not necessarily a great solution to long-term investing.

WE BELIEVE THE ECONOMY IS HEADING INTO A RECESSION. EVEN AS WE WRITE THIS REPORT IN FEBRUARY 2001, "ECONOMIC SLOWDOWN BUT NOT SLIPPING INTO A RECESSION" IS THE CONSENSUS LINE. THE RECESSION THAT WE FORESEE MIGHT NOT LAST LONG; IT PROBABLY HAS ALREADY STARTED AND IT'S ANYBODY'S GUESS WHETHER IT WILL RESULT IN A SOFT OR HARD LANDING. FORTUNATELY FOR INVESTORS, HARD OR SOFT LANDINGS DON'T MATTER, NEW BULL MARKETS RISE OUT OF RECESSIONS.

RUDY NORTH
President

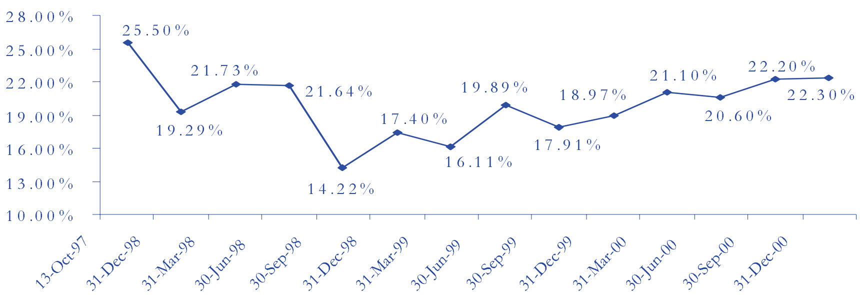
GROWTH OF $100,000 (CDN) INVESTMENT IN NGM US EQUITY FUND SINCE INCEPTION
~Presented Using Logarithmic Scale~



The Best Long-term Perspective of a Fund's Performance

RUNNING 5- YEAR AVERAGE ANNUAL RETURNS (CDN$)

The complete record of every quarter-end 5-year holding period during the Fund's existence



Evaluating a Fund's management based on past performance is a difficult task. Many different methods, some of which will appear later in this report, are available and all have specific strengths and weaknesses.

What is desired is a way of presenting a long-term perspective which is neither overly influenced by long past periods of good performance nor overly influenced by current results (end date sensitivity).

The North Growth US Equity Fund is managed to produce the best long-term growth that we are capable of by staying consistent with our investment philosophy and our understanding of responsible investment practices.

We always stress that a minimum holding period of 5 years be anticipated by new clients.

By presenting a complete set of 5-year periods with different starting and ending points, the past range of 5-year average annual (compound or geometric) returns, we can demonstrate the effect that short-term market fluctuations have on long-term performance.

2000: Economic Review

Markets as diverse as Spain, Japan, Brazil, Sweden and Singapore all experienced declines ranging from –11% to –27% in local currency, and the Morgan Stanley Capital International (MSCI) Index (including Canada) declined 10.15% during the year. Only a few markets posted a gain; these included Australia, Canada and Switzerland. Since stock markets tend to lead economic developments, it should not be too surprising that 2001 is seeing a worldwide slowdown in growth.

2000: Economic Review cont...

2000: A TOUGH YEAR FOR GLOBAL MARKETS

FRANCE: PARIS CAC 40

1999	2000
51.1%	**-0.5%**

GERMANY: FRANKFURT XETRA DAX

1999	2000
39.0%	**-7.5%**

HONG KONG: HANG SENG BANK

1999	2000
68.8%	**-11.0%**

JAPAN: NIKKEI 300 INDEX

1999	2000
50.1%	**-18.9%**

SINGAPORE: STRAITS TIMES

1999	2000
78.0%	**-22.3%**

LONDON: FINANCIAL TIMES 10

1999	2000
17.8%	**-10.2%**

Source: Bear Stearns

As pointed out in earlier monthly reports, growth in the US slowed dramatically— as in hitting a stone wall— during October. Even in the technology and telecommunications sectors growth screeched to a stop. Our experience over the past 40 years is that economic expansions get over-extended but keep bubbling along, all the while offering traditional warning signs that are so imprecise that anybody who refers to them will soon be accused of "crying wolf". In time, the market gets so accustomed to the economy's continued strength that it becomes difficult to see what could possibly change the situation. Then all of a sudden, the economy "unexpectedly" stalls. The fact that interest rates were raised in a series of rate hikes that started on June 30, 1999 and ended on May 16, 2000 made the developments of fall 2000 seem all very clear in hindsight, but when it happens the end of an expansion always comes as a "surprise".

