Kirr, Marbach Partners Value Fund

"It ain't what you don't know that gets you into trouble.
It's what you know for sure that just ain't so."
– Mark Twain

January 15, 2015

Dear Fellow Shareholders:

We unfortunately have little new to say from our quarterly letters during the year, so much of this letter is updated information. The vast majority of active managers struggled, as *The Wall Street Journal* reported Morningstar determined about 87% of actively managed, *large-capitalization* stock funds underperformed the S&P 500 in 2014. *Small-capitalization* stock funds had relatively better success, but 63% still underperformed the Russell 2000 in 2014. Value Fund's performance trailed its benchmarks by a significant amount. We own our performance, in good times and bad, and each of us is invested alongside you. Our weak 2014 performance came at the end of a string of very strong absolute and relative performance (we'd still characterize our 3-year performance as acceptable and our 5-year performance as very good), but we understand and share your disappointment.

Short-term underperformance is frustrating, but our goal always is to generate outstanding *long-term* performance. We understand the long road to reaching that destination will be bumpy and periods of underperformance are inevitable. That doesn't make these periods any easier to take, but during difficult times it's even more important to remain true to our value discipline. That's exactly what we intend to do.

We do have some good news to share. ***We are extremely proud Kirr, Marbach & Company, LLC, the adviser to Value Fund, was recently added to Merrill Lynch's revamped managed account platform, Merrill One***. Merrill Lynch's due diligence process took over a year to complete and involved a thorough and extensive vetting of our performance and operational capabilities. Merrill One is available to all of the firm's 14,000 advisors and has amassed almost $200 billion in assets. We view our selection as an important milestone for our business and are very excited about the prospects as this relationship grows.

Periods ending December 31, 2014 (4)

	Value Fund (1) Total Return	**Russell 3000 (2) Index**	**S&P 500 (3) Index**
3-months	3.00%	5.24%	4.93%
One-year	1.95%	12.56%	13.69%
Two-years	16.63%	22.61%	22.68%
Three-years	19.79%	20.51%	20.41%
Five-years	17.87%	15.63%	15.45%
Ten-years	7.27%	7.94%	7.67%
Since Inception (December 31, 1998)	7.96%	5.76%	5.22%

The Fund's Gross Expense Ratio and Net Expense Ratio were 1.54% and 1.45% respectively, according to the Prospectus dated January 28, 2014. Until February 28, 2015, the Adviser has contractually agreed to waive its management fee and/or reimburse the Fund's other expenses. Investment performance reflects waivers in effect. In the absence of such waivers, total return would be reduced.

Performance data quoted represents past performance; past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by calling 1-800-870-8039. The fund imposes a 1.00% redemption fee on shares held less than 30 days. Performance data quoted does not reflect the redemption fee. If reflected, total returns would be reduced.

1. The performance data quoted assumes the reinvestment of capital gains and income distributions. The performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.
2. The Russell 3000 Index is an unmanaged, capitalization-weighted index generally representative of the overall U.S. stock market. This Index cannot be invested in directly.
3. The S&P 500 Index is an unmanaged, capitalization-weighted index generally representative of the U.S. market for large capitalization stocks. This Index cannot be invested in directly.
4. One-year, Two-years, Three-years, Five-years, Ten-years and Since Inception returns are Average Annualized Returns.

The Stock Market

We're not making excuses for Value Fund's weak relative performance in 2014, but it's important to understand the challenging stock market environment we faced. One of the primary reasons active managers struggled continued to be the wide divergence in performance between the largest-capitalization and smaller-capitalization stocks. Our primary performance benchmark is the Russell 3000 Index, a *capitalization-weighted* index comprised of the 3000 largest-capitalization U.S. stocks (representing about 98% of the investible U.S. equity market). The Russell 3000 Index can be divided into the Russell 1000 Index (largest 1000 market capitalizations) and Russell 2000 Index (smallest 2000). Because the Russell 3000 is capitalization-weighted, the performance of the stocks in the Russell 1000 has a significantly greater impact on the performance of the Russell 3000 than the performance of the stocks in the Russell 2000. ***In fact, the stocks in the Russell 1000 (1/3 of the stocks) comprise 92% of the weight of the Russell 3000, while the stocks in the Russell 2000 (2/3 of the stocks) comprise only 8%.***

