

## Shareholder Accounts

c/o Ultimus Fund  
Solutions, LLC  
P.O. Box 46707  
Cincinnati, OH 45246  
1-888-726-9331



## Corporate Offices

3707 W. Maple Road  
Bloomfield Hills, MI 48301  
(248) 644-8500  
Fax (248) 644-4250

Dear Shareowners of:

Ave Maria Catholic Values Fund (AVEMX)  
Ave Maria Growth Fund (AVEGX)  
Ave Maria Bond Fund (AVEFX)

One of my college professors said many years ago, "The U.S. economy is amazingly resilient." I never realized how right he was until recently. When one looks back over the past few years and totals up the devastating shocks this economy has been through, it truly is astonishing – the stock market collapse following the tech bubble of the '90s, September 11, two wars, corporate accounting frauds, crooked investment bankers, and a major mutual fund scandal. Through it all, consumers remained confident, productivity skyrocketed and corporate profits roared back with a vengeance. With capital expenditures and employment now rising again, the U.S. economy appears to be hitting on all eight cylinders and leading a synchronized global recovery. All with almost no inflation. My college professor was right – the U.S. economy is amazingly resilient.

Amidst the collapsing equity markets of early 2001, a group of Catholic laymen led by Bowie Kuhn and Tom Monaghan set out to start a Catholic mutual fund. This fund, to become known as Ave Maria Catholic Values Fund, was geared to Catholics who were fed up with mutual funds that regularly invested in companies that support abortion. This group felt that for too long, Catholics had left capitalism to the secularists and hedonists. I was greatly honored when Schwartz Investment Counsel, Inc. was selected to manage the Fund which, since its May 1, 2001 launch, has become the largest and fastest growing Catholic mutual fund in the country. On May 1, 2003, exactly two years after starting the Ave Maria Catholic Values Fund (AVEMX), we launched our second and third Catholic funds – the Ave Maria Growth Fund (AVEGX) and the Ave Maria Bond Fund (AVEFX).

All three funds screen out companies that our Catholic Advisory Board has determined violate core teachings of the Roman Catholic Church. As you may know, our Catholic Advisory Board has made abortion the number one issue for us to screen out in managing the three Funds. Eliminated from consideration for the portfolios are all companies that support the culture of death, either directly or through contributions to Planned Parenthood. Also screened out are producers and distributors of pornography, and companies which offer their employees non-marital partner benefits. After eliminating the offenders (approximately 400 public companies), we are still left with thousands of issues from which to choose in assembling the three investment portfolios.

Our pro-life and pro-family message really seems to be resonating with Catholics across the country. Over 1,700 investors (not all Catholics) from 48 states have over \$190 million invested in the Ave Maria Mutual Funds. The Funds are managed for investors with long term investment goals. The above average investment performance of the Funds so far has been gratifying. Some say we've been blessed. Be that as it may, the only promise I can make about the future is that my staff and I will do our best to adhere to the moral principles outlined while striving to achieve desirable investment results.

Thanks for placing your trust in us. We won't let you down.

With best wishes,

George P. Schwartz, CFA  
President

January 31, 2004

# AVE MARIA MUTUAL FUNDS

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# AVE MARIA CATHOLIC VALUES FUND

## PORTFOLIO MANAGER COMMENTARY

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Dear Fellow Shareowner:

In 2003, the Ave Maria Catholic Values Fund (AVEMX) continued to produce above-market returns. For the year, the Fund returned 35.6% vs. 28.7% for the S&P 500. Since the inception of the Fund on May 1, 2001 the Fund's investment performance has been noteworthy. The comparison to the S&P 400 Mid-Cap index is increasingly relevant, since about half of the Fund's assets are invested in that segment of the market.

	Since 5-01-01 Inception Through 12-31-03	
	Total Return	
	Cumulative	Annualized
AVEMX	28.7%	9.9%
S&P 500	-8.3%	-3.2%
S&P 400 Mid-Cap	15.4%	5.5%

This favorable investment performance is the result of the solid execution of our disciplined, value-oriented investment philosophy. It would not be reasonable to assume that this portfolio will consistently outperform the market so decisively.

The outlook for stocks in general remains positive. Many of the same factors that shaped our bullish opinion last year should continue to provide a favorable backdrop for the markets in 2004: low inflation and interest rates, improving corporate profits, and favorable tax policies. Signs of economic recovery are apparent not only in the U.S., but internationally as well.

The portfolio is composed of attractively priced stocks that do not violate the core teachings of the Catholic Church. Our focus on high-quality companies with solid balance sheets, strong cash flow and good growth prospects has led to recent purchases of Harley Davidson, Inc., First Data Corporation, and North Fork Bancorporation, Inc. Positions have been increased in the healthcare sector including STERIS Corporation, Lincare Holdings, Inc., and Baxter International, Inc. XTO Energy, Inc. and Patterson - UTI Energy, Inc. were purchased due to the favorable long-term outlook for natural gas. Eliminated were Toys R Us at a substantial profit and First Health Group Corporation at a small loss, as a result of both companies losing their competitive edge.

During 2003, we eliminated four stocks from the Fund when they became violators of our Catholic screens: H&R Block, Inc., Northrop Grumman, Sears Roebuck & Co., and SunTrust Banks. Each began offering non-marital partner benefits to their employees, undermining the sacrament of marriage. In January 2004, Eli Lilly & Company was sold for the same reason. In each case, we wrote to the Board of Directors to tell them why we sold their stock and asked them to reverse their policy, to no avail. Perhaps someday our Catholic Fund will be big enough to get corporate boards' attention.

In the case of the aforementioned Harley Davidson, we actually sold the stock during the year, when we were misinformed about the company offering non-marital partner benefits to their employees. After writing to the Board of Directors, we received a call from the head of the company's legal department informing us that the company did not offer such "benefits" and indeed the company was a strong supporter of the sanctity of marriage. Since we as portfolio managers continued to believe Harley Davidson, Inc. was a good investment, we immediately repurchased a sizeable block of stock for the Fund. It's worth emphasizing that the investment professionals at Schwartz

## **AVE MARIA CATHOLIC VALUES FUND**

### **PORTFOLIO MANAGER COMMENTARY (Continued)**

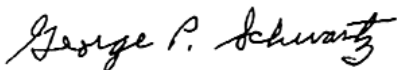
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Investment Counsel, Inc. are analysts and portfolio managers, not theologians nor experts on Catholic Church doctrine. Although many of us are Catholics, we rely on and are blessed to have the advice of the Catholic Advisory Board in screening out certain types of companies.

During 2003, Schwartz Investment Counsel, Inc. was fortunate to hire Gregory R. Heilman, CFA as Senior Vice President and Co-Portfolio Manager of the AVEMX. A veteran analyst and portfolio manager, Greg has made an immediate positive contribution to the firm and especially in management of this Fund.

Thanks for being a shareowner in 2003. It's a privilege to be managing the Fund for you.

Sincerely,



George P. Schwartz, CFA  
Co-Portfolio Manager

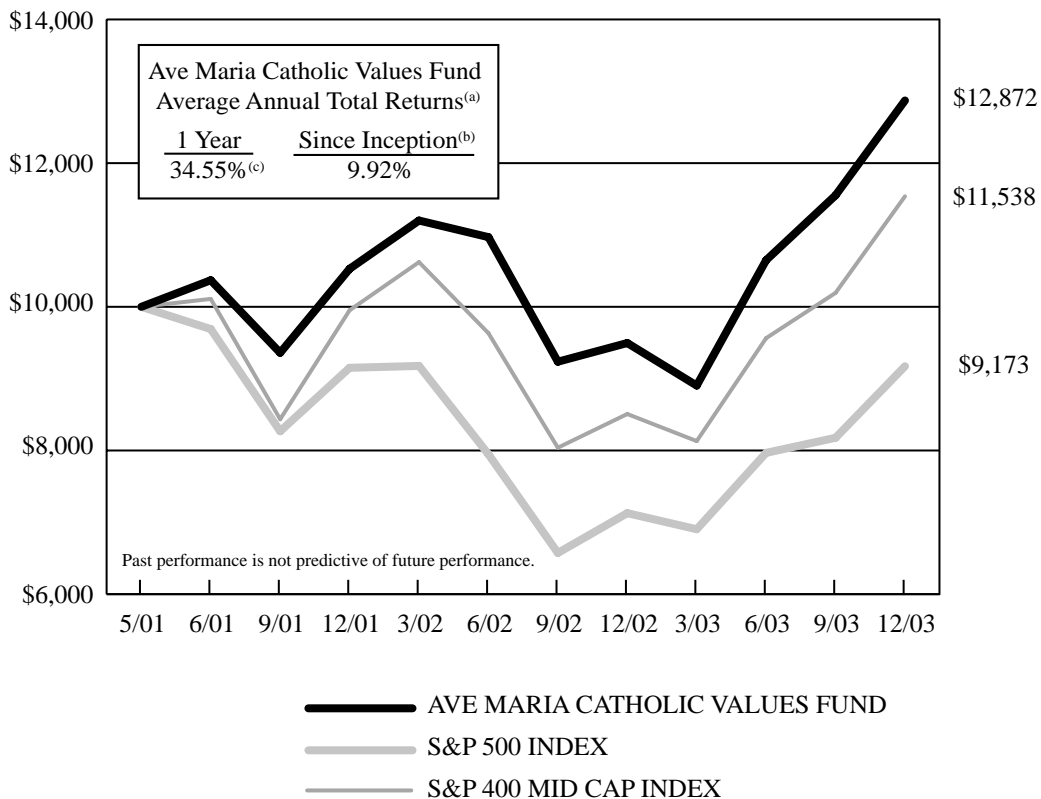


Gregory R. Heilman, CFA  
Co-Portfolio Manager

# AVE MARIA CATHOLIC VALUES FUND

## PERFORMANCE (Unaudited)

### Comparison of the Change in Value of a \$10,000 Investment in the Ave Maria Catholic Values Fund, the S&P 500 Index, and the S&P 400 Mid Cap Index



<sup>(a)</sup> The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(b)</sup> Represents the period from the commencement of operations (May 1, 2001) through December 31, 2003.

