

# Polaris

Global Value Fund

April 23, 2007

Dear Fellow Shareholder,



The Polaris Global Value Fund (the “Fund”) provided a total return of 4.35% during the first quarter of 2007, outpacing the benchmark MSCI World (net) Index (“MSCI World, net”) that advanced 2.50%. The MSCI Europe, Australasia, Far East (EAFE) Index gained 4.15%, while the MSCI USA Index performed less well, returning 1.03%. The Fund’s current strategy of deemphasizing the U.S. in favor of more undervalued markets worldwide enhanced the quarter’s return.

On March 21, the Fund was awarded the 2007 Lipper Fund Award in the Global Multi-Cap Value Equity classification – marking the third year in a row to receive this prestigious award. The Fund was measured against 13 category peers for the three-year period ended December 31, 2006. Lipper presents the award each calendar year to one fund in each category that has achieved a strong trend of risk-adjusted returns relative to other funds in its category.

The following table summarizes the Fund’s performance for various time periods. The Fund continues to maintain a satisfactory performance margin over its benchmark for the inception-to-date (7/31/89), 1-, 3-, 5-, 10- and 15-year time periods. The Fund’s inception-to-date performance has exceeded benchmark returns with lower market risk, as measured by the beta statistic of 0.80 (volatility measurement relative to the MSCI World Index).

	2007		As of March 31, 2007					ITD
	YTD	Q1	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	
<b>Polaris Global Value Fund</b>	<b>4.35%</b>	<b>4.35%</b>	<b>18.58%</b>	<b>18.05%</b>	<b>18.11%</b>	<b>13.60%</b>	<b>14.72%</b>	<b>12.74%</b>
MSCI World Index, net dividends reinvested	2.50%	2.50%	15.44%	14.63%	10.44%	7.88%	9.49%	7.61%

*Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (888) 263-5594 or visit the Fund’s website at [www.polarisfund.com](http://www.polarisfund.com). As stated in the current prospectus, the Fund’s annual operating expense ratio (gross) is 1.30%. Quarter end expense ratio is 1.19%, this ratio is based on amounts incurred during the most recent quarter, divided by the average assets for the period, multiplied by 365 and divided by the number of days in the quarter. Shares redeemed or exchanged within 180 days of purchase will be charged a 1.00% fee. Fund performance shown for periods of 180 days or less does not reflect this fee; otherwise, if reflected, these returns would have been lower. Returns greater than 1 year are annualized. See page 4 for additional disclosure.*

## FIRST QUARTER 2007 PERFORMANCE ANALYSIS:

The Fund's positive quarterly return can be attributed to a broad number of holdings worldwide. Highlights included satisfactory performance in Australia, Japan, Scandinavia, South Africa, Continental Europe, and the U.S. The Fund's U.S. holdings advanced for the quarter, even though the broad U.S. market remained flat. Less favorable results were experienced in geographies including Canada, Korea and the United Kingdom.

Within economic sectors, the Fund enjoyed noteworthy success in the Industrial sector. A diverse group of holdings involved in freight handling equipment and construction enhanced results. In addition, merger related activity positively affected two U.S. companies, Central Parking and Mac-Gray Corp. The Fund enjoyed contributions from the Utilities sector, including outstanding performance by Florida-based FPL and two Japanese electric companies.

The Technology sector was a laggard in the portfolio with sub-par performance coming from Korean electronics and telecommunications companies. U.S. Financial sector holdings were not fundamentally affected by sub-prime lending issues, as the Fund's financial institution investments did not engage in this narrow market segment. Nevertheless, Financials underperformed slightly, reflecting concerns about sub-prime lending and generally high valuations. Offsetting this sector decline, the Dutch bank ABN Amro showed strong returns, backed by acquisition interest by two other large banks. Finally, several of the Fund's normally strong U.K. homebuilders exhibited some weakness. However, George Wimpey was one of the Fund's top quarterly performers, due to its announced merger with another U.K. builder, Taylor Woodrow.

## FIRST QUARTER 2007 ASSET ALLOCATION:

The portfolio remained underweight in the U.S. and overweight in Japan, Scandinavia and emerging markets. The U.S. market offers less value than the rest of the world in the Fund manager's research process; however, the valuation disparity has narrowed in recent months.

Several new investments were made in the Fund during the quarter. A commitment was made to the Bank of Ireland, a \$231 billion bank with operations primarily in Ireland and the United Kingdom. Ireland boasts a growing economy with very low penetration rates of consumer financial services. The bank, selling at an attractive valuation, is well positioned to benefit from the expansion of its services.

In addition, a new investment was made in a packaging company that produces paper, paper board, cardboard boxes and other packaging. This investment is likely to benefit from what Fund management believes will be the enduring expansion of world trade and a consolidation among packaging suppliers.

The Fund's position in Repsol, a Spanish energy company with operations in Argentina and Venezuela, was sold during the quarter. Price controls in Argentina and political risks in Venezuela and elsewhere in South America motivated this sale.

Finally, the position in Peugeot was liquidated due to deterioration in the company's cash flow. The company's costs have become too high, and the new model line-up is insufficient to generate adequate incremental cash flow.

Among sectors, the Fund maintained a healthy exposure to Materials, Industrials, Consumer Discretionary, and Financials. Energy and Health Care remain underweight based on valuation concerns.

The following table shows the Fund's asset allocation at March 31, 2007.

	Polaris Global Value Fund Asset Allocation													
	World Market Weighting	Portfolio Weighting	Energy	Utilities	Materials	Industrials	Consumer Discretionary	Consumer Staples	Health Care	Financials	Information Technology	Telecom. Services	Other	Cash
N. America	51.37%	33.58%	1.34%	1.29%	3.76%	9.19%	1.33%	0.00%	2.56%	12.81%	0.00%	1.31%	0.00%	0.00%
Japan	10.94%	12.91%	0.00%	2.55%	2.62%	3.81%	0.00%	2.61%	0.00%	0.00%	0.00%	1.33%	0.00%	0.00%
Other Asia	4.29%	5.34%	0.00%	0.00%	1.69%	0.00%	0.00%	0.00%	0.00%	0.00%	2.45%	1.20%	0.00%	0.00%
Europe	30.51%	25.27%	0.00%	0.00%	4.13%	2.76%	9.19%	1.40%	0.00%	6.47%	0.00%	1.32%	0.00%	0.00%
Scandinavia	2.88%	13.65%	0.00%	0.00%	2.77%	6.50%	0.83%	0.92%	0.00%	2.62%	0.00%	0.00%	0.00%	0.00%
Africa & S. America	0.00%	5.42%	1.47%	0.00%	3.96%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash	0.00%	3.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.83%
Industry Totals		100.00%	2.81%	3.84%	18.92%	22.26%	11.35%	4.93%	2.56%	21.90%	2.45%	5.16%	0.00%	3.83%
Market Weighting	100.00%		8.97%	4.51%	6.31%	10.92%	11.43%	8.34%	8.91%	25.89%	10.15%	4.57%	0.00%	0.00%

Table may not foot due to rounding.