In the latter months of 2000, economic commentary steadily shifted to the realization that the economy was slowing. It was time for Alan Greenspan to start to engineer a soft landing. Actually, the confidence in Mr. Greenspan was so high that when it became apparent by August 2000 that the Fed had stopped raising rates, there were headlines that Greenspan had "engineered a soft landing" even though the economy was apparently growing at a rapid rate! Even in the early stages of an economic slowdown, we believe there is no reliable indicator that predicts if there will be a soft or hard landing. Talk of a soft landing is politically motivated by both company executives and government leaders. Fortunately, over the long-term, whether the economy has a soft or hard landing doesn't seem to matter much to investors.

2001: Economic Commentary

On January 3, 2001, the Federal Reserve Board lowered the Fed Funds rate by 50 basis points to 6% and on January 31st lowered the Fed Funds rate by 50 basis points again to 5.5%. January also saw the Fed reduce the Discount Rate by a total of 100 basis points to 5%. The bottom line is that the Fed will keep lowering interest rates as much and as fast as seems necessary based on the performance of the economy in the coming months. That is good news since, in nine months to a year, this policy should be reflected in a pick-up of economic growth. The stock market will have anticipated this renewed economic growth and will be launched into a new bull market.

2001: Economic Commentary cont...

Greenspan, in his testimony before the US Senate's Budget Committee on January 25, went to great lengths to rationalize why tax cuts might not only be desirable over the remainder of the current decade, but necessary to avoid the accumulation of large quantities of private or non-federal assets by the government. Greenspan referred to his long held conviction that cutting taxes to counteract short-term economic weakness has historically "proved difficult in the time frame that recessions have developed and ended," and can result in inappropriate stimulation just when a recovery is gathering force, but then rationalized that, "In today's context, where tax reduction appears required in any event over the next several years to assist forestalling the accumulation of private assets, starting that process sooner rather than later likely would help smooth the transition to longer-term fiscal balance". There should be no doubt of Greenspan's desire and ability to support the Bush Administration.

2000-2001: Are we in a Recession?

We believe the economy is heading into a recession. Even as we write this report in February 2001, "economic slowdown but not slipping into a recession" is the consensus line. The recession that we foresee might not last long; it probably has already started and it's anybody's guess whether it will result in a soft or hard landing. Fortunately, as we have already stated, it doesn't really matter.

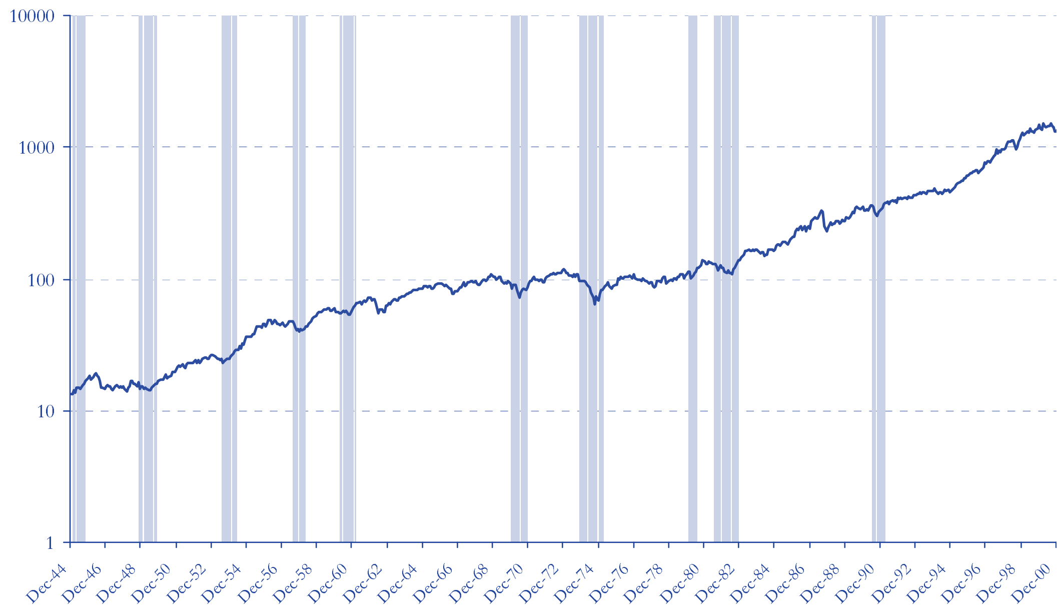
The current economic slowdown, call it what you like, is a worldwide phenomenon. In the US the anecdotal evidence of the slowdown began with some companies issuing warnings in the third quarter. Fourth quarter 2000 earnings are now being reported with widespread earnings shortfalls and almost universal warnings of further weakness in the first and second quarters. *The specifics of the second half of 2001 are not clear so there is a general belief that earnings will bounce back!*

The nice thing about recessions is that they let you know where you are in the business cycle with much more certainty than at any other time. Moreover, a recession sets the stage for the next significant period of economic recovery and bull market.