<sup>(c)</sup> The return shown reflects a 1% contingent deferred sales load.

**AVE MARIA CATHOLIC VALUES FUND**  
**TEN LARGEST EQUITY HOLDINGS**  
**December 31, 2003 (Unaudited)**

<b>Shares</b>	<b>Company</b>	<b>Value</b>
200,000	Ross Stores, Inc. ....	\$ 5,286,000
70,000	American International Group, Inc. ....	4,639,600
175,000	Craftmade International, Inc. ....	4,592,000
90,000	Harley-Davidson, Inc. ....	4,277,700
120,000	Jones Apparel Group, Inc. ....	4,227,600
85,000	Exxon Mobil Corporation.....	3,485,000
160,000	Brookstone, Inc. ....	3,409,600
100,000	Genuine Parts Company ....	3,320,000
100,000	Waters Corporation ....	3,316,000
35,000	General Dynamics Corporation ....	3,163,650

**AVE MARIA CATHOLIC VALUES FUND**  
**SCHEDULE OF INVESTMENTS**  
**December 31, 2003**

Shares	COMMON STOCKS — 98.3%	Value
	<b>AEROSPACE/DEFENSE — 4.1%</b>	
50,000	Esterline Technologies Corporation *	\$ 1,333,500
35,000	General Dynamics Corporation	3,163,650
40,000	Harris Corporation	1,518,000
		<u>6,015,150</u>
	<b>APPAREL &amp; TEXTILES — 3.9%</b>	
120,000	Jones Apparel Group, Inc.	4,227,600
20,000	Mohawk Industries, Inc.*	1,410,800
		<u>5,638,400</u>
	<b>BUILDING MATERIALS &amp; CONSTRUCTION — 3.6%</b>	
200,000	Champion Enterprises, Inc.*	1,400,000
100,000	Fleetwood Enterprises, Inc.*	1,026,000
30,000	Pulte Homes, Inc.	2,808,600
		<u>5,234,600</u>
	<b>BUSINESS &amp; INDUSTRIAL PRODUCTS — 3.5%</b>	
20,000	3M Company	1,700,600
100,000	Genuine Parts Company	3,320,000
		<u>5,020,600</u>
	<b>BUSINESS SERVICES — 5.9%</b>	
75,000	Automatic Data Processing, Inc.	2,970,750
50,000	Concord EFS, Inc.*	742,000
45,000	First Data Corporation	1,849,050
120,000	Neogen Corporation*	2,972,400
		<u>8,534,200</u>
	<b>COMMUNICATION EQUIPMENT &amp; SERVICES — 3.6%</b>	
35,000	Alltel Corporation	1,630,300
75,000	CenturyTel, Inc.	2,446,500
85,000	Hector Communications Corporation*	1,191,700
		<u>5,268,500</u>
	<b>CONSUMER PRODUCTS - DURABLES — 10.7%</b>	
75,000	Brunswick Corporation	2,387,250
175,000	Craftmade International, Inc.	4,592,000
50,000	Furniture Brands International, Inc.	1,466,500
90,000	Harley-Davidson, Inc.	4,277,700
130,000	Leggett & Platt, Inc.	2,811,900
		<u>15,535,350</u>
	<b>CONSUMER PRODUCTS - NONDURABLES — 4.0%</b>	
50,000	Chattem, Inc.*	895,000
20,000	Coach, Inc. *	755,000
30,000	Fortune Brands, Inc.	2,144,700
115,000	Maxwell Shoe Company, Inc.*	1,951,550
		<u>5,746,250</u>

# AVE MARIA CATHOLIC VALUES FUND

## SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 98.3% (Continued)	Value
	<b>ELECTRONICS — 1.1%</b>	
20,000	Gentex Corporation.....	\$ 883,200
71,442	Sparton Corporation* .....	717,992
		<u>1,601,192</u>
	<b>ENERGY &amp; MINING — 7.5%</b>	
35,000	Anadarko Petroleum Corporation.....	1,785,350
100,000	Diamond Offshore Drilling, Inc. ....	2,051,000
85,000	Exxon Mobil Corporation.....	3,485,000
210,200	Input/Output, Inc.* .....	948,002
35,000	Patterson-UTI Energy, Inc.* .....	1,152,200
20,000	Prima Energy Corporation* .....	703,200
25,000	XTO Energy, Inc. ....	707,500
		<u>10,832,252</u>
	<b>ENVIRONMENTAL SERVICES — 0.6%</b>	
75,000	Layne Christensen Company* .....	<u>881,250</u>
	<b>FINANCE - BANKS &amp; THRIFTS — 4.3%</b>	
65,000	BB&T Corporation .....	2,511,600
50,000	North Fork Bancorporation, Inc. ....	2,023,500
60,000	Synovus Financial Corporation* .....	1,735,200
		<u>6,270,300</u>
	<b>FINANCE - INSURANCE — 4.3%</b>	
70,000	American International Group, Inc. ....	4,639,600
282,945	Unico American Corporation* .....	1,578,833
		<u>6,218,433</u>
	<b>FINANCE — MISCELLANEOUS - 0.8%</b>	
75,000	Investment Technology Group, Inc.* .....	<u>1,211,250</u>
	<b>HEALTHCARE — 13.2%</b>	
35,000	Baxter International, Inc. ....	1,068,200
50,000	Beckman Coulter, Inc. ....	2,541,500
25,000	Boston Scientific Corporation* .....	919,000
20,000	Eli Lilly & Company .....	1,406,600
47,500	Hillenbrand Industries, Inc. ....	2,947,850
70,000	Lincare Holdings, Inc.* .....	2,102,100
60,000	Manor Care, Inc. ....	2,074,200
120,000	STERIS Corporation* .....	2,712,000
100,000	Waters Corporation* .....	3,316,000
		<u>19,087,450</u>



# AVE MARIA CATHOLIC VALUES FUND

## SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 98.3% (Continued)	Value
	<b>INDUSTRIAL PRODUCTS &amp; SERVICES — 8.3%</b>	
41,700	Balchem Corporation .....	\$ 950,760
50,000	Dover Corporation .....	1,987,500
35,000	Graco, Inc. ....	1,403,500
40,000	Kaydon Corporation .....	1,033,600
25,000	Simpson Manufacturing Company, Inc.* .....	1,271,500
50,000	Snap-On, Inc. ....	1,612,000
35,000	Stanley Works (The) .....	1,325,450
50,000	Teleflex, Inc. ....	2,416,500
		<u>12,000,810</u>
	<b>LEISURE &amp; ENTERTAINMENT — 3.8%</b>	
100,000	Monaco Coach Corporation* .....	2,380,000
35,000	Polaris Industries, Inc. ....	3,100,300
		<u>5,480,300</u>
	<b>PRINTING &amp; PUBLISHING — 1.8%</b>	
18,750	Courier Corporation .....	721,331
65,000	ProQuest Company* .....	1,914,250
		<u>2,635,581</u>
	<b>REAL ESTATE — 1.3%</b>	
25,000	Health Care Property Investors, Inc. ....	1,270,000
20,000	Washington Real Estate Investment Trust .....	584,000
		<u>1,854,000</u>
	<b>RETAIL — 9.2%</b>	
160,000	Brookstone, Inc. * .....	3,409,600
60,000	Dollar Tree Stores, Inc.* .....	1,803,600
40,000	Hibbett Sporting Goods, Inc.* .....	1,192,000
15,000	Hot Topic, Inc.* .....	441,900
200,000	Ross Stores, Inc. ....	5,286,000
40,000	TJX Companies, Inc. (The) .....	882,000
10,000	Tractor Supply Company* .....	388,900
		<u>13,404,000</u>
	<b>TECHNOLOGY — 2.8%</b>	
55,000	Cable Design Technology Corporation * .....	494,450
10,000	ScanSource, Inc.* .....	456,200
110,000	Sungard Data Systems, Inc.* .....	3,048,100
		<u>3,998,750</u>
	<b>TOTAL COMMON STOCKS</b> (Cost \$109,698,866) .....	<u>\$ 142,468,618</u>

# **AVE MARIA CATHOLIC VALUES FUND** **SCHEDULE OF INVESTMENTS (Continued)**

Face Amount	REPURCHASE AGREEMENTS <sup>(1)</sup> — 2.2%	Value
\$ 3,272,305	Fifth Third Bank, 0.50%, dated 12/31/03, due 01/02/04, repurchase proceeds: \$3,272,396 (Cost \$3,272,305) .....	\$ 3,272,305
	<b>TOTAL INVESTMENTS — 100.5%</b> (Cost \$112,971,171) .....	\$ 145,740,923
	<b>LIABILITIES IN EXCESS OF OTHER ASSETS — (0.5%)</b> .....	( 785,221 )
	<b>NET ASSETS — 100.0%</b> .....	\$ 144,955,702

\* Non-income producing security.

<sup>(1)</sup> Repurchase agreements are fully collateralized by U.S. Government obligations.

See notes to financial statements.

## AVE MARIA GROWTH FUND PORTFOLIO MANAGER COMMENTARY

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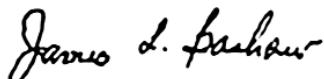
Dear Fellow Shareholders:

The Ave Maria Growth Fund commenced operations on May 1, 2003. Although it was not apparent then, it turned out to be a fortuitous time to launch a new mutual fund. For the eight months ended December 31, 2003, the total return for the Fund was 23.4% compared to 22.8% for the S&P 500. The Fund's top performing stocks were represented by a wide variety of industries and included: Patterson Dental Company (medical equipment), KB Home (homebuilding), Johnson Controls, Inc. (automotive supply), and Garmin Ltd. (technology).

In managing the portfolio, emphasis is placed on large and mid-size, well-managed companies, which are industry leaders. These companies typically have great business characteristics, including above average profit margins, loads of free cash flow, exceptional returns on equity, and rapid growth, which makes them self financing with little need for debt on their balance sheets. In 2003, small caps and more speculative issues had a terrific rebound off their lows. In 2004, we expect investors will turn increasingly to higher quality and larger companies, which should put this portfolio in good stead.