#### INVESTMENT ENVIRONMENT AND INVESTMENT STRATEGY:

The Fund management's research process consistently stresses the disciplined effort to identify well-established companies worldwide, with strong cash flows, selling at attractive prices. Substantial liquidity now in the hands of private equity funds seeks to make similar investments and consequently, many portfolio companies are acquisition targets. Such attention supports the stock prices of many portfolio investments and this phenomenon is expected to continue. However, private equity bids often fall short of full fair value and Fund management will continue to vote against mergers where full fair value is not offered.

Each month, Fund management performs screens and analyses that are designed to uncover cash rich companies. The process continues to identify good investments in Materials, Construction, Non-U.S. Financials, Oil Services and a variety of other sectors. We believe the Fund is well positioned to benefit from the expected strong demand for Materials, which are needed to facilitate growth of a healthy world economy.

We welcome your questions and comments.

Sincerely,



Bernard R. Horn, Jr.

Portfolio Manager

**The Fund invests in securities of foreign issuers, including issuers located in countries with emerging capital markets. Investments in such securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets.** Fund performance includes reinvestment of dividends and capital gains. During the period, some of the Fund’s fees were waived or expenses reimbursed. In the absence of these waivers and reimbursements, performance figures would be lower.

On June 1, 1998, a limited partnership managed by the adviser reorganized into the Fund. The predecessor limited partnership maintained an investment objective and investment policies that were, in all material respects, equivalent to those of the Fund. The Fund’s performance for the periods before June 1, 1998 is that of the limited partnership and includes the expenses of the limited partnership. If the limited partnership’s performance had been readjusted to reflect the second year expenses of the Fund, the Fund’s performance for all the periods would have been lower. The limited partnership was not registered under the Investment Company Act of 1940 (“1940 Act”) and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance.

*As of March 31, 2007, the Fund’s top 10 holdings and the percentages they represent in the Fund’s portfolio market value are as follows:*

<u>Issuer</u>	<u>Percentage of Market Value</u>
BHP Billiton, Ltd. (ADR & Common Stock)	1.68%
ABN AMRO Holding NV	1.52%
Yara International ASA	1.50%
Mac-Gray Corp.	1.50%
Andritz AG	1.47%
Sasol, Ltd.	1.46%
Impala Platinum Holdings	1.41%
YIT – Yhtyma Oyj	1.40%
Greencore Group Plc.	1.40%
George Wimpey Plc.	1.39%

The MSCI World, EAFE, and USA Indexes, net dividends reinvested (“MSCI World, net”) measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI World, net is unmanaged and does include the reinvestment of dividends, net of withholding taxes. The MSCI World, EAFE, Europe and USA Indexes measure the performance of stock markets in these geographic areas including reinvestment of gross dividends. 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 or an average.

The views in this report were those of the Fund manager as of March 31, 2007, and may not reflect the views of the manager on the date this letter is second published or anytime thereafter. These views are intended to assist shareholders of the Fund in understanding their investment and do not constitute investment advice. This letter must be preceded or accompanied by a current Fund prospectus. Foreside Fund Services, LLC, is the Fund’s Distributor.

The Fund's annual performance is as follows:

Historical Calendar Year Annual Returns (years ended December 31)

	Polaris Global Value	MSCI World
2006	24.57%	20.07%
2005	10.52%	9.49%
2004	23.63%	14.72%
2003	47.06%	33.11%
2002	3.82%	-19.89%
2001	2.21%	-16.82%
2000	-5.82%	-13.18%
1999	16.50%	24.93%
1998	-8.85%	24.34%
1997	34.56%	15.76%
1996	23.32%	13.48%
1995	31.81%	20.72%
1994	-2.78%	5.08%
1993	25.71%	22.50%
1992	9.78%	-5.23%
1991	17.18%	18.28%
1990	-11.74%	-17.02%

# Polaris

Global Value Fund

July 12, 2007

Dear Fellow Shareholder,



The Polaris Global Value Fund (the “Fund”) advanced 2.02% in the second quarter of 2007, trailing the MSCI World (net) Index (“MSCI World, net”) which was up 6.51%. The MSCI USA Index advanced 6.13% in the quarter, slightly underperforming the MSCI Europe, Australasia, Far East Index (EAFE) that gained 6.67%

The Fund advanced 6.46% in the first six months of 2007, but lagged the MSCI World, net at 9.17%. The table below shows the Fund remains well ahead of the Index for the past 3, 5 and 10 years and since inception. The Fund’s inception-to-date performance has exceeded benchmark returns with lower market risk, as measured by the beta statistic, of 0.80 since Fund inception (volatility measurement relative to the MSCI World Index).

The following table summarizes total returns through June 30, 2007.

	2007			As of June 30, 2007					
	YTD	QII	QI	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	ITD
<b>Polaris Global Value Fund</b>	<b>6.46%</b>	<b>2.02%</b>	<b>4.35%</b>	<b>22.35%</b>	<b>18.66%</b>	<b>18.89%</b>	<b>11.73%</b>	<b>14.54%</b>	<b>12.68%</b>
MSCI World Index, net dividends reinvested	9.17%	6.51%	2.50%	23.59%	16.73%	14.00%	7.05%	9.82%	7.87%

*Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (888) 263-5594 or visit the Fund's website at [www.polarisfund.com](http://www.polarisfund.com). As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.23%. Shares redeemed or exchanged within 180 days of purchase will be charged a 1.00% fee. Fund performance shown for periods of 180 days or less does not reflect this fee; otherwise, if reflected, these returns would have been lower. Returns greater than 1 year are annualized. See page 5 for additional disclosure.*

*The Fund was awarded the 2007 Lipper Fund Award in the Global Multi-Cap Value Equity classification – marking the third year in a row to receive this prestigious award. The Fund was measured against 13 category peers for the three-year period ended December 31, 2006. Lipper presents the award each calendar year to one fund in each category that has achieved a strong trend of risk-adjusted returns relative to other funds in its category.*

## SECOND QUARTER PERFORMANCE ANALYSIS:

The Fund's performance lagged the benchmark in a quarter as the U.S. market slightly underperformed the international averages. With fewer attractive value opportunities in the U.S., the Fund limited U.S. country investments to 34% of the portfolio; U.S. stocks comprised 48% of the MSCI World Index. It is important to note, however, that the Fund produced overall positive returns for the quarter.