Even during a hard landing when investors are being hit with an unrelenting barrage of worse than expected bad news, a new bull market will emerge.

2000-2001: Are we in a Recession? cont...

S&P 500 Index Performance
(Recessionary Periods Shaded)



Ten official recessions have been shaded in on the economic charts since the Second World War. Five were of less than a year's duration, five lasted a year or slightly more than a year. The worst, in terms of duration, was the 1981-1982 recession, which lasted from July 1981 to November 1982: 16 months. With the exception of the 1945 recession which was not accompanied by a bear market, a new bull market started **during every period of recession**.

2001: Investment Outlook

The US economy and equity markets are at a significant juncture. The economy started slowing midway through its 10th year of expansion. Now, eleven years since the last officially recognized recession in the US, many areas of the economy including the high technology industry have begun to experience a dramatic slowdown in growth. The probability of a recession in year 2001 has become very real. Excessively valued stocks have experienced rapid price multiple contractions as earnings falter. Lower multiples on lower earnings expectations can produce significant price drops with blinding speed. Still, although some investors have already suffered significant setbacks, the speculative mentality of the longest bull market on record has been slow to die.

WE BELIEVE THAT US EQUITY FUNDS ARE THE BEST INTERNATIONAL INVESTMENT CHOICE

US VS. INTERNATIONAL EQUITY FUNDS
Percentage Return
(AVERAGE IN GROUP)

Dec. 31, 2000	*5-Year*	*10-Year*
US	15.4	16.0
INTERNATIONAL	9.6	10.2

Dec. 31, 1999	*5-Year*	*10-Year*
US	21.9	15.3
INTERNATIONAL	14.5	10.8

Dec. 31, 1998	*5-Year*	*10-Year*
US	18.4	15.9
INTERNATIONAL	10.2	11.1

Dec. 31, 1997	*5-Year*	*10-Year*
US	16.3	13.5
INTERNATIONAL	13.0	10.1

Dec. 31, 1996	*5-Year*	*10-Year*
US	13.9	10.6
INTERNATIONAL	12.1	8.9

Source: Report on Mutual Funds, Globe & Mail

"IN MY OPINION US EQUITIES ARE THE BEST WAY TO CAPITALIZE ON GLOBALIZATION"

RUDY NORTH
PRESIDENT

2001: Investment Outlook cont...

In a pattern that is typical of major bull markets, the stocks that have soared in recent years are considered to be great buys by many investors after every sharp drop in their price. This has resulted in some sharp recovery bounces in the market recently, and set new records in short-term price volatility. Behind all the short-term action, these stocks are rolling over into downtrends.

Stocks are always moving towards extremes in valuation. The market leaders at the end of a market cycle are typically the most extremely over-priced stocks. This is because of the confidence built by their spectacular past performance. They are also amongst the last stocks to fall victim to a bear market. Once they do, even heavy buying on dips and the ensuing spirited recovery bounces are unlikely to return their upward momentum. Once lost it is more likely that a new longer-term downward momentum will develop.

In our opinion, there is still a lot of money to be lost in the **excessively over-priced market leaders of recent years**. The reason that these stocks should not be expected to recover is so fundamental that it is hard to understand why anyone would think it is worthwhile to risk their capital in this way. Consider the following example, typical of some tech stocks today:

Any stock that rises to 120 times earnings is unlikely to be a bargain even if it has fallen by 50%. There are no historic examples of large technology stocks trading at 60 times earnings producing good investment results other than short-term results that subsequently are lost. Not too surprising, as there has never been sustained long-term earnings growth rates that can justify such valuations by any standard of business logic. Not even Intel or Microsoft, which have achieved unequaled long-term earnings growth as large companies, have achieved such rates of growth.

Once truly excessive valuations begin to correct, they are not only vulnerable to sharp drops during a bear market, but even after their initial 40 or 50% drop in price, they are unlikely to keep up to the overall market advance in a new bull market let alone get back into the ranks of market leadership.

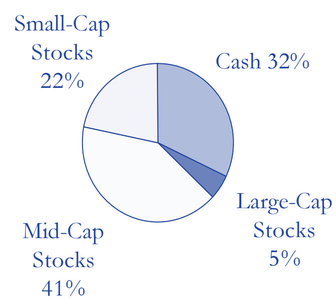
We assume that our unitholders are already well aware of our views on this issue. This is why we ended the year with only 10% of the total portfolio invested in technology. We fear for other investors who are exposed to risks that they cannot afford to take. *This has been a public service announcement.*

2001: Investment Outlook cont...

