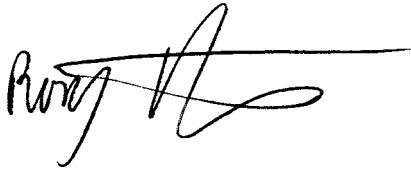


The S&P/TSX Composite Index delivered strong performance during July, rising 5.3% for the month to bring its year-to-date gains to 13.8%. Again, energy and financials drove the market forward and again the North Growth Canadian Equity Fund did not keep pace. The Fund gained 1.7% for the month leaving the year-to-date return at only 2.1%. While the Fund's recent investment returns are not satisfactory, I continue to believe that the portfolio is fundamentally undervalued and should deliver significantly improved results.

Yours truly,



Rory North

SHORT TERM RATES OF RETURN FOR PERIODS ENDING JULY 31, 2005

	1 Month	3 Months	6 Months	YTD
North Growth Canadian Equity Fund	1.71%	6.98%	1.97%	2.07%
S&P / TSX \$CDN	5.31%	11.74%	14.29%	13.84%
North Growth US Equity Fund \$CDN	4.37%	9.03%	8.46%	11.30%
S&P 500 \$CDN	3.61%	4.24%	4.00%	4.77%

ANNUALIZED RATES OF RETURN FOR PERIODS ENDING JULY 31, 2005

	1 Year	2 Years	3 Years	4 Years	Since Inception
North Growth Canadian Equity Fund	7.31%	9.43%	5.93%	4.51%	6.48%
S&P / TSX \$CDN	25.47%	21.97%	18.59%	9.86%	0.17%
North Growth US Equity Fund \$CDN	19.38%	13.59%	17.07%	10.37%	17.04%
S&P 500 \$CDN	5.01%	6.05%	3.37%	-3.39%	10.95%

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: July 31, 2005 \$ 13.16 CDN

Total Assets in Fund \$ 21.8 Million CDN

North Growth Canadian Money Market Fund**Net Current Yield****2.25%**