The weak performance of a number of segments of the portfolio was generally related to investor nervousness that spread from the U.S. sub-prime lending sector causing higher interest rates in the U.S. and concerns about other less related sectors and geographies. UK interest rates are increased at this writing and the Japanese Yen unexpectedly weakened during the quarter. Each event affected the stock prices of portfolio companies negatively. This negative market reaction is inconsistent with the improving and positive business outlook for the Fund's portfolio companies. In many ways, the second quarter of 2007 is reminiscent of 2006 when investor pessimism resulted in negative investment returns in the second quarter of 2006 and portfolio results lagged throughout the third quarter while the business results of portfolio companies grew better throughout the year. It was not until the fourth quarter of 2006 when continued strong company results could no longer be ignored by investors and portfolio results in the fourth quarter improved dramatically and broadly. The stock price weakness in 2007 is similar in that company fundamentals are good and appear to be getting better as the year progresses.

Current investments span 19 countries and a wide variety of industries. Geographically, the Fund experienced gains in a number of countries including South Africa (+10%), France (+12%), Finland (+6%), Australia (+23%), Ireland (+6%) and South Korea (+5%). These returns were partially offset by declines in 3 countries that represented the Fund's largest weightings, namely Britain, Japan and the U.S. which declined 9%, 4%, and less than 1% respectively. Materials and Industrials sectors contributed most to performance: these two sectors each represented 21% of the portfolio and are two of the Fund's larger concentrations. The Fund was underweight in the Energy sector which was the overall top performing sector within the index. Financials, the Fund's largest weighting, at 22% of the Fund, declined 3% in the quarter due to U.S. banks that declined in sympathy with sub-prime losses. Three other sectors also declined, namely Utilities, Consumer Discretionary (primarily British Homebuilders), and Health Care (-11%, -2%, and -3% respectively).

Strong performance in Materials, Industrials, and Energy sectors was reflected in geographic results. In South Africa, paper manufacturer Sappi and energy company Sasol helped put South Africa as the most important country contribution to second quarter results. Diversified miner BHP topped individual company performance. The strong demand for materials and industrial goods needed to facilitate growth of a healthy world economy remains evident in results of the Fund's holdings in these sectors. Minerals processor Imerys posted strong returns during the quarter as did U.S. based Praxair and the Irish aggregate and materials company CRH. Cement company Cemex, continues to grow through its acquisition of Rinker, an international construction materials company that will add to its developed-country geographic diversification. Other major contributors in the Materials sector included a Canadian methanol producer and a Norwegian fertilizer company

In the Industrial sector, portfolio stalwart, Finland-based KCI Konecranes, a crane company offering materials handling and lifting equipment, advanced 25% for the quarter. The company continues to benefit from growing demand for port modernization and shipping activities. Although U.S. holdings were down on average, Industrial companies Toro and Ametek were strong performers. Other Industrial companies with good performance included a construction materials company St. Gobain (France), Japanese logistics and shipping companies Nippon Yusen and Iino Kauin. Interest rate concerns negatively affected Finnish construction company YIT and electrical equipment wholesaler Wesco International.

A number of Consumer Staples stocks, including a Norwegian seafood company and an Irish food supplier, added materially to the Fund's quarterly advances. Also making gains were Telecommunications companies, including South Korea's SK Telecom Co., Portugal Telecom and U.S.-based Verizon Communications. Highlights in the Energy sector also included a strong performance from U.S.-based Marathon Oil.

In the U.S., investors focused on higher default rates in the sub-prime lending market that pushed interest rates up resulting in slower mortgage market activity. While the Fund's U.S. bank investments have limited or no exposure to sub-prime lending, the banking industry experienced falling stock prices. This component of the portfolio held back second quarter results. The interest rate yield curve steepened slightly and should help banks to earn higher spreads.

Higher U.S. interest rates and stronger economic growth in Europe motivated the Bank of England to raise UK interest rates. In a typical reaction to higher interest rates, British homebuilding stocks traded lower on the news and also detracted from quarterly results. Although investor sentiment was negative, takeover activity increased in the sector. Crest Nicholson completed its privatization transaction and George Wimpey was completing its merger with Taylor Woodrow at the quarter ended. Housing activity in England remains satisfactory.

Detracting from performance in the quarter were Japanese domestic stocks, which proved among the stronger performers in 2006 and early 2007. Holdings in Japan were affected by a weaker yen, which raised the concern that import costs of energy, commodities, and other costs may increase for companies that sell to domestic consumers and thus affect margins. However, the company results of our holdings in Japan continue to improve.

#### SIX-MONTH PERFORMANCE ANALYSIS:

The Fund's year to date performance has remained positive. However, the second quarter underperformance relative to the benchmark took back the strong outperformance seen in the first quarter.

For the first half of the year, the Fund's results were broad based; no dominant industry or country generated the most substantial advance. Strength among Scandinavian crane builders and freight handling, Japanese shippers/distributors, South African resources and U.S. oil and gas companies positively affected the Fund. Continental Europe holdings proved steadfast performance contributors.

We have witnessed substantial merger and acquisition activity in the past six months, backed by vast global liquidity in the hands of both strategic acquirers and private equity buyers. Four of our holdings were subject to buyouts; two more acquisitions are currently underway. Proceeds from these sales have allowed us to invest in new ideas.

British homebuilders, which had been a steady source of strength in recent years, experienced difficulties in the first half of this year. The volatile U.S. housing market, marked by collapsed real estate-related hedge funds and slowing home sales, caused reverberations throughout the entire sector – regardless of country or individual company fundamentals.

#### SECOND QUARTER ASSET ALLOCATION:

The portfolio remained underweight in the U.S. and continental Europe but overweight Scandinavia and emerging markets. The Polaris research process continues to identify attractive values overseas. During the second quarter, the Fund made a commitment to Depfa, a provider of financial services to public sector clients worldwide. In addition, an investment was made in a French company engaged in engineering and construction services in the field of hydrocarbons and petrochemicals. Year-to-Date, eight companies have been sold or acquired in merger and acquisition activity and several current holdings are subject to additional bids or mergers.

The Fund maintains a healthy exposure to the Industrials, Materials, Financials and Consumer Discretionary sectors and is underweight Health Care and Information Technology.

The following table shows the Fund's asset allocation at June 30, 2007.