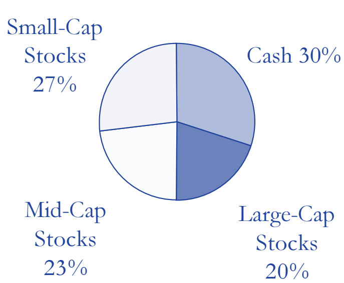
The opportunity cost of being on the wrong side of such developments is very large. The Fund's strong performance in 2000 and continuing into 2001 is based on being well-positioned to benefit during the current period of adjustment. The best way to elaborate on this statement is to incorporate further comments on the 2001 outlook under the heading of the ultimate determinant of our investment results— Stock Selection.

IT IS IMPORTANT TO UNDERSTAND THAT THE NORTH GROWTH US EQUITY FUND IS NOT A SMALL- AND MID-CAP FUND, IT JUST LOOKS LIKE ONE CURRENTLY.

2000



1999



Capitalization Classification ($US)	
Small-Cap	*Less than 2 billion*
Mid-Cap	*Between 2 and 10 billion*
Large-Cap	*More than 10 billion*

THE FUND IS A LONG-TERM GROWTH FUND WHICH WILL BE INVESTED IN THE AREAS THAT MANAGEMENT BELIEVES BEST FIT THE FUND'S INVESTMENT PHILOSOPHY.

2001 Stock Selection: The Key to Performance

For over a year, our stock selection process has produced as a by-product significant (fluctuating on either side of 30%) cash holdings. By avoiding high P/E stocks that had risen beyond what we felt were reasonable levels, the Fund stayed away from many problem areas. To the Fund's benefit, many small and mid-cap stocks that had languished in recent years despite good earnings prospects were purchased. This obviously worked out well, but by rejecting large portions of the market that we judged to be overvalued, we made it impossible to be fully invested without being extremely overweight to the market in certain sectors. In hindsight, we could have done well pursuing an aggressive policy of overweighting. We chose not to do so against the background of a market which was valued at historically high levels, and in which important sectors such as technology were at levels of extreme excess. **If a reasonably diversified, fully invested portfolio of equities cannot be constructed, then cash, in our opinion, becomes a rational investment alternative.**

This decision comes from a mindset completely different from that of the "market timer" who expects to be able to successfully anticipate and profitably trade swings in the market averages. That type of trading or "market timing" has a very poor record of historically documented success and should be avoided in favor of a long-term commitment to equities.

Our research is producing a steady stream of new ideas on stocks to buy, stocks to sell and stocks to avoid. Just as our stock selection process led to the build up of a cash position, the same process will result in the Fund becoming fully invested in the future.

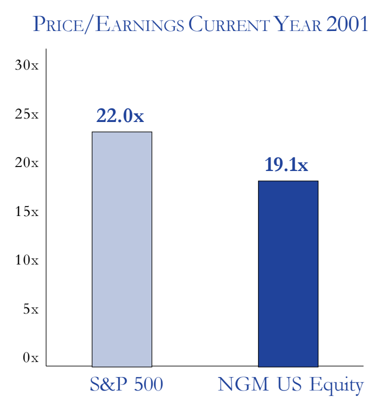
Once well into a bear market, as we are now, the rewards for making good decisions are higher than usual. The market environment that we foresee is expected not only to continue to be favorable for the stocks that are currently held by the Fund, but also to create high potential investment opportunities in new areas.

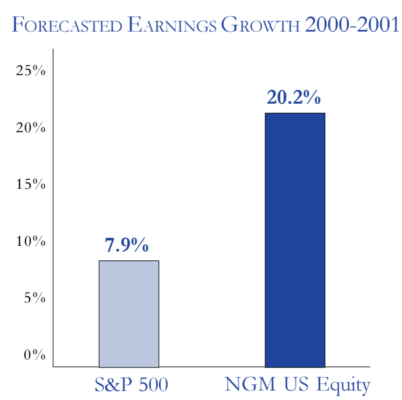
2001 Stock Selection: The Key to Performance cont...

Many of the best earnings outlooks will always be found in the market's smaller capitalization companies. That is always the case, it is basic economics, and for this reason we will always put a major effort into researching small- and mid-cap stocks. It is, however, important to understand that the North Growth US Equity Fund is not a small- and mid-cap fund, it just looks like one currently. The Fund is a long-term growth fund which will be invested in the areas that management believes best fit the Fund's investment philosophy.