The Fund closed out 2003 with 242 shareholders, net assets of \$15 million, and a net asst value of \$12.34 per share.

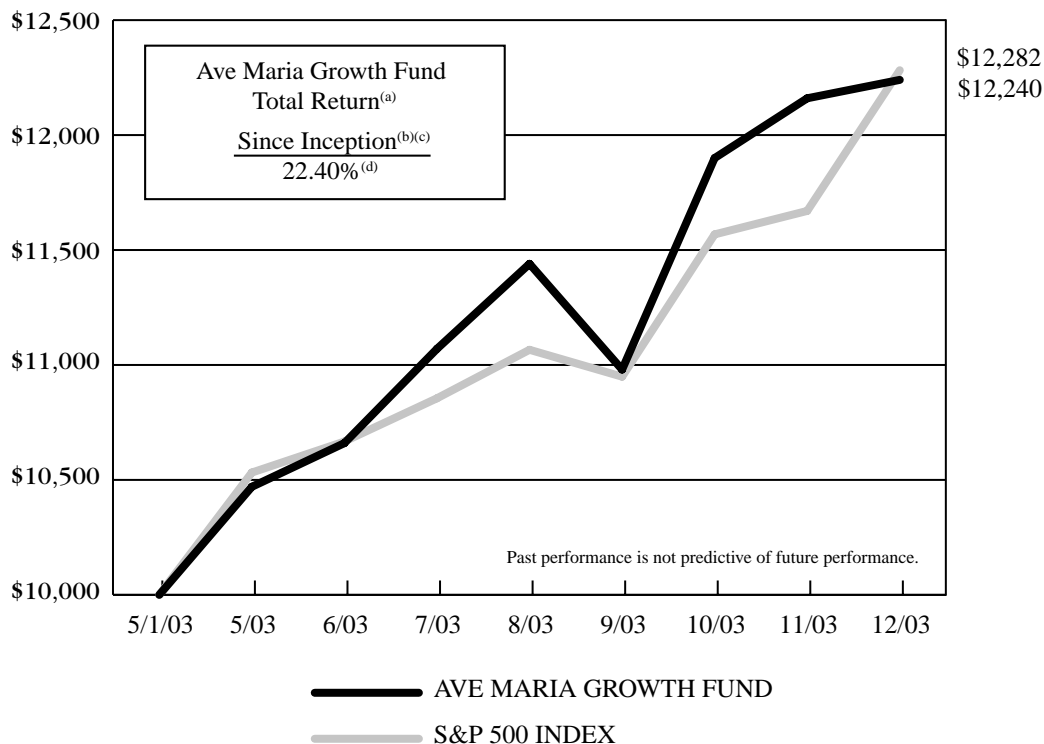
With best regards,

A handwritten signature in black ink, reading "James L. Bashaw". The signature is written in a cursive, flowing style.

James L. Bashaw, CFA  
Portfolio Manager

# AVE MARIA GROWTH FUND PERFORMANCE (Unaudited)

## Comparison of the Change in Value of a \$10,000 Investment in the Ave Maria Growth Fund and the S&P 500 Index



<sup>(a)</sup> The return shown does not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(b)</sup> Represents the period from the commencement of operations (May 1, 2003) through December 31, 2003.

<sup>(c)</sup> Not annualized.

<sup>(d)</sup> The return shown reflects a 1% contingent deferred sales load.

**AVE MARIA GROWTH FUND**  
**TEN LARGEST EQUITY HOLDINGS**  
**December 31, 2003 (Unaudited)**

<b>Shares</b>	<b>Company</b>	<b>Value</b>
9,300	Alliant Techsystems, Inc. ....	\$ 537,168
5,900	General Dynamics Corporation .....	533,301
9,700	Garmin Ltd. ....	528,456
7,200	KB Home .....	522,144
12,200	Mettler-Toledo International, Inc. ....	514,962
13,500	Kellogg Company .....	514,080
10,100	Beckman Coulter, Inc. ....	513,383
15,400	Waters Corporation .....	510,664
4,350	Johnson Controls, Inc. ....	505,122
15,500	Arthur J. Gallagher & Company .....	503,595

**AVE MARIA GROWTH FUND**  
**SCHEDULE OF INVESTMENTS**  
**December 31, 2003**

Shares	COMMON STOCKS — 97.8%	Value
	<b>AEROSPACE/DEFENSE — 7.1%</b>	
9,300	Alliant Techsystems, Inc.* .....	\$ 537,168
5,900	General Dynamics Corporation .....	533,301
		<u>1,070,469</u>
	<b>BUILDING MATERIALS &amp; CONSTRUCTION — 3.5%</b>	
7,200	KB Home .....	<u>522,144</u>
	<b>BUSINESS SERVICES — 2.3%</b>	
9,100	FactSet Research Systems, Inc. ....	<u>347,711</u>
	<b>CONSUMER PRODUCTS - DURABLES — 3.3%</b>	
4,350	Johnson Controls, Inc. ....	<u>505,122</u>
	<b>EDUCATION — 3.3%</b>	
17,600	Integrated Circuit Systems, Inc.* .....	<u>501,424</u>
	<b>ELECTRONICS — 3.5%</b>	
9,700	Garmin Ltd. ....	<u>528,456</u>
	<b>FINANCE - BANKS &amp; THRIFTS — 6.6%</b>	
14,700	National City Corporation .....	498,918
12,400	North Fork Bancorporation, Inc. ....	501,828
		<u>1,000,746</u>
	<b>FINANCE - MISCELLANEOUS — 6.6%</b>	
15,500	Arthur J. Gallagher & Company .....	503,595
15,900	SEI Investments Company .....	484,473
		<u>988,068</u>
	<b>FOOD &amp; TOBACCO — 9.8%</b>	
13,500	Kellogg Company .....	514,080
16,500	McCormick & Company, Inc. ....	496,650
9,950	PepsiCo, Inc. ....	463,869
		<u>1,474,599</u>
	<b>HEALTHCARE — 19.9%</b>	
10,100	Beckman Coulter, Inc. ....	513,383
13,800	Biomet, Inc. ....	502,458
6,900	Eli Lilly & Company .....	485,277
8,300	Guidant Corporation .....	499,660
7,800	Patterson Dental Company* .....	500,448
15,400	Waters Corporation* .....	510,664
		<u>3,011,890</u>

# AVE MARIA GROWTH FUND

## SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 97.8% (Continued)	Value
	<b>INDUSTRIAL PRODUCTS &amp; SERVICES — 19.6%</b>	
10,200	AMETEK, Inc. ....	\$ 492,252
10,700	CLARCOR, Inc. ....	471,870
8,300	Donaldson Company, Inc.....	491,028
13,000	Expeditors International of Washington, Inc.....	489,580
12,500	Graco, Inc. ....	501,250
12,200	Mettler-Toledo International, Inc.*.....	514,962
		<u>2,960,942</u>
	<b>LEISURE &amp; ENTERTAINMENT — 3.3%</b>	
5,600	Polaris Industries, Inc.....	<u>496,048</u>
	<b>RETAIL — 9.0%</b>	
11,500	Bed Bath & Beyond, Inc.* .....	498,525
19,200	Christopher & Banks Corporation .....	374,976
18,400	Ross Stores, Inc. ....	486,312
		<u>1,359,813</u>
	<b>TOTAL COMMON STOCKS</b> (Cost \$12,899,741) .....	<u>\$ 14,767,432</u>

Face Amount	REPURCHASE AGREEMENTS <sup>(1)</sup> — 1.1%	Value
\$ 174,887	Fifth Third Bank, 0.50%, dated 12/31/03, due 01/02/04, repurchase proceeds: \$174,892 (Cost \$174,887) .....	<u>\$ 174,887</u>
	<b>TOTAL INVESTMENTS — 98.9%</b> (Cost \$13,074,628) .....	<u>\$ 14,942,319</u>
	<b>OTHER ASSETS IN EXCESS OF LIABILITIES — 1.1%</b> .....	<u>162,439</u>
	<b>NET ASSETS — 100.0%</b> .....	<u>\$ 15,104,758</u>

\* Non-income producing security.

<sup>(1)</sup> Repurchase agreements are fully collateralized by U.S. Government obligations.

See notes to financial statements.

## **AVE MARIA BOND FUND**

### **PORTFOLIO MANAGER COMMENTARY**

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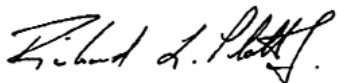
Dear Fellow Shareholders:

The Ave Maria Bond Fund began operations on May 1, 2003. For the eight months ended December 31, 2003, Class R shares of the Fund had a 2.4% return, which compares favorably with the 1.9% return of the Lehman Brothers Intermediate U.S. Government/Credit Index. The portfolio has been managed conservatively with particular focus on minimizing interest rate risk given our conviction that interest rates are unsustainably low. That has meant keeping the average maturity of the bonds in the portfolio very short, which will mitigate the negative effects of rising interest rates.

At December 31, 2003, 11.3% of the portfolio was invested in dividend paying common stocks of financially powerful companies, with attractive dividend yields and excellent prospects for future dividend increases. In fact, half of the stocks in the Fund have already increased their dividends since being purchased. With the recent reduction in taxes on dividends to 15%, there is increased incentive for boards to boost dividend payments. This trend will probably escalate as 2004 unfolds.

Given the prospects for accelerating economic growth and eventual tightening on the part of the Fed, it is likely interest rates will rise during 2004. Therefore, we will continue to focus on protecting principal by investing in only short and intermediate maturity fixed income securities of investment grade.

With best regards,

A handwritten signature in black ink, appearing to read "Richard L. Platte, Jr.", with a stylized flourish at the end.