	Polaris Global Value Fund Asset Allocation													
	World Market Weighting	Portfolio Weighting	Energy	Utilities	Materials	Industrials	Consumer Discretion'y	Consumer Staples	Health Care	Financials	Information Technology	Telecom. Services	Other	Cash
N. America	51.61%	36.64%	2.14%	1.85%	5.20%	8.32%	1.66%	0.00%	3.21%	12.13%	0.00%	2.12%	0.00%	0.00%
Japan	10.25%	12.78%	0.00%	2.58%	2.69%	3.86%	0.00%	2.48%	0.00%	0.00%	0.00%	1.17%	0.00%	0.00%
Other Asia	4.43%	4.68%	0.00%	0.00%	1.85%	0.00%	0.00%	0.00%	0.00%	0.00%	1.37%	1.46%	0.00%	0.00%
Europe	30.76%	26.70%	1.38%	0.00%	5.11%	2.69%	7.08%	1.54%	0.00%	7.70%	0.00%	1.20%	0.00%	0.00%
Scandinavia	2.96%	13.10%	0.00%	0.00%	2.72%	6.21%	1.29%	0.45%	0.00%	2.43%	0.00%	0.00%	0.00%	0.00%
Africa & S. America	0.00%	5.27%	1.46%	0.00%	3.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash	0.00%	0.82%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.82%
Industry Totals		100.00%	4.98%	4.43%	21.38%	21.08%	10.03%	4.47%	3.21%	22.27%	1.37%	5.96%	0.00%	0.82%
Market Weighting	100.00%		9.73%	4.31%	6.73%	11.32%	11.14%	7.98%	8.54%	25.07%	10.55%	4.63%	0.00%	0.00%

### INVESTMENT ENVIRONMENT AND STRATEGY:

Interest rate volatility led to equity market volatility in the second quarter of 2007, reminiscent of the May-June period in 2006. Holdings declined across many countries and industries – a reaction based on macro-economic concerns that had little to do with individual company fundamentals.

Determining the strength of individual company fundamentals is at the core of Polaris' research process. During second quarter travels, our research team visited portfolio companies and potential investments in Norway, Romania, Poland, Germany, China and Japan. Local research, in combination with management meetings, reaffirmed the view that the Fund's holdings continue to report strong fundamental results with many companies indicating strong growth for the rest of 2007.

Recent trips also unearthed new investments that are exhibiting strong cash flow at reasonable prices. We expect to make new investments in the coming months. One note of caution: The U.S. market is still significantly overvalued, with a price-to-cash-earnings multiple (P/CE) of about 12.3. In a new development, the P/CE ratio of non-U.S. equities increased to 10.4 at quarter end therefore the valuation disparity is narrowing. This gives us concern and the portfolio actions during the quarter involved selling positions that represent less than compelling values and investments were made in companies with defensive qualities and better growth prospects. We expect this portfolio strategy to continue in the next quarters. We welcome your questions and comments.

Sincerely,



Bernard R. Horn, Jr.  
Portfolio Manager

**The Fund invests in securities of foreign issuers, including issuers located in countries with emerging capital markets. Investments in such securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets.** Fund performance includes reinvestment of dividends and capital gains. During the period, some of the Fund's fees were waived or expenses reimbursed. In the absence of these waivers and reimbursements, performance figures would be lower.

On June 1, 1998, a limited partnership managed by the adviser reorganized into the Fund. The predecessor limited partnership maintained an investment objective and investment policies that were, in all material respects, equivalent to those of the Fund. The Fund's performance for the periods before June 1, 1998 is that of the limited partnership and includes the expenses of the limited partnership. If the limited partnership's performance had been readjusted to reflect the second year expenses of the Fund, the Fund's performance for all the periods would have been lower. The limited partnership was not registered under the Investment Company Act of 1940 ("1940 Act") and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance.

The MSCI World, EAFE, and USA Indexes, net dividends reinvested ("MSCI World, net") measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI World, net is unmanaged and does include the reinvestment of dividends, net of withholding taxes. One cannot invest directly in an index or an average.

The views in this report were those of the Fund manager as of June 30, 2007, and may not reflect the views of the manager on the date this letter is second published or anytime thereafter. These views are intended to assist shareholders of the Fund in understanding their investment and do not constitute investment advice. This letter must be preceded or accompanied by a current Fund prospectus. Foreside Fund Services, LLC, is the Fund's Distributor.

The Fund's annual performance is as follows:

Historical Calendar Year Annual Returns (years ended December 31)

	<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>		<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>
2006	24.57%	20.07%	1997	34.56%	15.76%
2005	10.52%	9.49%	1996	23.32%	13.48%
2004	23.63%	14.72%	1995	31.81%	20.72%
2003	47.06%	33.11%	1994	-2.78%	5.08%
2002	3.82%	-19.89%	1993	25.71%	22.50%
2001	2.21%	-16.82%	1992	9.78%	-5.23%
2000	-5.82%	-13.18%	1991	17.18%	18.28%
1999	16.50%	24.93%	1990	-11.74%	-17.02%
1998	-8.85%	24.34%			

# Polaris

Global Value Fund

October 10, 2007

Dear Fellow Shareholder,



The Polaris Global Value Fund (the “Fund”) declined 2.63% during the third quarter of 2007, trailing the benchmark, MSCI World (net) Index (“MSCI World, net”) that advanced 2.36%. The MSCI Europe, Australasia, Far East (EAFE) Index gained 2.23%, while the MSCI USA Index returned 2.11%.

The table below shows that the Fund remains ahead of the Index for the past 5, 10, and 15 years and since inception. The Fund’s inception-to-date performance has exceeded benchmark returns with lower market risk, as measured by the beta statistic of 0.79 since Fund’s inception (volatility measurement relative to the MSCI World Index).

The following table summarizes total returns through September 30, 2007.

	2007				As of September 30, 2007					
	YTD	QIII	QII	QI	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	ITD
<b>Polaris Global Value Fund</b>	<b>3.65%</b>	<b>-2.63%</b>	<b>2.02%</b>	<b>4.35%</b>	<b>15.70%</b>	<b>17.13%</b>	<b>22.57%</b>	<b>9.92%</b>	<b>14.69%</b>	<b>12.32%</b>
MSCI World Index, net dividends reinvested	11.74%	2.36%	6.51%	2.50%	21.09%	18.03%	19.28%	6.99%	9.87%	7.90%

*Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (888) 263-5594 or visit the Fund's website at [www.polarisfund.com](http://www.polarisfund.com). As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.23%. Quarter end expense ratio is 1.18%, this ratio is based on amounts incurred during the most recent quarter, divided by the average assets for the period, multiplied by 365 and divided by the number of days in the quarter. Shares redeemed or exchanged within 180 days of purchase will be charged a 1.00% fee. Fund performance shown for periods of 180 days or less does not reflect this fee; otherwise, if reflected, these returns would have been lower. Returns greater than 1 year are annualized. See page 5 for additional disclosure.*

*The Fund was awarded the 2007 Lipper Fund Award in the Global Multi-Cap Value Equity classification – marking the third year in a row to receive this prestigious award. The Fund was measured against 13 category peers for the three-year period ended December 31, 2006. Lipper presents the award each calendar year to one fund in each category that has achieved a strong trend of risk-adjusted returns relative to other funds in its category.*

### THIRD QUARTER MARKET VOLATILITY AND PERFORMANCE ANALYSIS:

The Fund's performance remains positive for the year (as of 9/30/07), albeit below the benchmark. After benchmark-beating performance in the first quarter of 2007, the subsequent six months have proven difficult.

