

GKM Growth Fund

September 10, 2008

Dear Shareholders:

As we close our seventh fiscal year ending July 31, I would like to thank you for joining us as shareholders of the GKM Growth Fund (the "Fund"). All of us at GKM Advisers continue to share a common goal – helping our clients realize their financial objectives through the long term compounding of capital.

GKM Growth Fund Performance

As we reflect on 2008, volatility in the equity markets has remained a common theme. After surging more than 14% from March lows, the S&P 500 Index (the "S&P") gave back all of those gains and more through the middle of July. For the fiscal year ended July 31, 2008, the Fund and the S&P were 15.3% and 11.1% lower, respectively. Since inception (December 28, 2001), the Fund has grown at an average annualized return of 3.8% vs. 3.2% for the S&P. The Fund has gained a cumulative 28.1% vs. the S&P's cumulative gain of 23.0%.

The Financial sector continued to struggle in 2008 and led the markets down with a -26% return as the process of asset deflation accelerated. This is the second year in a row financials have been the worst performing sector. While financial companies represented the largest component of the S&P at the beginning of the fiscal year at 18%, the Fund held less than a 1% weighting in this sector, which positively impacted the Fund's performance relative to the S&P during the last 12 months. Conversely, Energy represented 14% of the S&P and returned 5.1% during the fiscal year. We have no positions in the Energy sector, which negatively impacted the Fund's performance during this period. Finally, leverage in the Fund's portfolio amplified the Fund's underperformance during the fiscal year.

Over the life of the Fund we have avoided non-traditional growth areas in the economy, some of which have performed quite well. As noted in previous letters to our shareholders, the Energy sector and other commodity-type stocks tend to move up and down, sometimes in quite volatile fashion, while not typically being within the most attractive growth areas over the long haul. Over the life of the Fund, the Energy sector has vastly outperformed all other sectors of the S&P. In fact, it nearly doubled the second best performing sector (Utilities). Recently, there have been extraordinary sharp declines in both these categories.

Energy (+163%), Utilities (+87%) and Materials (+32%) have been the top three performing sectors over the life of the Fund. While we've maintained a market weighting in the Materials sector, the Fund has not held positions in either Energy or Utilities, which together make up 18% of the S&P. Over the life of the Fund, the dominant performance of these non-traditional growth sectors has negatively impacted the Fund's performance relative to the S&P.

Consistent with the last five fiscal years, our largest concentrations are in what we consider to be the most dynamic, growing and profitable areas of the economy. Our largest concentrations continue to be Information Technology (45%), Health Care (30%) and Industrials (18%). Our performance is driven by these growing areas of the economy as well as avoidance of troubled industries such as Automobiles and Airlines. This has served us well.

Risk Management and Diversification

Our investment philosophy dictates that we pay attention to the management of risk. We define risk simply as the permanent loss of capital. We endeavor to manage this risk by investing in what we consider to be superior companies with profitable operating histories and managements focused towards building and maintaining defensible franchises with ample cash flows and sound balance sheets. Additionally, we manage sector risk by diversifying among growing sectors of the economy that we believe will show continuous and robust growth over many years. It's important to note that at times our security selection process results in the Fund being more or less concentrated in various sectors of the S&P, thus potentially adding to the Fund's sector risk.

Finally, we mitigate specific stock risk through holding a diversified portfolio of companies in the Fund. As of July 31, 2008, the Fund held positions in 76 companies, with the Fund's top 10 holdings representing 28.5% of the Fund, and the largest holding representing 4.2% of Fund net assets.

Portfolio Turnover

We do not confuse activity with progress. The average portfolio turnover ratio within the mutual fund industry is currently in excess of 100%, meaning that the average stock holding period for most funds is less than 1 year. The average of the Fund's portfolio turnover ratios for each of the first seven full fiscal years is approximately 7%, which means that we hold our positions an average of 14 years or 14 times as long as the average fund. It's important to understand that it is impossible to outperform the S&P as we have done over the long-term with low turnover, unless you're buying the right companies in the first place.

Our low turnover rate also has the added benefit of minimizing what can be a potentially large drag on investment performance – taxes. Industry studies have shown that the performance of the average fund with an average turnover ratio (100%) taxes can drag down performance by 2% annually. This 2% drag is something we attempt to avoid by seeking out good long-term investments.

Market Commentary

The U.S. economy remains resilient as it continues to wrestle with weakness in housing, tight credit markets, high energy prices, weakening employment, and inflationary pressures. Forecasts of the U.S. economy's demise have not been fulfilled. Gross Domestic Product ("GDP") for the second quarter grew in excess of 3%, up from roughly a 1% annual growth rate in the first quarter. Much of the strength in GDP has come from strong exports, government spending, and the recent \$140 billion fiscal stimulus package that has placed cash in the hand of a weak consumer.

This moderate pace of economic growth has been accompanied by a steady increase in pricing pressures. Escalating oil prices, which have doubled in the past year, have been a major factor in the 4.2% year over year increase in the Consumer Price Index (“CPI”). The sustainability of this dramatic move in crude oil has come into question as global GDP growth has moderated and demand has weakened. We may continue to witness a deceleration in demand growth coupled with a modest increase in supply, which should ultimately limit pricing pressures on the tight energy supplies. Decreasing oil and commodity prices have the potential to lessen the threat of inflation as the strain of high energy bills and increased food costs abates.

Monetary policy makers have held rates at generational lows of 2% with the hopes of stabilizing the housing market and related stresses in the financial industry. In the Federal Reserve’s policy announcements of late, Ben Bernanke stated the risk of a severe economic slowdown has subsided, while inflation concerns remain. Oil prices have corrected 22% from their July 11th high of \$148 per barrel. The Federal Reserve will be monitoring the contraction in housing and employment, and the slowdown in global GDP growth to help determine where monetary policy will stand moving forward.

Financial institutions of all kinds are producing negative headlines on a daily basis. Starting with the collapse of Bear Stearns, the Fed has had to deal with the stability of Lehman, Indy Mac, Freddie Mac, Fannie Mae, etc. In other fields, GM and Ford are troubled, airlines are bleeding red ink, and homebuilding is shrinking. It is not hard to understand why ‘the market’ is in a bad mood. Moods do change.

As the economic climate for 2008 continues to be challenging, we believe higher quality growth companies will fare better in a slowing economy. We remain confident in the strength of capitalism, our economy, and common stocks remaining the asset class of choice for the long-term growth of capital.

Sincerely,

Timothy J. Wahl, CPA
President and Co-Portfolio Manager
GKM Advisers, LLC

Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data current to the most recent month-end, are available at www.gkmfunds.com.

An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The Fund’s prospectus contains this and other important information. To obtain a copy of the Fund’s prospectus please visit www.gkmfunds.com or call 1-888-456-9518 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest. The GKM Growth Fund is distributed by Ultimus Fund Distributors, LLC.

The Letter to Shareholders seeks to describe some of the adviser's current opinions and views of the financial markets. Although the adviser believes it has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed.

The GKM Growth Fund's gross annualized expense ratio was 1.83% during the year ended July 31, 2008.