



APRIL MONTHLY REPORT

May 5, 2004

Although April was another weak month for Canadian equities, the North Growth Canadian Equity Fund delivered strong relative performance by gaining 0.61% for the month versus the S&P TSX Index which was down 3.89% for the month. Year-to-date, the Fund is up 3.41% versus 0.78% for the S&P TSX Index and 2.36% for the 70/30 Composite. April 30th marked the Fund's first anniversary under management by North Growth. We are pleased with the inaugural annual results of 26.95% for the Fund versus 27.40% for the S&P TSX Index and 24.58% for the 70/30 Composite.

The strong relative performance of the Fund this month was primarily due to what we don't own rather than what we do own. The financials, gold stocks and particularly Nortel lead the market down during the month. The only exposure the Fund has to this group is its 3% holding of IGM Financial (formerly called Investors Group).

Although we have believed for some time that the demand environment and, in particular, the outlook for growth in demand for a number of Nortel's key products has improved substantially, we have not invested in Nortel because we have found it difficult to make sense of all the accounting issues surrounding the company. Instead, the Fund is indirectly exposed to the positive fundamentals in the networking sector through the North Growth US Equity Fund's holdings of Cisco Systems. Nortel created the mess it is in through its attempt to emulate Cisco in the late 90's. Until there is a lot more clarity in Nortel's accounting we will be content with owning Cisco as the top quality name in the sector.

Ongoing evidence of weaker than expected domestic demand spurred the Bank of Canada to reduce its target for the overnight rate by 0.25% to 2%. This is the third 25 basis point rate cut this year and the fifth since the Bank of Canada started to ease last July. The short term yield premium of Canadian rates has effectively been reduced from 225 basis points to 100 basis points. The reduced premium versus US rates provides additional stimulus to the Canadian economy as it has caused the Canadian dollar to depreciate by over 8% from its January highs. We anticipate that the combination of lower interest rates, a lower Canadian dollar and the strong growth of our primary trading partners should result in a strong second half for the Canadian economy and we would be surprised to see further interest rate cuts this year.

We believe the improving macro economic situation provides a positive backdrop for corporate earnings growth. The key to our success in this environment will, as always, be the selection of individual stocks that fit our growth at a reasonable price philosophy.

Yours truly,

Rory North

PERFORMANCE COMPARISONS: SHORT-TERM

	<i>Year to April 30, 04</i>	<i>Six months to April 30, 04</i>	<i>Three months to April 30, 04</i>	<i>Month of April 04</i>
North Growth CDN Equity Fund \$CDN	3.41%	10.69%	-0.63%	0.61%
S&P TSX \$CDN	0.78%	6.97%	-2.86%	-3.89%
70% TSX / 30% S&P 500 \$CDN	2.36%	8.10%	-1.43%	-1.82%
North Growth US Equity Fund \$CDN	1.66%	6.88%	-0.45%	0.44%
S&P 500 \$CDN	5.93%	10.59%	1.80%	2.99%

PERFORMANCE COMPARISONS: LONG-TERM

	<i>1 Year</i>	<i>2 Years</i>	<i>3 Years</i>	<i>Since NGM Takeover*</i>
North Growth CDN Equity Fund \$CDN	26.95%	4.08%	5.71%	26.95%
S&P TSX \$CDN	27.40%	5.68%	3.06%	27.40%
70% TSX / 30% S&P 500 \$CDN	24.58%	3.02%	0.39%	24.58%
North Growth US Equity Fund \$CDN	31.27%	11.73%	9.97%	31.27%
S&P 500 \$CDN	17.62%	-3.47%	-5.98%	17.62%

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

RETURN SINCE INCEPTION (ANNUALIZED), SEPTEMBER 1, 2000 - APRIL 30, 2004 **7.62%**

NAVPS: APRIL 30/04 **\$ 12.79** **CDN**

TOTAL ASSETS IN FUND **\$ 16.92** **MILLION CDN**

CANADIAN MONEY MARKET FUND
NET CURRENT YIELD AS OF APRIL 30, 2004
1.87%