The performance disparity based on market capitalization can be clearly seen in the two tables below. For the year ending December 31, 2014, the ***Russell 2000 Index underperformed the Russell 1000 Index by 8.35%, an enormous performance gap***. Wall Street research firm Strategas Research Partners LLC ("Strategas") examined YTD returns as of 12/31/14 for the Russell 3000 by market-capitalization quintile. As you can see, performance dropped-off dramatically after the largest quintile (i.e. largest 600 stocks) and evaporated by the fourth quintile. Thus, actively-managed funds, like Value Fund, that have significant representation in their portfolios outside of the largest 1000 stocks sailed into some stiff performance headwinds in 2014

Periods ending December 31, 2014

	Russell 3000 Index	Russell 1000 Index	Russell 2000 Index	Performance Gap (R2000 vs R1000)
2014	12.56%	13.24%	4.89%	-8.35%

Russell 3000 Index Quintile Returns

Size quintile	YTD Returns (as of 12/31/14)
Largest (1)	13.25%
Larger (2)	7.83%
Middle (3)	6.58%
Smaller (4)	2.22%
Smallest (5)	-1.72%

Source: Strategas Resarch Partners LLC

New Year's is when stock market prognosticators and soothsayers compete to be the next sound bite. In fact, *nobody* knows what's going to happen next and most forecasts are just noise. If you look back just a year, you'll understand the folly and know not to take forecasts too seriously. Just to name two, last January nobody predicted A) the price of crude oil would plummet or B) interest rates would fall.

Anybody who drives a car knows the price of oil has dropped dramatically over the past 6 months. According to AAA, the national average price for a gallon of Regular was $2.19 on January 7, down 18.3% from $2.68 in just a month and down 34% from $3.31 a year ago.

Since the start of 2010, the price of a barrel of U.S. benchmark Light Sweet Crude oil traded in a fairly tight band between $80-$110, averaging $92 for the five-year period ending December 31, 2014. Crude oil reached its 2014 high of $107.26 on June 20 before plummeting to $53.27 at year-end, down 50% to a five-year low. The price has continued to slide in 2015, breaching the $50 level. Both the magnitude and speed of the decline have investors unnerved.

At a basic, Economics 101 level, an imbalance has developed between supply and demand. According to Strategas, ***U.S. production has almost doubled***, from 4.7 million barrels per day in 2008 to 9.0 million barrels per day, due in large part to the shale oil boom. This helps explain why ***U.S. oil imports from OPEC are down 42%*** over the same period. On the demand side of the equation, while the U.S. economy has been strengthening, Europe and Asia have been slowing.

The December 22 & 29 edition of *The New Yorker* offered a clear explanation of how this supply/demand imbalance has translated into crashing prices in, "How Low Can Oil Go?" Over the short-term, supply and demand for oil are "price-inelastic," which means they don't respond to changes in prices as quickly as other goods.

For instance, if prices increase, consumers don't immediately drive less and producers can't just open a spigot. Similarly, if prices decrease, consumers don't automatically drive more. Wealthy producing countries like Saudi Arabia want to maintain market share, so *don't* cut production. Countries on shakier economic footing, like Russia, Venezuela and Iran, desperately need revenue, so *can't* cut production. Similarly, many producing companies have significant debt obligations to meet if they want to stay in business, so have to keep pumping, regardless of price.

With supply and demand essentially fixed over the short-term, small changes in either (or both, in this case) can lead to relatively large changes in price. In addition, commodity-based hedge and index funds have attracted billions from investors who probably believed oil was more likely to rise to $150 than fall to $50. So, it's very possible some of these funds are being forced to liquidate positions into a falling market (sound familiar?).

We have no idea where the price of oil will settle, but if oil averages its 2014 year-end level in 2015, Strategas estimates U.S. consumers would save $192 billion, representing quite a tax cut. With consumer spending accounting for almost 70% of the U.S economy, this is a clear positive. On the downside, the Energy sector represents 8% of the market capitalization of the S&P 500 and 12.3% of the S&P 500's earnings.

There is an old adage in the oil business; "The cure for high oil prices is high oil prices." Over the long-term, supply and demand will adjust and the corollary is also likely to be true; "The cure for low oil prices is low oil prices." Enjoy them while they last!