For example, we believe that the high tech sector of the economy will achieve the highest long-term growth of any economic sector. We may not own much in the way of technology stocks currently because of valuation issues. This has benefited the Fund, and is a good example of what we mean by decisive management. Nevertheless, technology is one of our main research priorities. We are researching and starting positions in what we believe are high potential technology stocks at the present time. The group will become much more heavily weighted again in the future.

Valuation Analysis of the Fund





As of February 15, 2001, the Price/Earnings ratio using the current year IBES consensus earnings estimate for the S&P 500 Index[1] was 22.0. Based on the IBES Street estimates for 2001 and 2002 operating earnings for the S&P 500, the forecasted growth rate for the market was 8.8%.

By contrast, again based on IBES consensus estimated earnings, the North Growth US Equity Fund was trading at 19.1 times estimated current year 2001 earnings as of February 15th, and the estimated one-year growth rate in earnings for the portfolio was 22.3%.

[1] IBES top-down consensus estimate data was supplied by Salomon Smith Barney Research.

Valuation of the Fund cont...

Both the P/E ratio and growth rate for the Fund are measured on a weighted average basis[2] and exclude our cash position. The numbers also exclude one holding in our portfolio, Nextel Communications, that is growing at a very fast pace but has negative earnings. Companies in the S&P 500 with similar characterisitics are likewise excluded from the S&P 500 P/E calculations.

The bottom line is that, upon examination of the equity holdings of the Fund, the North Growth US Equity Fund trades at a lower multiple to the market, but is projected to grow at a much higher rate. This, we believe, is evidence of our "growth at a reasonable price" philosophy.

[2] NGM US Equity Fund estimates are based on portfolio weights while S&P 500 Index estimates are market capitalization weighted.

Conclusion

We are getting good results sticking to our investment philosophy. Regardless of the economic background, we feel that fundamental research and disciplined stock selection can produce above average Fund performance. We also believe that an economic slowdown can be expected to produce exceptional long-term buying opportunities. Unnatural as it may seem, a period of anxiety and even panic during an economic slowdown is more likely to indicate a "safe" market level than is a period of euphoria accompanied by soaring stock prices– that is when investors should really be concerned.

North Growth Canadian Money Market Fund

2000 was the first full year for the North Growth Canadian Money Market Fund. The Fund served our clients well as a true low cost liquidity product. Throughout the year the Fund maintained an average maturity well below 30 days. Due to this short duration, the Fund's current yield rose rapidly from 4.8% at the beginning of the year to approximately 5.6% in June, where it levelled off for the rest of the year. With declining short-term rates at year-end we expect the Fund's current yield to move back towards 5% during the first half of 2001.

With its well diversified portfolio of high quality Canadian money market securities and very low 0.25% all-in-one management fee, the North Growth Canadian Money Market Fund is a very competitive money market product. Due in large part to its low fee structure, the Fund out performed the average Canadian Money Market Fund by over 0.8% in 2000. The Fund is RRSP eligible for self-directed RRSPs.

NAVPS: DECEMBER 31/00 -

$23.16 CDN *pre-distribution*

$19.30 CDN *post-distribution*

Annual Performance Results

	2000	1999	1998	1997	1996	1995	1994	1993
1 orth Growth 8 S Equity Fund $CD1	**43.4%**	**7.2%**	**6.3%**	**29.1%**	**29.5%**	**25.0%**	**0.4%**	**15.1%**
1 orth Growth 8 S Equity Fund $8 S	**38.0%**	**13.9%**	**-0.8%**	**23.7%**	**28.9%**	**28.5%**	**-5.4%**	**10.8%**
6&3 500 $8 6	-9.1%	21.0%	28.6%	33.1%	22.7%	37.1%	1.3%	9.9%
6&3 400 0 LG&DS $8 6	17.5%	14.7%	19.1%	32.0%	19.1%	30.7%	-3.6%	13.8%
5 XVVHOO 2000 $8 6	-2.9%	21.4%	-2.2%	22.1%	16.4%	27.4%	-1.8%	18.9%
1 $ 6' $ 4 &RP SRVLWH $8 6	-39.2%	86.1%	40.1%	22.1%	23.0%	40.8%	-3.2%	14.8%

ANNUALIZED PERFORMANCE

SINCE INCEPTION

(Oct. 13/92 - Dec 31/00)

20.70%

Average Annual Compound Rates of Return

	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years
NGM US Equity Fund $CDN	**43.4%**	**24.0%**	**17.8%**	**20.5%**	**22.3%**	**22.7%**	**19.3%**	**18.7%**

Management Expense Ratio: (MER)

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE PERFORMANCE

The management expense ratio is the aggregate of all fees and other expenses paid or payable by the Fund expressed as a percentage of its average net asset value. In 2000 we changed the method of calculating the management expense ratio to comply with National Instrument 81-102 of the Canadian Securities Administrators. This change has been applied retroactively and the management expense ratios for prior years or periods have been restated accordingly. The restated management expense ratios now represent the total expenses of a fund for a one-year period as shown in its audited financial statements (annualized where applicable), expressed as a percentage of the fund's average net assets (excluding investments in other mutual funds). This change in the method of calculation has resulted in an increase in the management expense ratios from those that are disclosed in the funds' audited financial statements for years or periods prior to 2000.