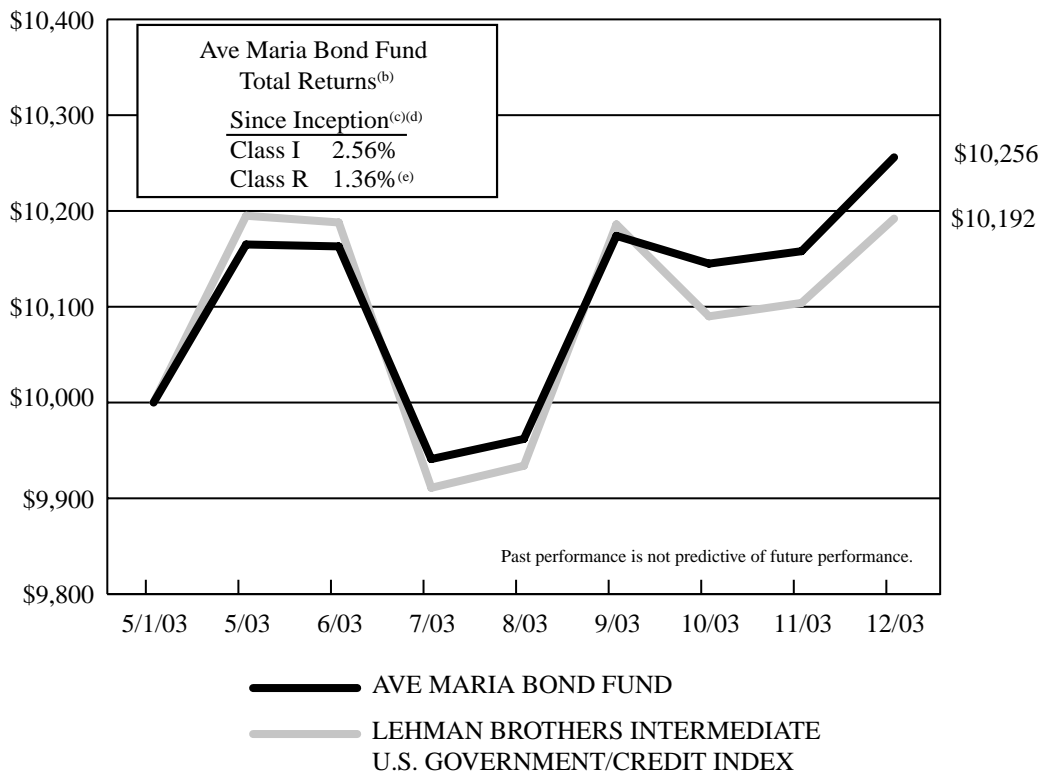
Richard L. Platte, Jr., CFA  
Portfolio Manager



# AVE MARIA BOND FUND

## PERFORMANCE (Unaudited)

**Comparison of the Change in Value of a \$10,000 Investment  
in the Ave Maria Bond Fund<sup>(a)</sup> and the Lehman Brothers  
Intermediate U.S. Government/Credit Index**



<sup>(a)</sup> The line graph above represents performance of Class I shares only, which will vary from the performance of Class R shares based on the difference in fees paid by shareholders in the different classes.

<sup>(b)</sup> The returns shown does not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(c)</sup> Represents the period from the commencement of operations (May 1, 2003) through December 31, 2003.

<sup>(d)</sup> Not annualized.

<sup>(e)</sup> The return shown reflects a 1% contingent deferred sales load.

**AVE MARIA BOND FUND**  
**TEN LARGEST HOLDINGS**  
**December 31, 2003 (Unaudited)**

	<b>Par</b>	<b>Company</b>		<b>Value</b>
\$	4,000,000	U.S. Treasury Note, 2.625%, due 05/15/08 .....	\$	3,939,844
	2,256,180	U.S. Treasury Inflation-Protection Notes, 3.875%, due 01/15/09.....		2,547,721
	2,000,000	U.S. Treasury Note, 1.625%, due 04/30/05 .....		2,006,016
	2,000,000	U.S. Treasury Note, 1.250%, due 05/31/05 .....		1,994,688
	2,000,000	Federal Home Loan Bank, 4.500%, due 11/15/12.....		1,991,752
	1,000,000	American General Corporation, 7.500%, due 08/11/10 .....		1,196,176
	1,000,000	Regions Financial Corporation, 7.000%, due 03/01/11 .....		1,127,328
	1,000,000	United Technologies Corporation, 6.350%, due 03/01/11.....		1,117,203
	1,000,000	Alcoa, Inc., 6.000%, due 01/15/12.....		1,086,758
	1,000,000	National Rural Utilities Cooperative Finance Corporation, 6.000%, due 05/15/06 .....		1,078,418

**AVE MARIA BOND FUND**  
**SCHEDULE OF INVESTMENTS**  
**December 31, 2003**

Par Value	U.S. GOVERNMENT AND AGENCY OBLIGATIONS — 54.3%	Value
	<b>U.S. TREASURIES — 38.7%</b>	
\$ 1,000,000	U.S. Treasury Note, 1.625%, due 01/31/05 .....	\$ 1,003,867
2,000,000	U.S. Treasury Note, 1.625%, due 04/30/05 .....	2,006,016
2,000,000	U.S. Treasury Note, 1.250%, due 05/31/05 .....	1,994,688
1,000,000	U.S. Treasury Note, 3.000%, due 02/15/08 .....	1,004,648
4,000,000	U.S. Treasury Note, 2.625%, due 05/15/08 .....	3,939,844
2,256,180	U.S. Treasury Inflation-Protection Notes, 3.875%, due 01/15/09 .....	2,547,721
		<u>12,496,784</u>
	<b>U.S. AGENCIES — 15.6%</b>	
1,000,000	Federal Farm Credit Bank, 4.600%, due 12/27/12 .....	1,000,793
1,000,000	Federal Home Loan Bank, 4.375%, due 02/04/10 .....	1,004,563
2,000,000	Federal Home Loan Bank, 4.500%, due 11/15/12 .....	1,991,752
1,000,000	Private Export Funding Corporation, 6.310%, due 09/30/04 .....	1,037,277
		<u>5,034,385</u>
	<b>TOTAL U.S. GOVERNMENT AND AGENCY OBLIGATIONS</b> (Cost \$17,520,552) .....	<u>\$ 17,531,169</u>

Par Value	CORPORATE BONDS — 27.1%	Value
	<b>BUSINESS SERVICES — 3.3%</b>	
\$ 1,000,000	First Data Corporation, 4.700%, due 11/01/06 .....	\$ <u>1,054,447</u>
	<b>FINANCE — 10.3%</b>	
1,000,000	American General Corporation, 7.500%, due 08/11/10 .....	1,196,176
1,000,000	Caterpillar Financial Services Corporation, 2.650%, due 01/30/06 .....	1,007,654
1,000,000	Regions Financial Corporation, 7.000%, due 03/01/11 .....	1,127,328
		<u>3,331,158</u>
	<b>INDUSTRIALS — 10.1%</b>	
1,000,000	Alcoa, Inc., 6.000%, due 01/15/12 .....	1,086,758
1,000,000	Snap-On, Inc., 6.625%, due 10/01/05 .....	1,067,895
1,000,000	United Technologies Corporation, 6.350%, due 03/01/11 .....	1,117,203
		<u>3,271,856</u>
	<b>UTILITIES — 3.4%</b>	
1,000,000	National Rural Utilities Cooperative Finance Corporation, 6.000%, due 05/15/06 .....	<u>1,078,418</u>
	<b>TOTAL CORPORATE BONDS</b> (Cost \$8,759,393) .....	<u>\$ 8,735,879</u>

# AVE MARIA BOND FUND

## SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 11.3%	Value
	<b>BUSINESS &amp; INDUSTRIAL PRODUCTS - 1.0%</b>	
10,000	Genuine Parts Company .....	\$ 332,000
	<b>COMMUNICATION EQUIPMENT &amp; SERVICES - 0.6%</b>	
4,200	Alltel Corporation .....	195,636
	<b>ENERGY AND MINING - 1.0%</b>	
7,500	Exxon Mobil Corporation.....	307,500
	<b>FINANCE - BANKS &amp; THRIFTS - 3.3%</b>	
8,800	BB&T Corporation .....	340,032
10,000	Huntington Bancshares, Inc. ....	225,000
7,500	National City Corporation .....	254,550
6,000	North Fork Bancorporation, Inc. ....	242,820
		1,062,402
	<b>INDUSTRIAL PRODUCTS &amp; SERVICES - 0.8%</b>	
7,000	Stanley Works (The) .....	265,090
	<b>REAL ESTATE - 0.9%</b>	
10,000	Washington Real Estate Investment Trust .....	292,000
	<b>UTILITIES - 3.7%</b>	
4,500	Dominion Resources, Inc. ....	287,235
3,500	Exelon Corporation.....	232,260
3,200	FPL Group, Inc. ....	209,344
5,500	Pinnacle West Capital Corporation.....	220,110
8,000	Southern Company (The) .....	242,000
		1,190,949
	<b>TOTAL COMMON STOCKS (Cost \$3,334,574) .....</b>	<b>\$ 3,645,577</b>

Face Amount	REPURCHASE AGREEMENTS <sup>(1)</sup> — 7.5%	Value
\$ 2,409,816	Fifth Third Bank, 0.50%, dated 12/31/03, due 01/02/04, repurchase proceeds: \$2,409,883 (Cost \$2,409,816) .....	\$ 2,409,816
	<b>TOTAL INVESTMENTS — 100.2% (Cost \$32,024,335) .....</b>	<b>\$ 32,322,441</b>
	<b>LIABILITIES IN EXCESS OF OTHER ASSETS — (0.2%) .....</b>	<b>( 47,577 )</b>
	<b>NET ASSETS — 100.0% .....</b>	<b>\$ 32,274,864</b>

<sup>(1)</sup> Repurchase agreements are fully collateralized by U.S. Government obligations.

See notes to financial statements.