The yield on the 10-year U.S. Treasury Bond was universally forecast to rise from 3.03% at the start of 2014, in light of the "tapering" of the Federal Reserve's bond purchasing program and the expected eventual increase in short-term rates. Not only did the 10-year yield not rise in 2014, it finished the year at 2.17%. Yields have continued to fall in January (below 2%) on renewed economic fears. We think interest rates *will* rise during 2015, but not rapidly. As long as the rise is tied to a strengthening economy and improving confidence (i.e. and not increased inflationary expectations), we won't be overly concerned.

We've established it was a tough environment in 2014, so what do we do going forward? While we don't spend a lot of time forecasting ***macro-factors***, we think corporate earnings could continue to grow in 2015 and believe stock prices could follow suit. We'll continue to evaluate stocks as if we're buying the entire business to own for 5-10 years. We'll look for companies with solid business prospects, sound financial structures and strong, shareholder-oriented management teams whose stocks are selling at a significant discount to our evaluation of intrinsic value. This type of ***micro-analysis*** is the basis of value investing. We'll remain true to our value discipline and maintain a steely-eyed focus on our investment *process*, tuning out the noise from short-term *results*.

Percent Change in Top Ten Holdings from Book Cost (as 12/31/2014)

1.	Alliance Data Systems Corp.	+257.9%
2.	PRA Group Inc.	+185.9%
3.	WABCO Holdings, Inc.	+323.3%
4.	Canadian Pacific Railway LTD	+469.0%
5.	Cognizant Technology Solutions	+397.5%
6.	NewMarket Corporation	+122.3%
7.	LyondellBasell Industries NV	+251.6%
8.	American Airlines Group Inc.	+97.2%
9.	Tessera Technologies, Inc.	+87.6%
10.	ARRIS Group Inc.	+89.4%

Performance quoted represents past performance and is no guarantee of future results.

Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

Portfolio Comments

American Airlines Group (AAL) rose 51.2% during the quarter, mainly due to the rapid decline in the price of jet fuel, which is one of the largest costs for an airline. **Tessera Technologies, Inc. (TSRA)** was up 34.5% after reporting results for the September quarter that were better than expected. As mentioned in our last quarterly update, we continue to be confident in the ability of the management team to execute its turnaround plan. **Dollar Tree (DLTR)** rose 25.5% during the quarter after reporting third quarter results that also beat expectations. DLTR generated sales increases that were very robust, relative to the retail industry, which continued to struggle. DLTR is also trying to consolidate the discount sector by attempting to acquire Family Dollar Stores (FDO). **Yahoo! Inc (YHOO)** rose 24.0% during the fourth quarter on the tremendous success of the initial public offering of Alibaba (BABA), of which YHOO owns a significant position. We took the opportunity to sell half of our holdings of YHOO on strength. We remain confident in CEO Marissa Mayer's ability to create more value from YHOO's core business. **AutoZone (AZO)** was up 21.5% during the fourth quarter after reporting results that exceeded expectations by a wide margin. AZO's performance has been impressive, particularly given the tough retail environment.

Rosetta Resources (ROSE) fell 49.9% during the fourth quarter, also due to the collapse in the price of oil. The swift and deep decline in energy prices has negatively impacted the stocks of companies with any energy exposure. **LyondellBasell Industries NV (LYB)** declined 26.9% during the quarter, even after reporting results that were better than expectations. LYB had an advantage because its costs were based more on relatively cheaper natural gas vs. most of its competitors, whose costs were based more on crude oil. We think investors have become concerned the contraction in this previously wide spread between natural gas and crude oil will cause LYB to lose this cost advantage and lead to lower profits. **MasTech Inc (MTZ)** fell 26.2% during the quarter. The oil and gas sector accounts for 38% of MTZ's revenue, which has come under pressure as production activity slows. Additionally, AT&T accounts for 18% of MTZ's revenue and there are concerns about AT&T's plans for future spending on wireless projects. MTZ's management has acknowledged these concerns, but still expects good earnings growth this year. We think MTZ represents excellent value at current levels. **Ascent Capital Group LLC (ASCMA)** declined 12.1% during the quarter after forecasting higher-than-expected attrition in the large group of home security alarm monitoring subscribers acquired in bulk in 2012, as those contracts come to the end of their initial term. Still, ASCMA has grown both the number of subscriber accounts and the revenue each account generates. We still think ASCMA is well-run and are sticking with the stock, even as it faces a near-term headwind.