The management expense ratio for the last five years was as follows:

Period	*Average Asset Value (000's)*	*Management Expense Ratio*
2000	$59,167	1.25%
1999	46,333	1.12
1998	44,211	1.11
1997	37,271	1.12
1996	26,852	1.17

North Growth US Equity Portfolio as of December 31, 2000

% of Portfolio *as of December 31, 2000*	
St. Jude Medical	4.74
Universal Health Services	4.47
Precision Castparts	4.10
Louis Dreyfus Natural Gas	3.90
Chesapeake Energy Corp	3.80
Jones Apparel Group	3.49
Manor Care Inc.	2.71
Wellpoint Health Networks	2.69

St. Jude Medical Inc... is the world's leading manufacturer of mechanical heart valves, and develops, manufactures and distributes medical devices to treat cardiovascular disease. The company's Heart Valve Division offers a broad line of mechanical and tissue heart valve replacement and repair products, and is currently developing new technologies for cardiac surgeons to use in the treatment of coronary artery disease. St. Jude's Cardiac Rhythm Management Division is a global producer of pacemaker, implantable cardioverter defibrillator (ICD), and catheter mapping and ablation systems used to regulate heart rhythm.

Universal Health Services Inc (CL B)... is the third largest for-profit hospital management company in the US, operating over 80 acute care hospitals, behavioural health facilities, and ambulatory surgical and radiation therapy centres in 20 states and Puerto Rico. The company's strategy is to build or purchase health care properties in rapidly growing markets, and then create a strong franchise based on exceptional service and effective cost control.

Precision Castparts Corp... is a market leader in manufacturing large, complex structural investment castings as well as airfoil castings used in jet aircraft engines. While the aerospace market accounts for over half of total sales, the company has expanded into the industrial gas turbine, fluid management, industrial metalworking tools and machines and other metal product markets.

Louis Dreyfus Natural Gas... is an independent energy company that acquires, develops, produces and markets natural gas and crude oil. The company operates primarily in Texas, Oklahoma, Kansas, Arkansas, Louisiana, New Mexico and the Gulf of Mexico.

Chesapeake Energy Corporation... is one of the 10 largest public independent natural gas producers in the U.S. The company has been one of the industry's most active drillers of deep vertical and horizontal wells and among the leaders in the use of enhanced seismic interpretation, advanced drilling technologies, and sophisticated well completion techniques. The company's reserves and current drilling activities are concentrated in its core operating area of the Mid-Continent region, which consists of Oklahoma, Kansas and the Texas Panhandle.

Jones Apparel Group Inc... is a leading designer and manufacturer of apparel and footwear. Its products include sportswear, jeanswear, suits, dresses, menswear, shoes, accessories and costume jewelry. Jones markets its products under well-known brand names such as Jones New York, Evan-Picone, Rena Rowan, Todd Oldham, Nine West, and Enzo Angiolini. Jones also produces for licensed brands that include Lauren by Ralph Lauren, Ralph by Ralph Lauren and Polo Jeans Company.

Manor Care Inc... is the leading owner and operator of long-term care centres in the US. The company provides care for residents and patients through a network of more than 450 long-term care centres, assisted living facilities, outpatient rehabilitation clinics and home health care offices. The company operates primarily under the ManorCare, Heartland, and Arden Courts brand names in 32 states.

Wellpoint Health Networks Inc... is a managed health care company that offers a spectrum of network-based health plans and specialty products including pharmacy benefit management, dental, vision, mental health, life and disability insurance, and long-term care insurance. Wellpoint's managed care plans are offered through Blue Cross of California in California and UNICARE throughout other parts of the US.

North Growth US Equity Fund Portfolio as of December 31, 2000

% OF PORTFOLIO
as of December 31, 2000

BRINKER INTERNATIONAL;	2.64
TIMBERLAND	2.52
SYMANTEC CORP	2.52
CARDINAL HEALTH INC	2.27
STONE ENWRGY CORP	2.12
SYNOPSYS INC	2.09
PIER 1 IMPORTS INC	1.98
MICHAELS STORES INC	1.84

BRINKER INTERNATIONAL INC... operates, develops, and franchises a portfolio of casual-dining restaurant chains: Chili's Grill & Bar, Romano's Macaroni Grill, On The Border Mexican Cafe, Cozymel's Coastal Mexican Grill, Maggiano's Little Italy, and Corner Bakery Cafe. Brinker is also the parent company to three smaller emerging concepts: eatZi's Market and Bakery, Big Bowl, and Wildfire.