The current year has been referenced as one of the most volatile periods in recent stock market history – with both domestic and international markets experiencing rallies one week and negative returns the next. Investors are bombarded with stories about foreclosure rates, subprime lending issues, inflation questions and much more – leading to panicked selling.

The Fund's management, however, remains true to its strict multi-cap global value discipline in the face of irrational markets. The Fund's multi-cap strategy has been a competitive advantage for more than two decades, as it provides flexibility to move across sectors and countries to seek undervalued investment opportunities. In the past, the strategy has allowed the manager to outperform even in certain growth-oriented markets.

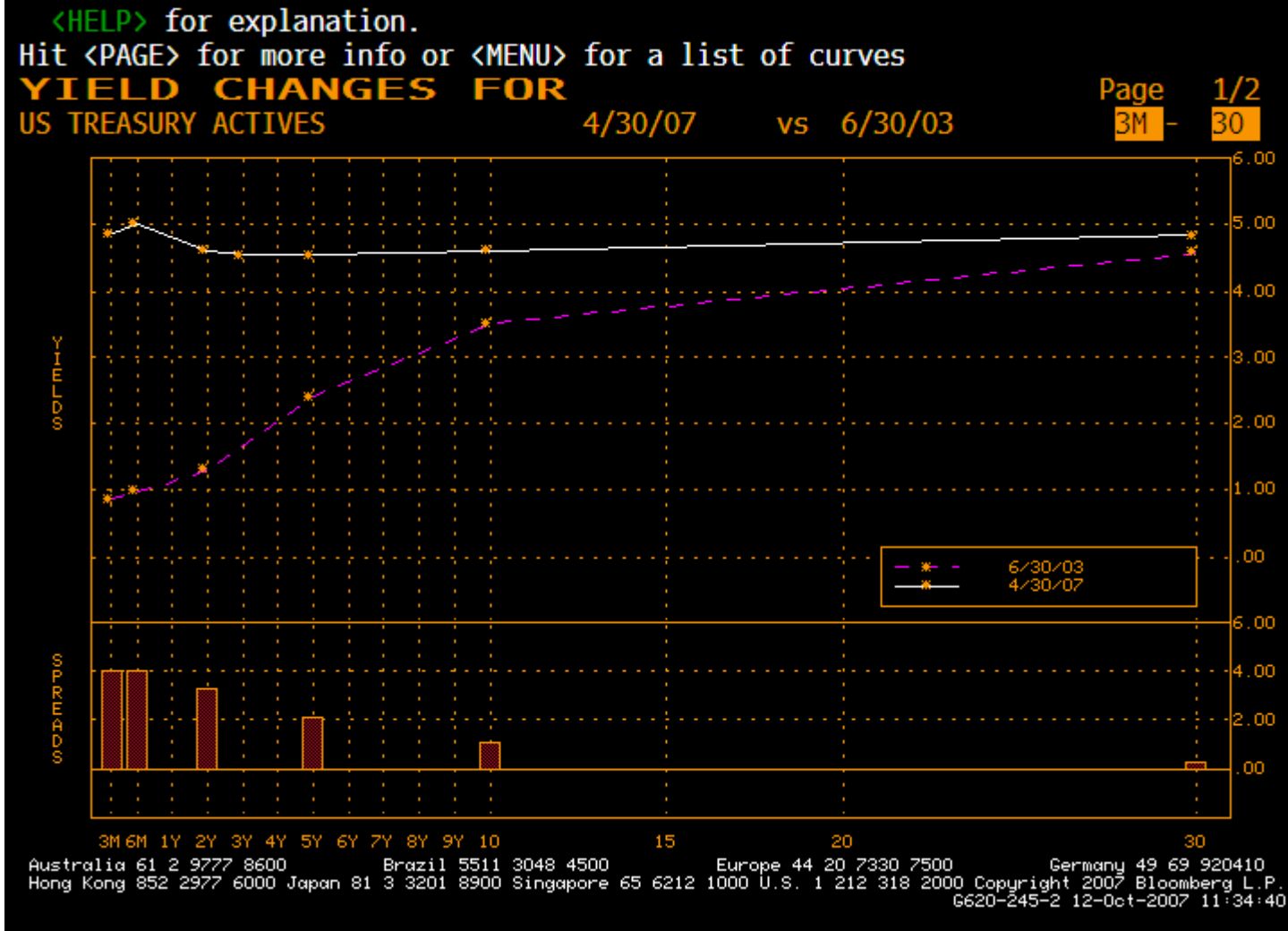
However, the strategy is not superior in every market environment. In 2007, it is noteworthy that multi-cap portfolios are underperforming mega cap portfolios, as is typical in periods of market panic. When investors are nervous they often sell smaller companies and buy the biggest companies. In addition, growth stocks performed better than value stocks in 2007. The following table illustrates these points:

<u>MSCI World (net) Index</u>				
<u>By Size:</u>	<u>Q3 07</u>	<u>By Style</u>	<u>Q3 07</u>	<u>2007 YTD</u>
Large Core	3.03%	Growth	4.41%	14.93%
Mid Core	-0.68%	Value	0.30%	8.59%
Small Core	-4.14%			

Credit tightening negatively affected a swath of industries/sectors – basically any company that could remotely be impacted by the recent credit crisis. Current market conditions stem from Federal Reserve monetary policies of June 2003, when the Fed Funds rate was at an historical low of 1%. This interest rate level was lower than inflation, so a borrower's interest cost was negative after inflation. At the same time, longer term interest rates were over 4%. This spread in the yield curve during 2003 is shown as the bottom line in the chart on page 3.

A confluence of events, dating back four years, is contributing to today's housing market crisis. The negative short-term real interest rates in 2003 stimulated tremendous borrowing to purchase real estate. Other investors, who wanted to stretch for higher yields, started lending to sub-prime borrowers. But as those 2005-2006 loans began repricing upward in the ensuing years, default rates increased.

Furthermore, if we look back at the 2003 heyday of negative real interest rates, aggressive investors borrowed at low short-term rates and invested in longer term assets at much higher rates. This investment strategy of borrowing short and lending long worked well until the Federal Reserve stopped increasing the target rate at 5.25% in June 2006. In April 2007, the yield curve was actually inverted as can be seen in the top line in the following chart.



Used with permission of Bloomberg LP

Real estate speculators, aggressive investors and financial institutions engaging in the “borrow short/lend long” strategy began to experience negative returns in early 2007. This “failed business model” premise trickled into other industries that had little or nothing to do with this issue. Therefore, even though the Fund’s bank holdings had little to no exposure to the sub-prime problems, their stocks declined in sympathy with the rest of the banking industry. This sector was responsible for the largest negative performance in the Fund during the quarter.

