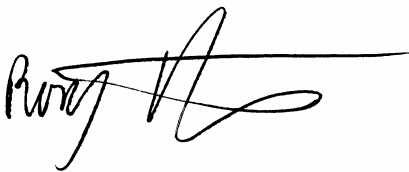


September was much kinder to the North Growth Canadian Equity Fund. The Fund gained 6.2% for the month versus the 3.4% gain posted by the S&P Toronto Composite Index (S&P TSX). While September's results were a step in the right direction for the Fund, we still have a long way to go to close the relative performance gap versus the Canadian market. Year-to-date, the Fund is up 7.5% versus 20.7% for the S&P TSX. Over the initial two years that North Growth has been managing the Fund it has gained 11.1% per annum versus 25% per annum for the S&P Toronto Stock Exchange Composite Index.

Currently, the portfolio has very little in common with the S&P TSX, which raises the question as to why we continue to compare our results with this Index. The simple reason is that our long term goal is to beat the market and in Canada we believe the S&P TSX is the best measure of the market. The difference in the Fund's composition versus the Index is reflective of your manager's investment decisions as he works towards this long term goal.

Over the past few months, our confidence in the Fund's positioning has been increasing. The Fund is an actively managed portfolio, built from the bottom up on a stock by stock basis. Recent corporate developments at a number of our core holdings have served to reinforce our investment theses. We believe we own a number of companies that for various reasons have been substantially undervalued by the market.

Yours truly,



Rory North

SHORT TERM RATES OF RETURN FOR PERIODS ENDING SEPTEMBER 30, 2005

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund	6.17%	7.09%	7.80%	7.47%
S&P / TSX \$CDN	3.41%	11.63%	15.63%	20.67%
North Growth US Equity Fund \$CDN	-1.96%	-2.13%	0.49%	4.38%
S&P 500 \$CDN	-1.26%	-1.70%	0.95%	-0.59%

ANNUALIZED RATES OF RETURN FOR PERIODS ENDING SEPTEMBER 30, 2005

	1 Year	3 Years	5 Years	Since NGM Takeover	Since Inception
North Growth Canadian Equity Fund	14.72%	11.15%	7.73%	14.61%	7.34%
S&P / TSX \$CDN	29.34%	23.47%	2.96%	25.95%	1.32%
North Growth US Equity Fund \$CDN	15.32%	15.35%	9.71%	14.75%	16.23%
S&P 500 \$CDN	3.45%	5.22%	-6.42%	5.37%	10.35%

North Growth Management Ltd. took over the Canadian Equity Fund's management contract on May 1, 2003.

The Inception of the Canadian Equity Fund: September 1, 2000.

The inception of the US Equity Fund: October 13, 1992

NAVPS: Sept. 30, 2005 \$ 13.85 CDN

Total Assets in Fund \$ 22.6 Million CDN

North Growth Canadian Money Market Fund

Net Current Yield

2.48%