TIMBERLAND COMPANY (CL A)... designs, engineers, and markets premium-quality footwear, apparel and accessories for men, women and children. Its products are sold in leading department and athletic specialty stores as well as Timberland retail stores throughout North America, Europe, Asia, Latin America and the Middle East.

SYMANTEC CORP... is the world leader in utility software for business and personal computing. The company's product offering includes security and assistance products (e.g. Norton Antivirus and Norton Utilities), a growing focus on internet security products, and remote access products. Expansion into the enterprise security market has been strengthened by the recent acquisition of Axent Technologies.

CARDINAL HEALTH INC... is a Fortune 100 corporation that provides complementary products and services to health-care providers and manufacturers. The second largest drug distributor in the US, Cardinal also packages pharmaceuticals, manufactures and distributes medical-surgical and laboratory supplies, manufactures automated dispensing systems, develops drug-delivery systems, franchises retail pharmacies, and offers consulting and other services to improve the quality and efficiency in health care.

STONE ENERGY CORP... is an independent oil and gas company engaged in the acquisition, exploration, development, and operation of oil and gas properties onshore and offshore in the Gulf Coast Basin. The Company seeks properties that have an established production history, proved undeveloped reserves and multiple prospective reservoirs that provide significant development opportunities.

SYNOPSYS INC... supplies electronic design automation (EDA) solutions to the global electronics market. The company provides comprehensive design technologies to creators of advanced integrated circuits, electronic systems, and systems on a chip. The company also provides consulting services and support to its customers to streamline overall design processes and accelerate time-to-market.

PIER 1 IMPORTS INC... is North America's largest specialty retailer of unique fashion-forward, decorative home furnishings, gifts and related items directly imported from over 50 countries around the world. The company operates over 800 stores in the US, and has international operations in Canada, Mexico, Puerto Rico, the United Kingdom and Japan.

MICHAELS STORES INC... is the world's largest arts and crafts specialty retailer, selling a large variety of arts and crafts supplies, frames, floral, decorative wall décor and seasonal merchandise for the hobbyist and do-it-yourself home decorator. The company owns and operates over 600 Michaels stores throughout the US, Canada, and Puerto Rico, and over 100 Aaron Brothers stores located primarily on the West Coast of the US.

North Growth US Equity Fund Portfolio as of December 31,2000

% OF PORTFOLIO
as of December 31, 2000

Mesa Air Group Inc	1.80
Sigma-aldrich	1.77
Federal Signal Corp	1.70
Compaq Computers Corp	1.66
Clayton Homes Inc	1.49
3Com Corp	1.37
Mohawk Industries	1.35
Biomet Inc	1.28
Nextel Communications Inc	1.25

MESA AIR GROUP INC... together with its divisions and subsidiaries is a group of regional airlines operating in various regions across the United States. Mesa derives the majority of its revenue from code-sharing agreements with major air carriers; it operates as America West Express in the Southwestern US and US Airways Express in the Midwest and East.

SIGMA-ALDRICH CORPORATION...develops, manufactures and distributes biochemicals, organic chemicals and diagnostic reagents to commercial, government, and university research laboratories. The company has about 150,000 customers to which it supplies over 85,000 chemicals.

FEDERAL SIGNAL CORPORATION... manufactures and supplies fire rescue trucks and related products, street sweeping and vacuum loader vehicles, safety, signaling and communications equipment, parking control equipment, carbide cutting tools, and precision punches and related die components.

COMPAQ COMPUTER CORP... is the second largest computer company in the world and the largest global supplier of personal computers. Compaq develops and markets hardware, software, solutions and services, including industry-leading enterprise computing solutions, fault-tolerant business-critical solutions, networking and communication products, commercial desktop and portable products and consumer PCs. Compaq sells and supports its products in more than 100 countries through a network of authorized Compaq marketing partners.

CLAYTON HOMES INC... is one of the largest producers of manufactured (mobile) homes in the US. The company sells its homes primarily in the Southwest through wholly owned retail centres and independent dealers. It also provides financing services through its insurance subsidiary.

3COM CORP... provides broad-based networking systems and services that connect people and organizations to information across both local area networks and wide area networks, including the Internet. The Company's products include switches, hubs, remote access systems, routers, network management software, home netowrking products, and Internet appliances.