The “failed business model” reappeared in the UK, culminating with a run on Northern Rock Bank. This proved detrimental to the entire UK market, especially residential homebuilders, as investors became concerned about the availability of mortgage money. At the end of the quarter, however, British homebuilders showed signs of a recovery. A U.S.-based electrical wholesaler was negatively affected under the same homebuilding weakness premise. Even though the company sells mainly to commercial buildings and utilities, it fell in line with the rest of the industry. Capitalizing on this lowered valuation, the company concluded a 20% buyback and announced the repurchase of another 20%.

The Materials sector was also affected negatively but there were some excellent performances from perennial growth driver, BHP Billiton, as well as Impala Platinum and Metorex. Praxair was another top performer.

Industrial stocks, mainly shipping companies, experienced strong returns backed by increasing world trade demands. Despite difficulties in the Financials sector, the Fund benefited from a few bright spots – namely the stock price gains stemming from the pending acquisitions of Depfa Bank and ABN-Amro.

Our Energy investments, including Technip, an engineering services company for energy and petrochemical industries, and Sasol, a diversified fuel, chemical, and related manufacturing company, both contributed positively to the quarter's returns. As sources of oil become more difficult to find, and more expensive to drill, companies involved in oil or alternative energy sources will continue to gain traction.

Samsung Electronics proved a particularly strong performer this quarter, backed by developments in various business divisions ranging from hand sets to LCD screens. Both volumes and average selling prices have stabilized or increased in many of Samsung's commodity-driven business lines.

In the U.S., Verizon Communications performed well, as the company gained market share and customers for its triple-play telecommunication service. Verizon is beginning to reap the rewards following the significant capital expenditures of laying optical fibers for this service.

While the Fund's performance was below our expectations, the valuations of the Fund's investments are quite compelling. Fund management has taken advantage of sharp declines to purchase new investments.

### THIRD QUARTER ASSET ALLOCATION:

The portfolio remained underweight in the U.S. and overweight in Japan, Scandinavia and South Africa. The Fund management team continues to find better values overseas, as the U.S. stock market still appears overpriced.

We reduced holdings in some European stocks to make new investments in European Financials and an Asian oil refinery. A commitment was made to Anglo Irish Bank Corporation, a banking company that provides business banking, corporate lending, savings and personal accounts, treasury services, and wealth management. This investment follows in the footsteps of our Irish bank investment, Depfa Bank, which occurred earlier in the second quarter. During the third quarter, the acquisitions of Depfa Bank and ABN-Amro neared completion, which proved beneficial to their stock prices.

Among sectors, the Fund maintained a healthy exposure to Materials, Financials and Industrials sectors. Information Technology and Energy remain underweight based on valuation concerns.

The following table shows the Fund's asset allocation at September 30, 2007.

World Market Weighting	Polaris Global Value Fund Asset Allocation													
	Portfolio Weighting	Energy	Utilities	Materials	Industrials	Consumer Discretion'y	Consumer Staples	Health Care	Financials	Information Technology	Telecom. Services	Other	Cash	
N. America	51.52%	33.99%	2.07%	1.51%	5.08%	6.76%	1.73%	0.00%	3.08%	12.39%	0.00%	1.37%	0.00%	0.00%
Japan	10.00%	13.70%	0.00%	2.62%	2.86%	4.19%	0.00%	2.68%	0.00%	0.00%	0.00%	1.36%	0.00%	0.00%
Other Asia	4.85%	5.65%	1.30%	0.00%	1.55%	0.00%	0.00%	0.00%	0.00%	0.00%	1.34%	1.46%	0.00%	0.00%
Europe	30.47%	26.49%	1.71%	0.00%	5.18%	2.79%	7.08%	1.27%	0.00%	8.45%	0.00%	0.00%	0.00%	0.00%
Scandinavia	3.17%	14.13%	0.00%	0.00%	3.17%	6.25%	1.34%	0.34%	0.00%	3.03%	0.00%	0.00%	0.00%	0.00%
Africa & S. America	0.00%	5.85%	1.34%	0.00%	4.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash	0.00%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%
Industry Totals	100.00%	6.43%	4.13%	22.34%	19.99%	10.15%	4.30%	3.08%	23.86%	1.34%	4.19%	0.00%	0.19%	
Market Weighting	100.00%	10.04%	4.34%	7.11%	11.43%	10.44%	8.21%	8.48%	24.06%	11.08%	4.82%	0.00%	0.00%	

Table may not cross foot due to rounding.

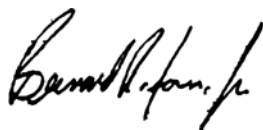
### INVESTMENT ENVIRONMENT AND STRATEGY:

Fund management continues its diligent on-the-ground research, meeting with management teams and local competitors to determine the strength of company fundamentals. These research activities indicate that business is quite good in spite of dropping stock prices. The disconnect between fundamentals and stock market valuations can be directly attributed to panic selling by investors.

Sectors of the portfolio experiencing continued declines such as U.K. homebuilders and U.S. regional banks seem to grossly exaggerate the near and long-term issues facing these companies. This market presents an unusually good buying opportunity for the Fund. We have been buying European Financials and Japanese small cap stocks, shifting monies to better performing sectors. We intend to continue taking advantage of these depressed valuations going forward. In making such investments now, the Fund is preparing for potential success when markets return to a focus on fundamentals.

We welcome your questions and comments.

Sincerely,



Bernard R. Horn, Jr.

Portfolio Manager

**The Fund invests in securities of foreign issuers, including issuers located in countries with emerging capital markets. Investments in such securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets.** Fund performance includes reinvestment of dividends and capital gains. During the period, some of the Fund's fees were waived or expenses reimbursed. In the absence of these waivers and reimbursements, performance figures would be lower.

On June 1, 1998, a limited partnership managed by the adviser reorganized into the Fund. The predecessor limited partnership maintained an investment objective and investment policies that were, in all material respects, equivalent to those of the Fund. The Fund's performance for the periods before June 1, 1998 is that of the limited partnership and includes the expenses of the limited partnership. If the limited partnership's performance had been readjusted to reflect the second year expenses of the Fund, the Fund's performance for all the periods would have been lower. The limited partnership was not registered under the Investment Company Act of 1940 ("1940 Act") and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance.

*As of September 30, 2007, the Fund's top 10 holdings and the percentages they represent in the Fund's portfolio market value are as follows:*

<u>Issuer</u>	<u>Percentage of Market Value</u>
Marathon Oil Corp.	2.07%
Praxair, Inc.	1.99%
Iino Kaiun Kaisha, Ltd.	1.84%
Yara International ASA	1.75%
Methanex Corp.	1.72%
Technip SA	1.71%
General Dynamics Corp.	1.71%
Wellpoint Inc.	1.70%
Kone OYJ, Class B	1.70%
Depfa Bank plc	1.70%

The MSCI World, EAFE, and USA Indexes, net dividends reinvested ("MSCI World, net") measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI World, net is unmanaged and does include the reinvestment of dividends, net of withholding taxes. One cannot invest directly in an index or an average.