We purchased two new names during the fourth quarter. **Motorcar Parts America (MPAA)** manufactures replacement alternators and starters for imported and domestic cars and light trucks in the United States and Canada. MPAA also assembles and distributes ignition wire sets. MPAA originally had two business segments, rotating electric parts, which was highly profitable and Fenco, which produced underbody parts and was failing miserably. MPAA put Fenco into bankruptcy, which eliminated losses and allowed the rotating electric parts business to shine. In addition, MPAA is launching several new products. **KLX Inc. (KLXI)** was spun-off from BE Aerospace (BEAV) in December 2014. KLXI is the world's largest distributor and service provider of aerospace fasteners and consumables, which accounts for 75% of revenue. KLXI's nearest competitor is half its size, though the two competitors control 90% of the market. KLXI's other segment operates in energy services, providing technical and logistical services and rental equipment to the oil and gas industry, which are both specialized and of immediate need. KLXI's aerospace business is so highly profitable we believe investors are assigning a value of zero to the oil service business, which could recover if and when the oil and gas sector becomes more active. We have had success in the past investing in spin-offs, so evaluate all that are announced.

We sold our remaining position in **Rosetta Resources (ROSE)** on concerns the drop in crude oil prices could make servicing the large amount of debt incurred to fund a sizable acquisition in mid-2013 difficult. We sold **Taminco Corp (TAM)** at a nice premium after the company announced it was being acquired by Eastman Chemical (EMN). We did not own TAM long, but it was a good investment for our fund.

Important Information for Taxable Shareholders

U.S. mutual funds are required to "distribute" realized capital gains and income to shareholders at least annually. These distributions are very important for shareholders holding fund shares in taxable accounts (i.e. ***not*** in 401-K or IRA accounts), as these shareholders must pay taxes on the distributions, even if they don't sell any shares.

Fund managers sell securities for a variety of reasons, including the security reaching the manager's price target, to raise cash to pay departing fund shareholders or because a new fund manager wants to reconfigure the portfolio. Regardless of the reason, the fund realizes a capital gain or loss based on the sale price and what the fund paid for the security (i.e. the fund's "cost basis"). If the security was held more than a year, the gain or loss is considered "long-term." Less than a year is considered "short-term."

A fund will net its realized capital gains and losses. If there is a net realized gain, that amount is distributed to shareholders. If there is a net realized loss, that amount can be "carried forward" and used to offset gains in future years. Most U.S. stock funds realized substantial net capital losses during the financial crisis, which shielded gains in 2009 and beyond.

The upshot is fund investors have generally enjoyed the best of both worlds since the bottom; strong performance, with little in the way of capital gain distributions. Unfortunately, many funds exhausted their loss carry forwards and some distributed large realized capital gains in 2014. For example, BlackRock Small Cap Growth Equity (CSGEX) distributed gains of a whopping 25% of its net asset value, Oakmark Select (OAKLX) and Putnam Voyager (PVOYX) distributed gains of 12% of net asset value and Putnam Multi-Cap Growth (PNOPX) distributed gains of 11% of net asset value.

Taxable shareholders should also consider a fund's ***tax efficiency***. Funds are required to disclose their "portfolio turnover rate," which measures its level of trading activity. Given similar performance, you'd ***much*** rather own shares in a fund that buys and holds securities (turnover rate < 25%) and thus generates relatively little in realized gains versus an active trader (turnover rate > 100%) that creates a boatload of short-term gains (taxed as ordinary income). In addition, trading activity generates transaction costs, which negatively impact all shareholders.

We try to manage Value Fund in a "tax-efficient" manner. Value Fund did not make a distribution of capital gains or income in 2014, so ***shareholders will not be receiving an IRS Form 1099***. In fact, Value Fund last made a distribution of ***income in 2009*** and ***capital gains in 2007***. Finally, according to the most recent Annual Report, Value Fund's ***portfolio turnover rate was 11%*** for the fiscal year ending September 30, 2014.