**AVE MARIA MUTUAL FUNDS**  
**STATEMENTS OF ASSETS AND LIABILITIES**  
**December 31, 2003**

	<b>Ave Maria Catholic Values Fund</b>	<b>Ave Maria Growth Fund</b>	<b>Ave Maria Bond Fund</b>
<b>ASSETS</b>			
Investment securities:			
At amortized cost .....	\$ 112,971,171	\$ 13,074,628	\$ 32,024,335
At market value (Note 1) .....	\$ 145,740,923	\$ 14,942,319	\$ 32,322,441
Receivable for capital shares sold .....	291,485	170,236	914
Dividends and interest receivable .....	124,706	9,852	276,423
Receivable from Adviser (Note 2) .....	—	—	4,166
Other assets .....	14,479	9,593	10,789
<b>TOTAL ASSETS</b> .....	<b>146,171,593</b>	<b>15,132,000</b>	<b>32,614,733</b>
<b>LIABILITIES</b>			
Dividends payable .....	—	—	863
Distributions payable .....	3,702	—	210
Payable for capital shares redeemed .....	20,961	—	—
Payable for investment securities purchased .....	768,441	—	319,676
Accrued investment advisory fees (Note 2) .....	346,032	6,578	—
Accrued distribution fees (Note 2) .....	30,110	3,033	239
Payable to affiliate (Note 2) .....	17,700	4,000	4,000
Other accrued expenses .....	28,945	13,631	14,881
<b>TOTAL LIABILITIES</b> .....	<b>1,215,891</b>	<b>27,242</b>	<b>339,869</b>
<b>NET ASSETS</b> .....	<b>\$ 144,955,702</b>	<b>\$ 15,104,758</b>	<b>\$ 32,274,864</b>
<b>NET ASSETS CONSIST OF:</b>			
Paid-in capital .....	\$ 112,975,695	\$ 13,237,067	\$ 31,995,067
Distributions in excess of net realized gains from security transactions .....	( 789,745 )	—	( 18,309 )
Net unrealized appreciation on investments .....	32,769,752	1,867,691	298,106
<b>NET ASSETS</b> .....	<b>\$ 144,955,702</b>	<b>\$ 15,104,758</b>	<b>\$ 32,274,864</b>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value) .....	11,369,589	1,224,445	
Net asset value, offering price and redemption price per share (Note 1) <sup>(a)</sup>	\$ 12.75	\$ 12.34	
<b>PRICING OF CLASS I SHARES</b>			
Net assets applicable to Class I shares .....			\$ 30,773,240
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value) .....			3,049,301
Net asset value, offering price and redemption price per share (Note 1) .....			\$ 10.09
<b>PRICING OF CLASS R SHARES</b>			
Net assets applicable to Class R shares .....			\$ 1,501,624
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value) .....			148,876
Net asset value, offering price and redemption price per share (Note 1) <sup>(a)</sup> .....			\$ 10.09

<sup>(a)</sup> Except with respect to Class I shares of the Ave Maria Bond Fund, redemption price varies based on length of time held (Note 1).  
See notes to financial statements.

**AVE MARIA MUTUAL FUNDS**  
**STATEMENTS OF OPERATIONS**  
**For the Year Ended December 31, 2003<sup>(a)</sup>**

	<b>Ave Maria Catholic Values Fund</b>	<b>Ave Maria Growth Fund</b>	<b>Ave Maria Bond Fund</b>
<b>INVESTMENT INCOME</b>			
Dividend.....	\$ 1,275,872	\$ 69,562	\$ 63,036
Interest .....	31,819	4,003	489,026
<b>TOTAL INCOME .....</b>	<b>1,307,691</b>	<b>73,565</b>	<b>552,062</b>
<b>EXPENSES</b>			
Investment advisory fees (Note 2) .....	1,071,620	64,637	61,977
Distribution fees (Note 2) .....	267,904	16,159	942
Administration, accounting and transfer agent fees (Note 2)....	160,424	32,000	32,000
Legal and audit fees.....	24,449	13,942	13,942
Trustees' fees and expenses .....	37,212	6,327	6,327
Registration fees - Common .....	23,644	11,039	4,031
Registration fees - Class I .....	—	—	2,708
Registration fees - Class R .....	—	—	5,895
Postage and supplies .....	22,904	3,042	3,488
Organization expense.....	—	12,225	12,225
Custodian fees .....	16,499	3,964	2,068
Insurance expense .....	14,719	392	1,379
Advisory board fees and expenses .....	12,131	2,131	2,131
Reports to shareholders .....	13,019	88	48
Other expenses.....	9,741	3,912	5,149
<b>TOTAL EXPENSES .....</b>	<b>1,674,266</b>	<b>169,858</b>	<b>154,310</b>
Less: Fees waived and/or expenses reimbursed by the Adviser (Note 2)			
Common.....	( 66,849 )	( 72,903 )	( 82,789 )
Class I.....	—	—	( 2,708 )
Class R.....	—	—	( 5,330 )
<b>NET EXPENSES.....</b>	<b>1,607,417</b>	<b>96,955</b>	<b>63,483</b>
<b>NET INVESTMENT INCOME/(LOSS).....</b>	<b>( 299,726 )</b>	<b>( 23,390 )</b>	<b>488,579</b>
<b>REALIZED AND UNREALIZED GAINS/(LOSSES) ON INVESTMENTS</b>			
Net realized gains/(losses) from security transactions .....	5,135,575	—	(2,359)
Net change in unrealized appreciation/ (depreciation) on investments .....	34,051,696	1,867,691	298,106
<b>NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS.....</b>	<b>39,187,271</b>	<b>1,867,691</b>	<b>295,747</b>
<b>NET INCREASE IN NET ASSETS FROM OPERATIONS..</b>	<b>\$ 38,887,545</b>	<b>\$ 1,844,301</b>	<b>\$ 784,326</b>

<sup>(a)</sup> Except for the Ave Maria Growth Fund and the Ave Maria Bond Fund, which represents the period from the commencement of operations (May 1, 2003) through December 31, 2003.

See notes to financial statements.

# AVE MARIA CATHOLIC VALUES FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended December 31, 2003	Year Ended December 31, 2002
<b>FROM OPERATIONS</b>		
Net investment loss .....	\$ ( 299,726 )	\$ ( 76,344 )
Net realized gains/(losses) from security transactions .....	5,135,575	( 4,937,741 )
Net change in unrealized appreciation/(depreciation) on investments .....	34,051,696	( 2,301,756 )
Net increase/(decrease) in net assets from operations .....	<u>38,887,545</u>	<u>( 7,315,841 )</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net realized gains on investments .....	<u>( 977,801 )</u>	<u>—</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold.....	51,860,406	46,588,060
Reinvestment of distributions to shareholders .....	974,099	—
Payments for shares redeemed .....	<u>( 7,590,330 )</u>	<u>( 1,423,248 )</u>
Net increase in net assets from capital share transactions .....	<u>45,244,175</u>	<u>45,164,812</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>83,153,919</b>	<b>37,848,971</b>
<b>NET ASSETS</b>		
Beginning of year .....	61,801,783	23,952,812
End of year .....	<u>\$ 144,955,702</u>	<u>\$ 61,801,783</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold.....	5,539,156	4,381,372
Shares issued in reinvestment of distributions to shareholders .....	76,400	—
Shares redeemed .....	<u>( 768,714 )</u>	<u>( 139,989 )</u>
Net increase in shares outstanding .....	4,846,842	4,241,383
Shares outstanding, beginning of year .....	<u>6,522,747</u>	<u>2,281,364</u>
Shares outstanding, end of year .....	<u>11,369,589</u>	<u>6,522,747</u>

See notes to financial statements.

# AVE MARIA GROWTH FUND

## STATEMENT OF CHANGES IN NET ASSETS

	Period Ended December 31, 2003 <sup>(a)</sup>
<b>FROM OPERATIONS</b>	
Net investment loss .....	\$ ( 23,390 )
Net change in unrealized appreciation/(depreciation) on investments .....	1,867,691
Net increase in net assets from operations .....	<u>1,844,301</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>	
Proceeds from shares sold.....	13,264,851
Payments for shares redeemed .....	( 4,394 )
Net increase in net assets from capital share transactions .....	<u>13,260,457</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>15,104,758</b>
<b>NET ASSETS</b>	
Beginning of period .....	—
End of period.....	<u><u>\$ 15,104,758</u></u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>	
Shares sold.....	1,224,821
Shares redeemed .....	( 376 )
Net increase in shares outstanding .....	<u>1,224,445</u>
Shares outstanding, beginning of period .....	—
Shares outstanding, end of period .....	<u><u>1,224,445</u></u>

<sup>(a)</sup> Represents the period from the commencement of operations (May 1, 2003) through December 31, 2003.

See notes to financial statements.



# AVE MARIA BOND FUND

## STATEMENT OF CHANGES IN NET ASSETS

	Period Ended December 31, 2003 <sup>(a)</sup>
<b>FROM OPERATIONS</b>	
Net investment income .....	\$ 488,579
Net realized losses from security transactions .....	( 2,359 )
Net change in unrealized appreciation/(depreciation) on investments .....	298,106
Net increase in net assets from operations .....	<u>784,326</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>	
From net investment income, Class I .....	( 479,401 )
From net investment income, Class R .....	( 9,648 )
From net realized gains on investments, Class I .....	( 15,207 )
From net realized gains on investments, Class R .....	( 743 )
Net decrease in net assets from distributions to shareholders .....	<u>( 504,999 )</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>	
<b>CLASS I</b>	
Proceeds from shares sold.....	30,000,000
Reinvestment of distributions to shareholders .....	494,608
Net increase in net assets from Class I capital share transactions .....	<u>30,494,608</u>
<b>CLASS R</b>	
Proceeds from shares sold.....	1,504,260
Reinvestment of distributions to shareholders .....	5,698
Payments for shares redeemed .....	( 9,029 )
Net increase in net assets from Class R capital share transactions .....	<u>1,500,929</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>32,274,864</b>
<b>NET ASSETS</b>	
Beginning of period .....	—
End of period.....	<u>\$ 32,274,864</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>	
<b>CLASS I</b>	
Shares sold.....	3,000,000
Shares issued in reinvestment of distributions to shareholders .....	49,301
Net increase in shares outstanding .....	3,049,301
Shares outstanding, beginning of period .....	—
Shares outstanding, end of period .....	<u>3,049,301</u>
<b>CLASS R</b>	
Shares sold.....	149,207
Shares issued in reinvestment of distributions to shareholders .....	568
Shares redeemed .....	( 899 )
Net increase in shares outstanding .....	148,876
Shares outstanding, beginning of period .....	—
Shares outstanding, end of period .....	<u>148,876</u>

<sup>(a)</sup> Represents the period from the commencement of operations (May 1, 2003) through December 31, 2003.  
See notes to financial statements.