The views in this report were those of the Fund manager as of September 30, 2007, and may not reflect the views of the manager on the date this letter is second published or anytime thereafter. These views are intended to assist shareholders of the Fund in understanding their investment and do not constitute investment advice. This letter must be preceded or accompanied by a current Fund prospectus. Foreside Fund Services, LLC, is the Fund's Distributor.

The Fund's annual performance is as follows:

Historical Calendar Year Annual Returns (years ended December 31)

	<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>		<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>
2006	24.57%	20.07%	1997	34.55%	15.76%
2005	10.52%	9.49%	1996	23.34%	13.48%
2004	23.63%	14.72%	1995	31.82%	20.72%
2003	47.06%	33.11%	1994	-2.78%	5.08%
2002	3.82%	-19.89%	1993	25.70%	22.50%
2001	2.21%	-16.82%	1992	9.78%	-5.23%
2000	-5.82%	-13.18%	1991	17.18%	18.28%
1999	16.50%	24.93%	1990	-11.74%	-17.02%
1998	-8.85%	24.34%			

# Polaris

## Global Value Fund

January 9, 2008

Dear Fellow Shareholder,



The Polaris Global Value Fund (the “Fund”) returned -7.35% during the fourth quarter of 2007, trailing the benchmark, MSCI World (net) Index (“MSCI World, net”) that declined to -2.42%. For the year ended December 31, 2007, the Fund’s total return was -3.97%, while the MSCI World, net advanced 9.04%.

We were disappointed by the Fund’s underperformance for the year. Fund management remains confident that the portfolio will produce admirable returns over the coming three- to five-year investment horizon and that the research process will continue to generate good investment ideas.

The table below shows that the Fund’s inception-to-date performance has exceeded benchmark returns with lower market risk, as measured by the beta statistic of 0.80 since the Fund’s inception (volatility measurement relative to the MSCI World Index).

The following table summarizes total returns through December 31, 2007.

	2007					As of December 31, 2007					
	YTD	QIV	QIII	QII	QI	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	ITD
<b>Polaris Global Value Fund</b>	-3.97%	-7.35%	-2.63%	2.02%	4.35%	-3.97%	9.76%	19.17%	9.82%	13.65%	11.68%
MSCI World Index, net dividends reinvested	9.04%	-2.42%	2.36%	6.51%	2.50%	9.04%	12.75%	16.96%	7.00%	9.71%	7.64%

PLEASE NOTE: Data tables in some sections of the quarterly report have been eliminated, allowing Fund management to further elaborate on quarter- and year-end performance and analytics. All data tables will be available for review in the Fund’s Annual Report, published and distributed in early February.

*Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (888) 263-5594 or visit the Fund's website at [www.polarisfund.com](http://www.polarisfund.com). As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.23%. Quarter end expense ratio is 1.21%, this ratio is based on amounts incurred during the most recent quarter, divided by the average assets for the period, multiplied by 365 and divided by the number of days in the quarter. Shares redeemed or exchanged within 180 days of purchase will be charged a 1.00% fee. Fund performance shown for periods of 180 days or less does not reflect this fee; otherwise, if reflected, these returns would have been lower. Returns greater than 1 year are annualized. See page 3 for additional disclosure.*

*The Fund was awarded the 2007 Lipper Fund Award in the Global Multi-Cap Value Equity classification – marking the third year in a row to receive this prestigious award. The Fund was measured against 13 category peers for the three-year period ended December 31, 2006. Lipper presents the award each calendar year to one fund in each category that has achieved a strong trend of risk-adjusted returns relative to other funds in its category.*

#### FOURTH QUARTER 2007 PERFORMANCE ANALYSIS:

The fourth quarter was punctuated by market volatility and investor panic, much of which stemmed from continued concern about losses at institutions that originated, sold or invested in large volumes of high risk debt. Investors were also concerned about credit availability as troubled institutions reduced balance sheets and/or raised capital to remain properly capitalized for regulatory compliance.

The Fund attempted to avoid such companies, focusing on building positions in well-managed, attractively-valued financial sector companies, specifically non-U.S. banks. As our research indicated overseas banks could be among the best values in the world, the Fund slowly increased holdings in this sector and benefited from two bank buyouts in Europe. In the fourth quarter, the proceeds from the two bank sales were reallocated among existing financial positions. Unfortunately, the markets did not distinguish between poorly-run and well-managed companies, instead punishing all financial sector stocks regardless of company fundamentals.

Investor nervousness about residential homebuilding and import issues impacted some materials companies. Although minimally exposed to the residential market, CRH underperformed in sync with other materials companies in aggregates and building products. CRH's global business remains strong, as the company is experiencing stable commercial building growth in Europe and Ireland and new growth in eastern Europe. At this writing, CRH issued a year-end comment affirming the strength of its business and the 2008 outlook. In an unusual move for this acquisitive firm, CRH announced a stock buyback of approximately 5% of its market value, a statement of management's view on the attractiveness of its shares.

Japanese domestic companies had also underperformed over the past few months; however, at year end, we saw these stocks begin to rebound. Consumer discretionary stocks, Meiji Dairies and Asahi Breweries, announced price increases in dairy and beer respectively; as these increases filtered through the market, Asahi stock rebounded, up 11% this quarter, and Meiji Dairies saw its stock price jump 14% the day it announced the price increases. Such strong rebounds in short periods are extremely difficult to predict. For this reason, Fund management prefers to invest in well-managed companies, relying on corporate management to ultimately execute the right strategy for shareholders. If markets become negative, we prefer to hold and buy on weakness and seek to take advantage of sudden increases as the markets acknowledge good decisions by corporate management.

The current market environment is reminiscent of 1998 when Fund management positioned the portfolio into sectors that exhibited excellent value, but suffered poor short-term performance. In the ensuing years, these fundamentally strong, extremely undervalued companies proved to be top performers contributing to the Fund's admirable returns.

Among the Fund's bright spots: The Fund remained overweight in the materials sector, finding many value opportunities. For the quarter, one of the top performing stocks in this sector was Yara International, the number one global supplier of urea fertilizers. Yara benefited from industry tightening (due to limited fertilizer exports from China and Russia), in combination with growing demand for food sources and biofuels including ethanol. Higher energy prices are also forcing less competitive fertilizer companies to shut down production. Other materials companies posting favorable results included Canada's Methanex and Japan's Maruichi Steel.

The Fund's performance was aided by energy holdings, South Africa-based Sasol (up nearly 16%) and Thai Oil, a position acquired in the third quarter of 2007. Additionally, Japanese and U.S. utilities also posted relatively positive returns, spearheaded by U.S.-based FPL Group that was up 11%. FPL is one of the largest producers of wind power. Please note: Past performance is not an indicator of future results.

U.S. healthcare companies and telecom investments in South Korea and the U.S. exhibited positive returns; investors favored the safety and stability of cash flow generated in these types of companies. U.S. industrials also contributed substantially, backed by strong performance of General Dynamics and Ametek.