Summary

We're disappointed our recent string of outstanding absolute and relative performance did not continue in 2014, but have been here many times before. Periods of underperformance are inevitable for active managers and we'll work hard to make-up lost ground. We're invested alongside you and you can be sure we'll continue to manage your precious assets with the same care as we invest our own.

Regards,

Mark D. Foster, CFA
President

Mickey Kim, CFA
Vice-President,
Treasurer and Secretary

Value Fund invests in foreign securities, which involves greater volatility and political, economic and currency risks and differences in accounting methods. Value Fund may also invest in small- and medium-capitalization companies, which tend to have more limited liquidity and greater price volatility than large-capitalization companies.

Past performance is not a guarantee of future results.

Please refer to the Schedule of Investments for complete fund holdings information.

The Russell 1000 Index is an unmanaged, capitalization-weighted index generally representative of the U.S. market for large-capitalization stocks. It is a subset of the Russell 3000 Index. This Index cannot be invested in directly.

The Russell 2000 Index is an unmanaged, capitalization-weighted index general representative of the U.S. market for small-capitalization stocks. It is a subset of the Russell 3000 Index. This Index cannot be invested in directly.

A company's forecasted, or estimated, earnings made by analysts or by the company itself. Forward earnings differ from trailing earnings (which is the figure that is quoted more often) in that they are a projection and not a fact. Earnings growth is not a measure of the Fund's future performance.

The information provided herein represents the opinion of Value Fund's investment adviser and is not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

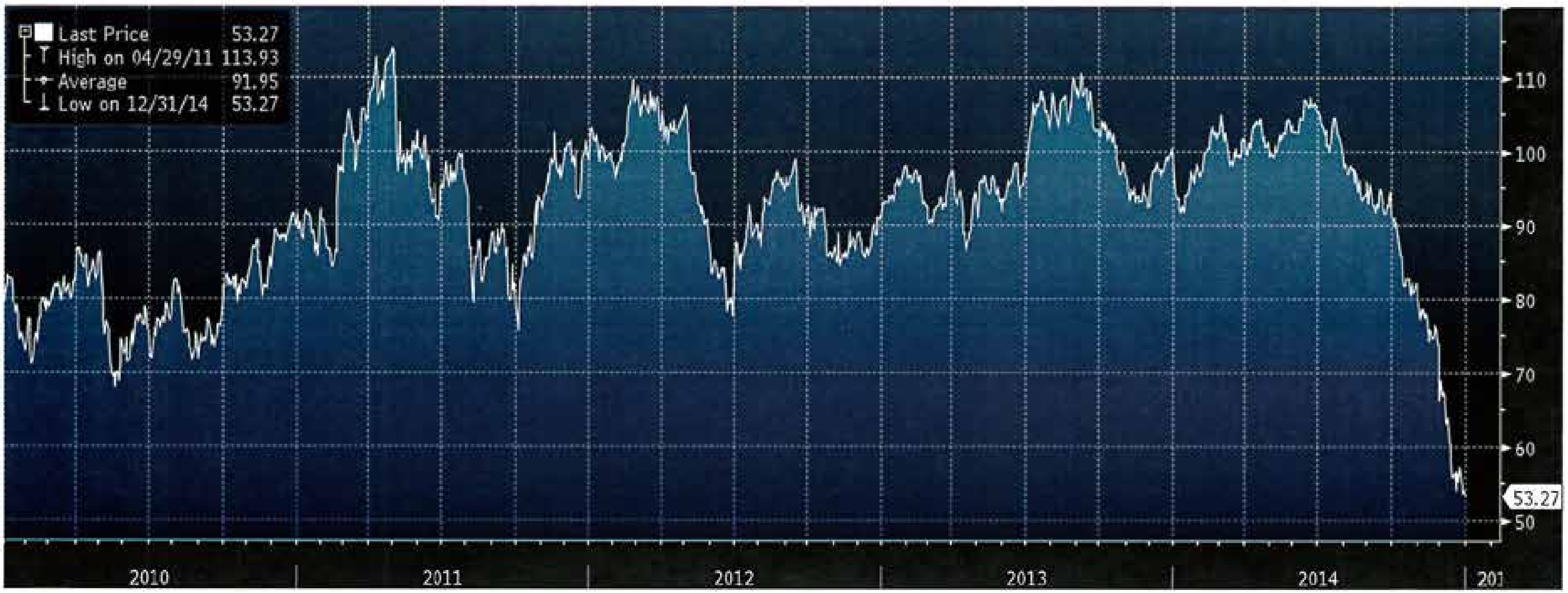
Nothing contained on this communication constitutes tax, legal, or investment advice. Investors must consult their tax advisor or legal counsel for advice and information concerning their particular situation.