# AVE MARIA CATHOLIC VALUES FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Period

	Year Ended December 31, 2003	Year Ended December 31, 2002	Period Ended December 31, 2001 <sup>(a)</sup>
Net asset value at beginning of period .....	\$ 9.47	\$ 10.50	\$ 10.00
Income/(loss) from investment operations:			
Net investment income/(loss) .....	( 0.03 )	( 0.01 )	0.02
Net realized and unrealized gains/(losses) on investments .....	3.40	( 1.02 )	0.51
Total from investment operations .....	3.37	( 1.03 )	0.53
Less distributions:			
From net investment income .....	—	—	( 0.02 )
From net realized gains on investments .....	( 0.09 )	—	( 0.01 )
In excess of net realized gains on investments .....	—	—	( 0.00 )
Total distributions .....	( 0.09 )	—	( 0.03 )
Net asset value at end of period .....	\$ 12.75	\$ 9.47	\$ 10.50
Total return .....	35.6%	(9.8)%	5.3% <sup>(c)</sup>
Ratios/Supplementary Data:			
Net assets at end of period (000's) .....	\$ 144,956	\$ 61,802	\$ 23,953
Ratio of net expenses to average net assets <sup>(b)</sup> .....	1.50%	1.50%	1.50% <sup>(d)</sup>
Ratio of net investment income/(loss) to average net assets .....	(0.28)%	(0.14)%	0.39% <sup>(d)</sup>
Portfolio turnover rate .....	58%	86%	44% <sup>(d)</sup>

<sup>(a)</sup> Represents the period from the initial public offering (May 1, 2001) through December 31, 2001.

<sup>(b)</sup> Absent investment advisory fees waived by the Adviser, the ratio of expenses to average net assets would have been 1.56%, 1.69%, and 2.09%<sup>(d)</sup> for the periods ended December 31, 2003, 2002, and 2001, respectively.

<sup>(c)</sup> Not annualized.

<sup>(d)</sup> Annualized.

See notes to financial statements.

# AVE MARIA GROWTH FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout the Period

	Period Ended December 31, 2003 <sup>(a)</sup>
Net asset value at beginning of period .....	\$ 10.00
Income/(loss) from investment operations:	
Net investment loss .....	( 0.02 )
Net realized and unrealized gains on investments .....	2.36
Total from investment operations .....	2.34
Net asset value at end of period .....	\$ 12.34
Total return .....	23.4% <sup>(c)</sup>
Ratios/Supplementary Data:	
Net assets at end of period (000's) .....	\$ 15,105
Ratio of net expenses to average net assets <sup>(b)</sup> .....	1.49% <sup>(d)</sup>
Ratio of net investment loss to average net assets .....	(0.36)% <sup>(d)</sup>
Portfolio turnover rate .....	0%

<sup>(a)</sup> Represents the period from the initial public offering (May 1, 2003) through December 31, 2003.

<sup>(b)</sup> Absent fee waivers and expense reimbursements by the Adviser, the ratio of expenses to average net assets would have been 2.61%<sup>(d)</sup>.

<sup>(c)</sup> Not annualized.

<sup>(d)</sup> Annualized.

See notes to financial statements.

# AVE MARIA BOND FUND - CLASS I

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout the Period

	Period Ended December 31, 2003 <sup>(a)</sup>
Net asset value at beginning of period .....	\$ 10.00
Income from investment operations:	
Net investment income .....	0.16
Net realized and unrealized gains on investments .....	0.10
Total from investment operations .....	0.26
Less distributions:	
From net investment income .....	( 0.16 )
From net realized gains on investments .....	( 0.01 )
Total distributions .....	( 0.17 )
Net asset value at end of period .....	\$ 10.09
Total return .....	2.6% <sup>(c)</sup>
Ratios/Supplementary Data:	
Net assets at end of period (000's) .....	\$ 30,773
Ratio of net expenses to average net assets <sup>(b)</sup> .....	0.30% <sup>(d)</sup>
Ratio of net investment income to average net assets .....	2.36% <sup>(d)</sup>
Portfolio turnover rate .....	50% <sup>(d)</sup>

<sup>(a)</sup> Represents the period from the initial public offering (May 1, 2003) through December 31, 2003.

<sup>(b)</sup> Absent fee waivers and expense reimbursements by the Adviser, the ratio of expenses to average net assets would have been 0.71%<sup>(d)</sup>.

<sup>(c)</sup> Not annualized.

<sup>(d)</sup> Annualized.

See notes to financial statements.

# AVE MARIA BOND FUND - CLASS R

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout the Period

	Period Ended December 31, 2003 <sup>(a)</sup>
Net asset value at beginning of period .....	\$ 10.00
Income from investment operations:	
Net investment income .....	0.14
Net realized and unrealized gains on investments .....	0.10
Total from investment operations .....	0.24
Less distributions:	
From net investment income .....	( 0.14 )
From net realized gains on investments .....	( 0.01 )
Total distributions .....	( 0.15 )
Net asset value at end of period .....	\$ 10.09
Total return .....	2.4% <sup>(c)</sup>
Ratios/Supplementary Data:	
Net assets at end of period (000's) .....	\$ 1,502
Ratio of net expenses to average net assets <sup>(b)</sup> .....	0.69% <sup>(d)</sup>
Ratio of net investment income to average net assets .....	1.96% <sup>(d)</sup>
Portfolio turnover rate .....	50% <sup>(d)</sup>

<sup>(a)</sup> Represents the period from the initial public offering (May 1, 2003) through December 31, 2003.

<sup>(b)</sup> Absent fee waivers and expense reimbursements by the Adviser, the ratio of expenses to average net assets would have been 2.49%<sup>(d)</sup>.

<sup>(c)</sup> Not annualized.

<sup>(d)</sup> Annualized.

See notes to financial statements.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### December 31, 2003

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#### 1. Significant Accounting Policies

The Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, and the Ave Maria Bond Fund (the Funds) are each a series of the Schwartz Investment Trust, a diversified open-end management investment company registered under the Investment Company Act of 1940 and established as an Ohio business trust under a Declaration of Trust dated August 31, 1992. The Ave Maria Catholic Values Fund commenced the public offering of its shares on May 1, 2001. The public offering of shares of the Ave Maria Growth Fund and the Ave Maria Bond Fund commenced on May 1, 2003. The Funds determine and make available for publication the net asset value of each of its shares on a daily basis.

The investment objective of the Ave Maria Catholic Values Fund is to seek long-term capital appreciation from equity investments in companies that operate in a way that is consistent with the core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Growth Fund is to seek long-term capital appreciation, using the growth style, from equity investments in companies that do not violate the core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Bond Fund is to seek preservation of principal with a reasonable level of current income. See the Prospectus for more detailed information regarding the investment strategies of each Fund.

The Ave Maria Bond Fund offers two classes of shares: Class I shares (sold subject to a distribution fee of up to 0.10% of the average daily net assets attributable to Class I shares) and Class R shares (sold subject to a distribution fee of up to 0.25% of the average daily net assets attributable to Class R shares). Each class of shares represents an interest in the same assets of the Fund, has the same rights and is identical in all material respects except that (1) Class R bears the expenses of higher distribution fees; (2) certain other class specific expenses will be borne solely by the class to which such expenses are attributable; (3) Class I shares are not subject to the contingent deferred sales load described below; and (4) each class has exclusive voting rights with respect to matters relating to its own distribution arrangements.

Shares of each Fund are sold at net asset value. To calculate the net asset value, each Fund's assets are valued and totaled, liabilities are subtracted, and the balance is divided by the number of shares outstanding. The offering price and redemption price per share is equal to the net asset value per share, except that shares of each Fund (except for Class I shares of the Ave Maria Bond Fund) are subject to a 1% contingent deferred sales load if redeemed within one year of their purchase.

The following is a summary of significant accounting policies followed by the Funds:

**(a) Valuation of investments** – Securities which are traded on stock exchanges or are quoted by NASDAQ are valued at the closing sales price as of the close of the regular session of trading on the New York Stock Exchange (NYSE) on the day the securities are being valued, or, if not traded on a particular day, at the closing bid price. Securities traded in the over-the-counter market, and which are not quoted by NASDAQ, are valued at the average of the highest current independent bid and lowest current independent offer as of the close of the regular session of trading on the NYSE on the day of valuation. Securities which are traded both in the over-the-counter market and on a stock exchange are valued according to the broadest and most representative market. Securities (and other assets) for which market quotations are not readily available are valued at their fair value as determined in good faith in accordance with consistently applied procedures established by and under the general supervision of the Board of Trustees.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS (Continued)

**(b) Income taxes** – It is each Fund’s policy to comply with the special provisions of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. As provided therein, in any fiscal year in which the Fund so qualifies and distributes at least 90% of its taxable income, the Fund (but not the shareholders) will be relieved of federal income tax on the income distributed. Accordingly, no provision for income taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also each Fund’s intention to declare as dividends in each calendar year at least 98% of its net investment income and 98% of its net realized capital gains plus undistributed amounts from prior years.

For the period ended December 31, 2003, the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria Bond Fund reclassified net investment losses of \$299,726, \$23,390 and \$470, respectively, against paid-in-capital on the Statements of Assets and Liabilities. Such reclassifications, the result of permanent differences between the financial statement and income tax reporting requirements, have no effect on the Funds’ net assets or net asset value per share.