#### FULL YEAR 2007 PERFORMANCE ANALYSIS:

After a first quarter of outperformance relative to the benchmark, the Fund gave back the gains in subsequent quarters. Holdings declined across several countries and industries – a reaction based on investors' concerns yet inconsistent with individual company fundamentals.

During 2007, our research process clearly identified values in non U.S. banks: we increased our financial holdings in Germany and Ireland. The Fund's U.S. bank investments generally have strong balance sheets, good customer funding and clean loan portfolios – yet these holdings had lackluster performance. As these banks report earnings, many investors may ultimately pinpoint and reward solidly managed banks.

For example, Anglo Irish and Bank of Ireland were down early in the fourth quarter but recovered 23% and 15% respectively from quarter lows, backed by better-than-expected preliminary reports and reassuring outlooks. Both banks have little exposure to structured investment vehicles, collateralized debt obligations or other tenuous investment vehicles that have hindered some U.S. banking institutions. Both banks have real estate exposure that is performing quite well and is well supported by the cash flow of borrowers.

We believe companies with ample free cash flow provide management with multiple tools to weather economic or market declines. The Fund holds many companies that use stock buybacks to enhance shareholder value. Two portfolio companies, a U.S. electrical equipment distributor and a U.K. homebuilder that experienced stock price declines of 30 – 60%, announced stock

repurchases of approximately 40% of shares outstanding. Since the companies generate substantial cash flow, and company management believes their shares are undervalued, the firms are able to undertake multiple strategies for shareholders.

#### INVESTMENT ENVIRONMENT AND STRATEGY:

Behavioral finance research suggests that many investors project their most recent experiences far into the future. In today's panic-stricken markets, investors fear that credit tightening may lead to a recession. Under such uncertainty, investor behavior has historically led to uncontrolled selling resulting in irrational pricing of assets and stocks.

The recession logic hinges on rapid contraction of credit and extreme economic fragility with no possibility of corrective behavior by individuals, companies or government. Such a scenario does not consider the dynamic flexibility of the U.S. economy. Rather investors seem to assume the once-powerful and diversified U.S. economy has become dependent on financial engineering (i.e. risky loans) by the largest financial firms.

Furthermore, it is U.S.-centric to believe that the \$100 trillion global financial system will be unable to function because, as investors fear, the \$400 billion in U.S. sub-prime loans will all become worthless. The world economy is much broader and stronger than news headlines would suggest, especially in economies with billions of emerging consumers. The sheer weight of this emerging economic power is greater than the financial cost of mortgage loan losses in a fraction of the U.S. market. It is our opinion that global financial markets are waiting to take advantage of low priced assets, and that well-managed companies can take away business from their less competent competitors through this cycle. Even in tough markets, good management can create value for shareholders.

In the near term, Fund management remains constructive about global market valuations, buying companies at compelling valuations. In fact, we haven't seen such opportunity since 1998. Behavioral finance indicates that irrational thinking often leads to market inefficiencies. In that vein, we wait for investors to panic, creating an environment conducive to buying companies priced to provide returns in excess of the benchmark's return. This strategy has contributed to the Fund success over the past 10 years; we believe this strategy will prove fruitful in future markets.

#### CAPITAL GAINS DISTRIBUTION UPDATE

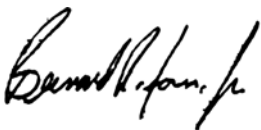
On December 12, 2007, the Polaris Global Value Fund distributed a short-term capital gain of \$0.085 per share and a long-term capital gain of \$1.401 per share to shareholders of record as of December 11, 2007. The gains were primarily realized in the first six months of the year, when several portfolio companies were sold following the announcement of company acquisitions.

The Fund paid an income dividend of \$0.262 per share for shareholders of record on December 28, 2007, with an ex-dividend date of December 31, 2007. This dividend was paid from interest and dividends received on investments during 2007.

On the day that a fund distributes capital gains to shareholders, the fund's net asset value per share drops by the amount of the distribution per share, to reflect that the distribution has been paid out. The drop in the net asset value does not reflect a loss in the shareholder's overall investment value, but instead indicates that a portion of that value has been given to the shareholder as a capital gain. Keep in mind that there may also be appreciation or depreciation in the fund value from the market activity on that day that will also be reflected in the NAV.

We welcome your questions and comments.

Sincerely,



Bernard R. Horn, Jr.

Portfolio Manager

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On June 1, 1998, a limited partnership managed by the adviser reorganized into the Fund. The predecessor limited partnership maintained an investment objective and investment policies that were, in all material respects, equivalent to those of the Fund. The Fund's performance for the periods before June 1, 1998 is that of the limited partnership and includes the expenses of the limited partnership. If the limited partnership's performance had been readjusted to reflect the second year expenses of the Fund, the Fund's performance for all the periods would have been lower. The limited partnership was not registered under the Investment Company Act of 1940 ("1940 Act") and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance.

*As of December 31, 2007, the Fund's top 10 holdings and the percentages they represent in the Fund's portfolio market value are as follows:*

<u>Issuer</u>	<u>Percentage of Market Value</u>
Yara International ASA	1.93%
KDDI Corp.	1.77%
Verizon Communications, Inc.	1.76%
Nippon Yusen KK	1.74%
Continental AG	1.74%
Thai Oil PCL	1.72%
Greencore PLC	1.68%
Investor AB, Class B	1.68%
Marathon Oil Corp.	1.66%
Southwest Bancorp, Inc.	1.66%

The MSCI World, EAFE, and USA Indexes, net dividends reinvested ("MSCI World, net") measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI World, net is unmanaged and does include the reinvestment of dividends, net of withholding taxes. One cannot invest directly in an index or an average.

The views in this report were those of the Fund manager as of December 31, 2007, and may not reflect the views of the manager on the date this letter is second published or anytime thereafter. These views are intended to assist shareholders of the Fund in understanding their investment and do not constitute investment advice. This letter must be preceded or accompanied by a current Fund prospectus. Foreside Fund Services, LLC, is the Fund's Distributor.

The Fund's annual performance is as follows:

Historical Calendar Year Annual Returns (years ended December 31)

	<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>		<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>
2007	-3.97%	9.04%	1998	-8.85%	24.34%
2006	24.57%	20.07%	1997	34.55%	15.76%
2005	10.52%	9.49%	1996	23.34%	13.48%
2004	23.63%	14.72%	1995	31.82%	20.72%
2003	47.06%	33.11%	1994	-2.78%	5.08%
2002	3.82%	-19.89%	1993	25.70%	22.50%
2001	2.21%	-16.82%	1992	9.78%	-5.23%
2000	-5.82%	-13.18%	1991	17.18%	18.28%
1999	16.50%	24.93%	1990	-11.74%	-17.02%