This material must be preceded or accompanied by a current Prospectus.

Quasar Distributors, LLC is the Distributor for Value Fund.

For further information about Value Fund and/or an account application, please call Matt Kirr at Value Fund at (812) 376-9444 or (800) 808-9444 or write to Value Fund at 621 Washington Street, Columbus, IN 47202-1729.

U.S. Benchmark Crude Oil Prices (5-Years Ending 12/31/14)



Source: Bloomberg L.P.

KIRR, MARBACH PARTNERS
VALUE FUND

SCHEDULE OF INVESTMENTS
December 31, 2014 (UNAUDITED)

Number of Shares			Value
	COMMON STOCKS - 94.9%		
	Basic Materials - 9.5%		
48,600	Innospec, Inc.	$	2,075,220
32,397	LyondellBasell Industries NV - Class A		2,571,998
6,500	NewMarket Corp.		2,622,945
			7,270,163
	Communications - 15.6%		
81,630	ARRIS Group, Inc. *		2,464,410
50,425	Knowles Corp. *		1,187,509
4,075	Liberty Broadband Corp. - Class A *		204,117
8,350	Liberty Broadband Corp. - Class C *		415,997
16,700	Liberty Media Corp. - Class A *		589,009
33,600	Liberty Media Corp. - Class C *		1,177,008
33,650	NeuStar, Inc. - Class A *		935,470
96,260	News Corporation - Class A *		1,510,319
12,520	Time Warner Cable, Inc. - Class A		1,903,791
25,630	Tribune Co. *		1,531,905
			11,919,535
	Consumer Cyclical - 9.4%		
46,825	American Airlines Group, Inc.		2,511,225
2,885	AutoZone, Inc. *		1,786,132
27,795	Dollar Tree, Inc. *		1,956,212
28,905	Motorcar Parts of America, Inc. *		898,657
			7,152,226
	Consumer Non Cyclical - 10.1%		
56,480	Alere, Inc. *		2,146,240
13,500	Alliance Data Systems Corp. *		3,861,675
32,100	Ascent Capital Group, Inc. - Class A *		1,699,053
			7,706,968
	Financial - 14.4%		
39,925	American International Group, Inc.		2,236,199
123,940	FNFV Group *		1,950,815
1,976	Markel Corp. *		1,349,292
55,550	PRA Group, Inc. *		3,218,011
54,020	Voya Financial, Inc.		2,289,368
			11,043,685
	Industrial - 17.2%		
16,163	Canadian Pacific Railway Ltd.	$	3,114,449
33,460	EMCOR Group, Inc.		1,488,635
29,186	EnerSys		1,801,360
33,335	KLX, Inc. *		1,375,069
57,630	MasTec, Inc. *		1,303,014
20,091	Tyco International		881,191
30,653	WABCO Holdings, Inc. *		3,211,821
			13,175,539
	Technology - 18.7%		
50,000	Cognizant Technology Solutions Corp. - Class A *		2,633,000
28,647	eBay, Inc. *		1,607,670
81,064	NCR Corp. *		2,362,205
37,720	Open Text Corp.		2,197,567
33,380	Oracle Corp.		1,501,099
69,190	Tessera Technologies, Inc.		2,474,234
30,535	Yahoo! Inc. *		1,542,323
			14,318,098
	TOTAL COMMON STOCKS (Cost $36,568,534)		72,586,214
	RIGHTS - 0.0%		
	Liberty Broadband Corp. *		
2,485	(Cost $10,499)		23,608
	SHORT-TERM INVESTMENT - 5.3%		
	Fidelity Institutional Money Market Portfolio, 0.07%**		
4,019,526	(Cost $4,019,526)		4,019,526
	Total Investments (Cost $40,598,559) - 100.2%		76,629,348
	Other Assets and Liabilities, Net (0.2)%		(121,187)
	TOTAL NET ASSETS - 100.0%		76,508,161

* Non-income producing security.
** Rate in effect as of December 31, 2014.