MOHAWK INDUSTRIES... is the second-largest carpet mill in the US, and the leading producer of area rugs and mats. The company designs, manufactures and markets woven and tufted broadloom carpet, carpet tile, home textiles, bathe mats and area and accent rugs. The company is fully integrated with substantial fiber extrusion facilities, filament and yarn processing capacity, dying facilities, modern distribution system etc.

BIOMET INC... and its subsidiaries design, manufacture and market orthopaedic medical products used in surgical and non-surgical therapy. The majority of the company's business consists of a comprehensive line of reconstructive devices and fixation devices. Biomet also produces arthroscopy products, electrical bone growth stimulators, spinal implants, orthopaedic support devices, bone cements, bone substitute materials, craniomaxillofacial implants and general surgical instruments.

NEXTEL COMMUNICATIONS INC... is one of the nation's leading providers of fully integrated, all-digital wireless service. Nextel uses integrated Digital Enhanced Network (iDEN®) technology developed by Motorola. This technology provides superior sound and transmission quality by utilizing state-of-the-art packet-based transmission methods. The company has over 6 million subscribers in the United States and through its subsidiary, Nextel International, is rapidly becoming a major global player in the wireless communication market.

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DEVON ENERGY CORP	1.05
DENTSPLY INTERNATIONAL	1.00
DARDEN RESTAURANTS INC	0.88
SNAP-ON INC	0.78
LSI LOGIC	0.75
SCHNITZER STEEL	0.72
DIAMOND OFFSHORE DRILLING	0.64
TJX COMPANIES.	0.25
VISHAY	0.14
CITY NATIONAL CORP	0.14
AMERICAN POWER CONVERSION	0.11

DEVON ENERGY CORP... explores for, develops, and produces oil and gas, with interests in about 1,700 properties concentrated in five areas: the Permian Basin in NM; The San Juan Basin in NM; the Rocky mt. region in WY; the Mid-Continent region in OK; and Texas; and Central Alberta.

DENTSPLY INTERNATIONAL INC... develops, manufactures and markets dental consumable and laboratory products (e.g. dental prosthetics, sealants, and crown and bridge materials) and dental equipment products (e.g. x-ray equipment, dental hand pieces and intraoral cameras). The company distributes its dental products in over 100 countries under some of the most recognized brand names in the dental industry and has a leading market share in many of its product categories.

DARDEN RESTAURANTS INC... is the world's largest casual dining company. It owns and operates over 1,100 full-service restaurants under the Red Lobster and Olive Garden concepts. Darden also owns 14 Bahama Breeze and 3 Smokey Bones restaurants, two newer concepts that are currently being developed.

SNAP-ON INC... develops, manufactures and markets tool and equipment solutions for professional tool users. Product lines include hand and power tools, diagnostics and shop equipment, tool storage products, and other solutions for the transportation, industrial, and commercial industries. The company sells primarily through its franchised dealer channel.

LSI LOGIC CORP... designs, develops, manufactures and markets high performance semiconductors. LSI focuses on custom application specific integrated circuits (ASICs) and integrates system-level solutions on a single customized chip.

SCHNITZER STEEL INDUSTRIES... collects, processes and recycles steel scrap and manufactures finished steel products by operating one of the largest steel scrap recycling businesses in the United States and a technologically advanced steel mini-mill.

DIAMOND OFFSHORE DRILLING INC... is involved primarily in the contract drilling of offshore oil and gas wells. It is a leader in deep water drilling with a fleet of multiple offshore rigs, consisting of semisubmersibles, jack-ups and drillships. Diamond operates in the waters off six continents.

TJX COMPANIES INC... is the leading off-price retailer of apparel and home fashions in the U.S. The company operates over 1300 T.J. Maxx, Marshalls, HomeGoods and A.J. Wright stores in the United States. TJX also has a worldwide presence, operating over 100 Winners stores in Canada, and over 70 T.K. Maxx stores in Europe.

VISHAY INTERTECHNOLOGY INC... manufactures passive electronic components (e.g. resistors, capacitors) and is a leading producer of discrete semiconductor components and selected intergrated circuits (ICs). Through internal research and development and an aggressive acquisition strategy, Vishay has established a unique position as a global manufacturer of the broadest line of discrete electronic components available.

CITY NATIONAL CORP... operates City National Bank, a leading independent bank in California that provides a full range of banking services to small and mid-sized companies, and wealthy individuals.

AMERICAN POWER CONVERSION... designs, manufactures and markets products that improve the reliability and productivity of computer systems by protecting hardware and data from the threat of power disturbances. Products include surge protectors, uninterruptible power supplies and various software products that help manage systems and networks when power fails. Disruption of power is one of the main causes of network downtime.