The tax character of distributable earnings at December 31, 2003 was as follows:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Bond Fund
Distributions in excess of ordinary income .....	\$ —	\$ —	\$ ( 559 )
Undistributed gains .....	214	—	—
Unrealized appreciation .....	31,979,793	1,867,691	279,886
Total distributable earnings .....	<u>\$ 31,980,007</u>	<u>\$ 1,867,691</u>	<u>\$ 279,327</u>

The following information is based upon the federal income tax cost of the investment securities as of December 31, 2003:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Bond Fund
Gross unrealized appreciation .....	\$ 33,087,563	\$ 2,047,751	\$ 390,899
Gross unrealized depreciation .....	( 1,107,770 )	( 180,260 )	( 111,013 )
Net unrealized appreciation .....	<u>\$ 31,979,793</u>	<u>\$ 1,867,691</u>	<u>\$ 279,886</u>
Federal income tax cost.....	<u>\$ 113,761,130</u>	<u>\$ 13,074,628</u>	<u>\$ 32,042,555</u>

The difference between the federal income tax cost of portfolio investments and the financial statement cost for the Ave Maria Catholic Values Fund and the Ave Maria Bond Fund is due to certain timing differences in the recognition of capital losses under income tax regulations and accounting principles generally accepted in the United States of America (GAAP).

**(c) Security transactions and investment income** – Security transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recognized on the accrual basis. Realized gains and losses on security transactions are determined on the identified cost basis. Discounts and premiums on fixed-income securities purchased are amortized using the interest method.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS (Continued)

**(d) Dividends and distributions** – Dividends from net investment income, if any, are declared and paid annually in December for the Ave Maria Catholic Values Fund and the Ave Maria Growth Fund and are declared and paid monthly for the Ave Maria Bond Fund. Each Fund expects to distribute any net realized capital gains annually. Dividends and distributions to shareholders are recorded on the ex-dividend date. The tax character of distributions paid during the periods ended December 31, 2003 and December 31, 2002 were as follows:

Period Ended	Ordinary Income	Long-Term Capital Gains (15%)	Total Distributions
<b>Ave Maria Catholic Values Fund:</b>			
December 31, 2003 .....	\$ —	\$ 977,801	\$ 977,801
December 31, 2002 .....	\$ —	\$ —	\$ —
<b>Ave Maria Bond Fund – Class I:</b>			
December 31, 2003 .....	\$ 494,608	\$ —	\$ 494,608
<b>Ave Maria Bond Fund – Class R:</b>			
December 31, 2003 .....	\$ 10,391	\$ —	\$ 10,391

**(e) Repurchase agreements** – The Funds may enter into repurchase agreements (agreements to purchase securities subject to the seller's agreement to repurchase them at a specified time and price) with well-established registered securities dealers or banks. Repurchase agreements may be deemed to be loans by the Funds. It is each Fund's policy to take possession of U.S. Government obligations as collateral under a repurchase agreement and, on a daily basis, mark-to-market such obligations to ensure that their value, including accrued interest, is at least equal to the amount to be repaid to the Fund under the repurchase agreement.

**(f) Estimates** – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## 2. Investment Advisory Agreement and Transactions with Related Parties

The President of the Funds is also the President and Chief Investment Officer of Schwartz Investment Counsel, Inc. (the Adviser). Certain other trustees and officers of the Funds are officers of the Adviser, or of Schwartz Fund Distributors, Inc. (the Distributor), the Funds' principal underwriter, or of Ultimus Fund Solutions, LLC (Ultimus), the administrative, accounting and transfer agent for the Funds.

Pursuant to an Investment Advisory Agreement between the Funds and the Adviser, the Adviser is responsible for the management of each Fund and provides investment advice along with the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Funds. For such services, each of the Ave Maria Catholic Values Fund and the Ave Maria Growth Fund pay the Adviser a quarterly fee equal to the annual rate of 1.00% of its average daily net assets. The Ave Maria Bond Fund pays the Adviser a quarterly fee at the annual rate of 0.30% of the average value of its daily net assets.

The Adviser has contractually agreed to waive a portion of its advisory fees or reimburse a portion of operating expenses so that the net expenses of the Ave Maria Catholic Values Fund do not exceed 1.50% until at least May 1, 2004. The Adviser has contractually agreed to waive a portion of its advisory fees or reimburse a portion of



## AVE MARIA MUTUAL FUNDS

### NOTES TO FINANCIAL STATEMENTS (Continued)

operating expenses so that the net expenses of the Ave Maria Growth Fund do not exceed 1.50% and the net expenses of Class I and Class R shares of the Ave Maria Bond Fund do not exceed 0.30% and 0.70%, respectively, until at least May 1, 2007. For the period ended December 31, 2003, the Adviser waived investment advisory fees of \$66,849 with respect to the Ave Maria Catholic Values Fund; waived all of its investment advisory fees of \$64,637 and reimbursed \$8,266 of other operating expenses with respect to the Ave Maria Growth Fund; and waived all of its investment advisory fees of \$61,977 and reimbursed \$28,850 of other operating expenses (including \$20,812 of common expenses, \$2,708 of Class I expenses and \$5,330 of Class R expenses) with respect to the Ave Maria Bond Fund.

Any fee waivers or expense reimbursements by the Adviser are subject to repayment by the Funds for a period of three years from the end of the fiscal year during which such waivers or reimbursements occurred, provided the Funds are able to effect such repayment and remain in compliance with the undertaking by the Adviser to limit expenses of the Funds. As of December 31, 2003, the amount of fee waivers and expense reimbursements available for reimbursement to the Adviser are as follows:

Ave Maria Catholic Values Fund .....	\$	223,889
Ave Maria Growth Fund .....	\$	72,903
Ave Maria Bond Fund .....	\$	90,827

As of December 31, 2003, the Advisor may recapture a portion of the above amounts no later than the dates as stated below:

	December 31, 2004	December 31, 2005	December 31, 2006
Ave Maria Catholic Values Fund .....	\$ 57,270	\$ 99,770	\$ 66,849
Ave Maria Growth Fund .....	\$ —	\$ —	\$ 72,903
Ave Maria Bond Fund .....	\$ —	\$ —	\$ 90,827

The Distributor serves as the principal underwriter for the distribution of shares of the Funds. During the period ended December 31, 2003, the Distributor collected \$8,422, \$20, and \$63 in contingent deferred sales loads on redemptions of shares of the Ave Maria Catholic Values Fund, Ave Maria Growth Fund, and Class R shares of the Ave Maria Bond Fund, respectively.

Each Fund has adopted a Shareholder Servicing Plan (the Plan), which allows the Funds to make payments to financial organizations for providing account administration and personal and account maintenance services to Fund shareholders. The annual service fee may not exceed an amount equal to 0.25% of each Fund's daily net assets (except that the service fee is limited to 0.10% of the average net assets of the Ave Maria Bond Fund allocable to Class I shares). During the period ended December 31, 2003, the total expenses incurred pursuant to the Plan were \$267,904, \$16,159, and \$942 for the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, and Class R shares of the Ave Maria Bond Fund, respectively.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS (Continued)

Pursuant to a Mutual Fund Services Agreement between the Funds and Ultimus, Ultimus supplies regulatory and compliance services, calculates the daily net asset value per share, maintains the financial books and records of the Funds, maintains the records of each shareholder's account, and processes purchases and redemptions of each Fund's shares. For the performance of these services, the Ave Maria Bond Fund pays Ultimus a monthly fee at an annual rate of 0.10% of its average daily net assets and each of the Ave Maria Catholic Values Fund and the Ave Maria Growth Fund pays Ultimus a monthly fee at an annual rate of 0.15% of its average daily net assets. The fee payable by each Fund is subject to a minimum monthly fee of \$4,000.

### 3. Investment Transactions

During the year ended December 31, 2003, cost of purchases and proceeds from sales and maturities of investment securities, excluding short-term investments and U.S. government securities, were as follows:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Bond Fund
Purchases of investment securities .....	\$ 101,884,193	\$ 12,899,741	\$ 15,951,180
Proceeds from sales of investment securities .....	\$ 60,268,195	\$ —	\$ 3,783,300

# **AVE MARIA MUTUAL FUNDS**

## **INDEPENDENT AUDITORS' REPORT**

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To the Shareholders and Trustees of Ave Maria Catholic Values Fund,  
Ave Maria Growth Fund and Ave Maria Bond Fund:

We have audited the accompanying statements of assets and liabilities of Ave Maria Catholic Values Fund, Ave Maria Growth Fund and Ave Maria Bond Fund (the "Funds"), including the schedules of investments, as of December 31, 2003, and the related statements of operations, changes in net assets, and the financial highlights for the periods presented. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2003, by correspondence with the Funds' custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights present fairly, in all material respects, the financial position of Ave Maria Catholic Values Fund, Ave Maria Growth Fund and Ave Maria Bond Fund as of December 31, 2003, the results of their operations, their changes in net assets, and their financial highlights for the periods presented, in conformity with accounting principles generally accepted in the United States of America.

**DELOITTE & TOUCHE LLP**

February 16, 2004  
Chicago, Illinois

# AVE MARIA MUTUAL FUNDS

## BOARD OF TRUSTEES AND EXECUTIVE OFFICERS (Unaudited)

Overall responsibility for management of the Trust rests with the Board of Trustees. The Trustees serve during the lifetime of the Trust and until its termination, or until death, resignation, retirement or removal. The Trustees, in turn, elect the officers of the Trust to actively supervise its day-to-day operations. The officers have been elected for an annual term. The following are the Trustees and executive officers of the Trust:

Trustee	Address	Age	Position Held with the Trust	Length of Time Served
* Gregory J. Schwartz	3707 W. Maple Road, Bloomfield Hills, MI	62	Chairman of the Board/Trustee	Since 1993
* George P. Schwartz, CFA	3707 W. Maple Road, Bloomfield Hills, MI	59	President/Trustee	Since 1993
Peter F. Barry	3707 W. Maple Road, Bloomfield Hills, MI	76	Trustee	Since 2004
Donald J. Dawson, Jr.	333 W. Seventh Street, Royal Oak, MI	56	Trustee	Since 1993
Fred A. Erb	800 Old North Woodward, Birmingham, MI	80	Trustee	Since 1994
** Bowie K. Kuhn	136 Teal Pointe Lane, Ponta Vedra Beach, FL	77	Trustee	Since 2001
John J. McHale	2014 Royal Fern Court, Palm City, FL	82	Trustee Emeritus	Since 1993
Sidney F. McKenna	1173 Banbury Circle, Bloomfield Hills, MI	81	Trustee	Since 1993
* Richard L. Platte, Jr., CFA	3707 W. Maple Road, Bloomfield Hills, MI	52	Vice President and Secretary	Since 1993
* Timothy S. Schwartz	3707 W. Maple Road, Bloomfield Hills, MI	32	Treasurer	Since 2000

\* Gregory J. Schwartz, George P. Schwartz, Richard L. Platte, Jr. and Timothy S. Schwartz, as affiliated persons of Schwartz Investment Counsel, Inc., the Fund's investment adviser, are "interested persons" of the Trust within the meaning of Section 2(a)(19) of the Investment Company Act of 1940. Gregory J. Schwartz and George P. Schwartz are brothers, and Timothy S. Schwartz is the son of George P. Schwartz and the nephew of Gregory J. Schwartz.

\*\* Bowie K. Kuhn is an "interested person" of the Trust by virtue of his membership on the Catholic Advisory Board.

Each Trustee oversees four portfolios of the Trust: the Ave Maria Catholic Values Fund, Ave Maria Growth Fund, Ave Maria Bond Fund and the Schwartz Value Fund. The principal occupations of the Trustees and executive officers of the Trust during the past five years and public directorships held by the Trustees are set forth below:

Gregory J. Schwartz is Chairman of Schwartz Investment Counsel, Inc., the Fund's investment adviser.

George P. Schwartz, CFA is President and Chief Investment Officer of Schwartz Investment Counsel, Inc. and is the co-portfolio manager of the Ave Maria Catholic Values Fund.

Peter F. Barry is retired President of Cadillac Rubber & Plastics Company (a manufacturer of rubber and plastics components).

Donald J. Dawson, Jr. is Chairman of Payroll 1, Inc. (a payroll processing company).

Fred A. Erb is the Chairman and Chief Executive Officer of Edgemere Enterprises, Inc. (a real estate investment, development and management company) and Chairman of D.I.Y. Home Warehouse (a retail building supplies company).

Bowie K. Kuhn is President of The Kent Group (business, sports and financial consultant), and is the former Commissioner of Major League Baseball.

John J. McHale is retired as the President of the Montreal Expos (a major league baseball team).

Sidney F. McKenna is retired Senior Vice President of United Technologies Corporation (a major manufacturer of aircraft engines and other industrial products).

Richard L. Platte, Jr., CFA is Executive Vice President, Secretary and Treasurer of Schwartz Investment Counsel, Inc. and is the portfolio manager of the Ave Maria Bond Fund.

Timothy S. Schwartz is Vice President of Schwartz Investment Counsel, Inc.

## AVE MARIA MUTUAL FUNDS

### CATHOLIC ADVISORY BOARD (Unaudited)

The Catholic Advisory Board reviews the companies selected by the Adviser to ensure that the companies operate in a way that is consistent with the teachings and core values of the Roman Catholic Church. The Catholic Advisory Board evaluates companies using publicly available information, information from the Adviser, and information from shareholders and other sources in making its recommendations. The following are the members of the Catholic Advisory Board, each of whom has held office since his or her appointment on April 26, 2001.

Member	Address	Age
Bowie K. Kuhn	136 Teal Pointe Lane, Ponta Vedra Beach, FL	77
Thomas S. Monaghan	One Ave Maria Drive, Ann Arbor, MI	66
Michael J. Novak	1150 17th Street, NW, Suite 1100, Washington, DC	70
Paul R. Roney	One Ave Maria Drive, Ann Arbor, MI	46
Phyllis S. Schlafly	7800 Bonhomme, St. Louis, MO	79
Thomas J. Sullivan	401 Washington Avenue, Avon-by-the-Sea, NJ	68

Bowie K. Kuhn is President of The Kent Group (business, sports and financial consultant), and is the former Commissioner of Major League Baseball.

Thomas S. Monaghan is Chairman of the Ave Maria Foundation (a non-profit foundation supporting Roman Catholic organizations) and Chairman of Domino's Farms Corporation. Prior to December 1998, he was Chairman and Chief Executive Officer of Domino's Pizza, Inc.

Michael J. Novak is a theologian, author, columnist and former U.S. ambassador. He is Director of Social and Political Studies of the American Enterprise Institute.

Paul R. Roney is Executive Director of the Ave Maria Foundation and President of Domino's Farms Corporation. Prior to December 1998, he was Treasurer of Domino's Pizza, Inc.

Phyllis S. Schlafly is an author, columnist and radio commentator. She is President of Eagle Forum (an organization promoting conservative and pro-family values).

Thomas J. Sullivan is retired Executive Vice President of The McGraw-Hill Companies.

Additional information regarding the Funds' Trustees, executive officers and Catholic Advisory Board members may be found in the Funds' Statement of Additional Information and is available without charge upon request by calling 1-888-726-9331.

## FEDERAL TAX INFORMATION (Unaudited)

In accordance with federal tax requirements, the following provides shareholders with information concerning distributions from net realized gains made by the Ave Maria Catholic Values Fund and certain ordinary income dividends paid by the Ave Maria Bond Fund during the fiscal year ended December 31, 2003. On December 31, 2003, the Ave Maria Catholic Values Fund declared and paid a long-term capital gain distribution of \$0.0866 per share. Periodically throughout the year, the Ave Maria Bond Fund paid ordinary income dividends totaling \$0.1587 per share for Class I and \$0.1388 per share for Class R. As provided by the Jobs and Growth Tax Relief Reconciliation Act of 2003, 100% of the long-term capital gain distribution of \$0.0866 per share for the Ave Maria Catholic Values Fund and a portion (12.9%) of the ordinary income dividends paid for the Ave Maria Bond Fund may be subject to a maximum tax rate of 15%. As required by federal regulations, shareholders received notification of their portion of the Fund's taxable capital gain distribution, if any, paid during the 2003 calendar year early in 2004.

## RESULTS OF SPECIAL MEETING OF SHAREHOLDERS OF THE SCHWARTZ INVESTMENT TRUST January 16, 2004 (Unaudited)

On January 16, 2004, a Special Meeting of Shareholders of the Schwartz Investment Trust (the Trust), which includes the Funds, was held (1) to elect seven Trustees, and (2) to ratify the selection of Deloitte & Touche LLP as the Trust's independent public accountants. The total number of shares of the Trust present in person or by proxy represented 87.74% of the shares entitled to vote at the meeting. All nominees for Trustee were elected and Deloitte & Touche LLP was ratified as independent public accountants.

The results of the voting to elect the nominees for Trustee were as follows:

Nominee	Number of Shares	
	Affirmative	Withhold Authority
Donald J. Dawson, Jr.....	15,391,924	4,281
Bowie K. Kuhn.....	15,392,656	3,549
Sidney F. McKenna .....	15,390,600	5,605
George P. Schwartz.....	15,392,698	3,507
Fred A. Erb .....	15,390,747	5,458
Peter F. Barry .....	15,390,701	5,504
Gregory J. Schwartz .....	15,388,457	7,748

The results of the voting for or against the ratification of Deloitte & Touche LLP as independent public accountants were as follows:

Number of Shares		
For	Against	Abstain
15,374,906	6,319	14,980

A description of the policies and procedures that the Fund uses to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free 1-888-726-0753, or on the Securities and Exchange Commissions website at <http://www.sec.gov>.

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## **Ave Maria Mutual Funds**

series of  
Schwartz Investment Trust  
3707 W. Maple Road  
Bloomfield Hills, Michigan 48301  
(248) 644-8500

### **Board of Trustees**

Peter F. Barry  
Donald J. Dawson, Jr.  
Fred A. Erb  
Bowie K. Kuhn  
John J. McHale, Emeritus  
Sidney F. McKenna  
George P. Schwartz, CFA  
Gregory J. Schwartz, Chairman

### **Officers**

George P. Schwartz, CFA, President  
Richard L. Platte, Jr., CFA, V.P./Secretary  
Timothy S. Schwartz, Treasurer  
Robert G. Dorsey, Assistant Secretary  
John F. Splain, Assistant Secretary  
Mark J. Seger, CPA, Assistant Treasurer  
Theresa M. Bridge, CPA, Assistant Treasurer  
Craig J. Hunt, Assistant Vice President

### **Catholic Advisory Board**

Bowie K. Kuhn, Chairman  
Thomas S. Monaghan  
Michael Novak  
Paul R. Roney  
Phyllis S. Schlafly  
Thomas J. Sullivan

### **Investment Adviser**

SCHWARTZ INVESTMENT COUNSEL, INC.  
3707 W. Maple Road  
Bloomfield Hills, Michigan 48301

### **Distributor**

SCHWARTZ FUND DISTRIBUTORS, INC.  
3707 W. Maple Road  
Bloomfield Hills, Michigan 48301

### **Primary Selling Agent**

GREGORY J. SCHWARTZ & CO., INC.  
3707 W. Maple Road  
Bloomfield Hills, Michigan 48301

### **Custodian**

FIFTH THIRD BANK  
38 Fountain Square Plaza  
Cincinnati, Ohio 45263

### **Administrator**

ULTIMUS FUND SOLUTIONS, LLC  
P.O. Box 46707  
Cincinnati, Ohio 45246

### **Auditors**

DELOITTE & TOUCHE LLP  
180 N. Stetson Ave.  
Chicago, IL 60606

### **Legal Counsel**

SULLIVAN & WORCESTER LLP  
1666 K Street, NW, Suite 700  
Washington, D.C. 20006

# **AVE MARIA CATHOLIC VALUES FUND**

## **AVE MARIA GROWTH FUND**

## **AVE MARIA BOND FUND**



## **ANNUAL REPORT for the year ended DECEMBER 31, 2003**

**Ticker Symbols:  
AVEMX – AVEGX – AVEFX**