

THE GOVERNMENT STREET FUNDS

No-Load Mutual Funds

Semi-Annual Report
September 30, 2008
(Unaudited)



LEAVELL

INVESTMENT MANAGEMENT

Trusted Investment Solutions Since 1979

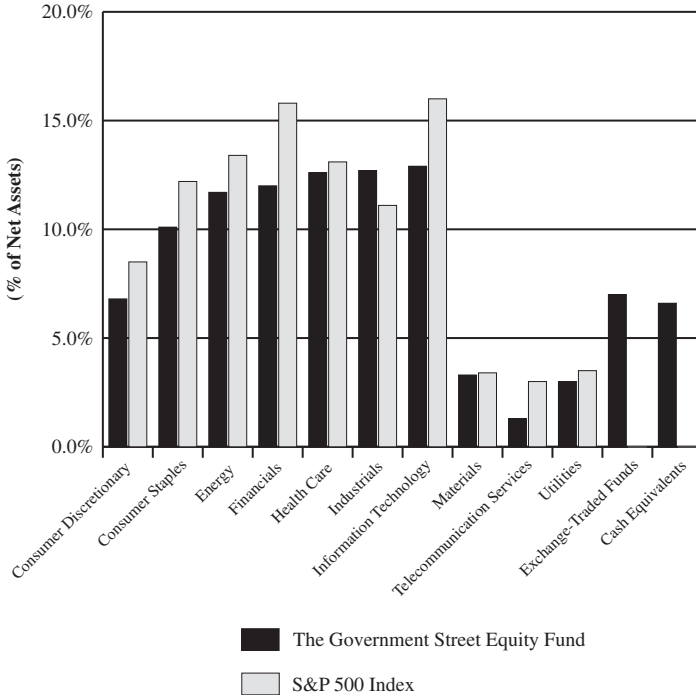
The Government Street Equity Fund
The Government Street Mid-Cap Fund
The Alabama Tax Free Bond Fund

THE GOVERNMENT STREET EQUITY FUND

PORTFOLIO INFORMATION

September 30, 2008 (Unaudited)

Sector Concentration vs. the S&P 500 Index



Top Ten Equity Holdings

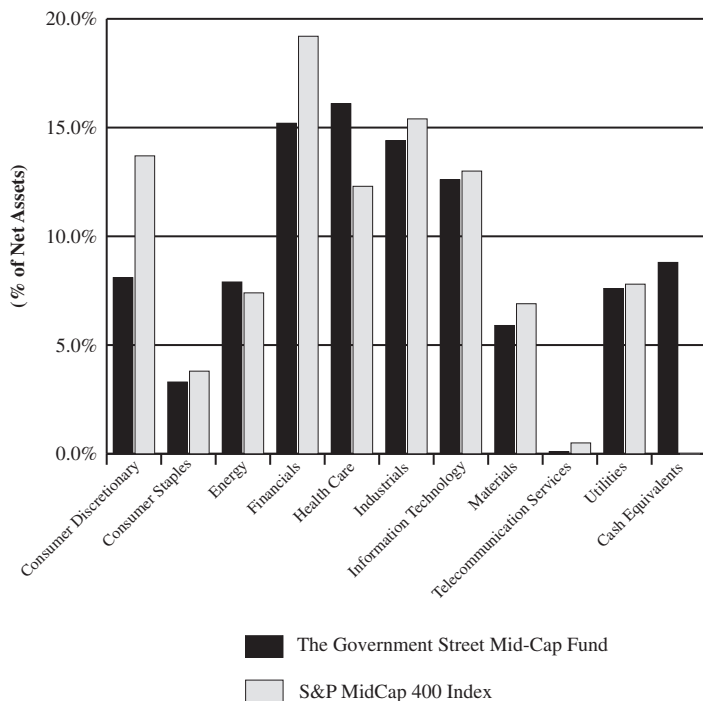
Security Description	% of Net Assets
Bank of America Corporation	3.7%
Procter & Gamble Company (The)	3.3%
U.S. Bancorp	2.9%
Hewlett-Packard Company	2.9%
Philip Morris International, Inc.	2.7%
Vanguard FTSE All-World Ex-US Index ETF	2.5%
Adobe Systems, Inc.	2.5%
Johnson & Johnson	2.3%
ConocoPhillips	2.3%
General Dynamics Corporation	2.1%

THE GOVERNMENT STREET MID-CAP FUND

PORTFOLIO INFORMATION

September 30, 2008 (Unaudited)

Sector Concentration vs. the S&P MidCap 400 Index



Top Ten Equity Holdings

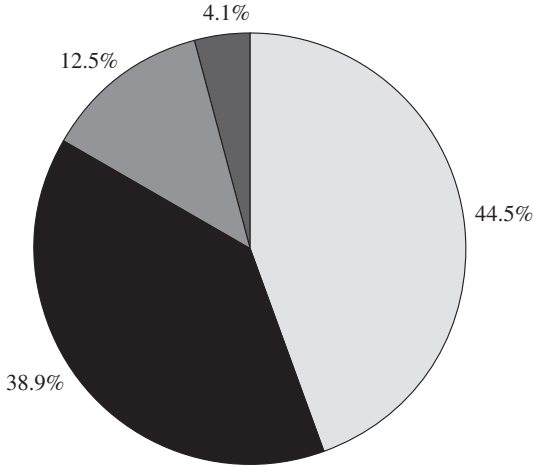
Security Description	% of Net Assets
Gilead Sciences, Inc.	1.9%
Stericycle, Inc.	1.7%
SPX Corporation	1.3%
Eaton Vance Corporation	1.2%
Covance, Inc.	1.2%
Fastenal Company	1.2%
Church & Dwight Company, Inc.	1.1%
Rayonier, Inc.	1.1%
Cullen/Frost Bankers, Inc.	1.1%
Techne Corporation	1.1%

THE ALABAMA TAX FREE BOND FUND

PORTFOLIO INFORMATION

September 30, 2008 (Unaudited)

Asset Allocation



Distribution by Rating

<u>Rating</u>	<u>% Holdings</u>
AAA	26.6%
AA	65.0%
A	8.4%

THE GOVERNMENT STREET EQUITY FUND

SCHEDULE OF INVESTMENTS

September 30, 2008 (Unaudited)

Shares	COMMON STOCKS — 86.4%	Value
	Consumer Discretionary — 6.8%	
6,000	Coach, Inc. ^(a)	\$ 150,240
26,500	Home Depot, Inc.	686,085
4,000	ITT Educational Services, Inc. ^(a)	323,640
24,000	Johnson Controls, Inc.	727,920
11,000	NIKE, Inc. - Class B	735,900
10,000	Panasonic Corporation - ADR	173,300
40,000	Walt Disney Company (The)	1,227,600
		<u>4,024,685</u>
	Consumer Staples — 10.1%	
33,000	Altria Group, Inc.	654,720
22,836	Kraft Foods, Inc.	747,879
10,000	PepsiCo, Inc.	712,700
33,000	Philip Morris International, Inc.	1,587,300
28,000	Procter & Gamble Company (The)	1,951,320
6,000	Wal-Mart Stores, Inc.	359,340
		<u>6,013,259</u>
	Energy — 11.7%	
10,089	Apache Corporation	1,052,081
7,300	BP plc - ADR	366,241
15,000	Chevron Corporation	1,237,200
18,500	ConocoPhillips	1,355,125
6,000	ENSCO International, Inc.	345,780
7,200	Exxon Mobil Corporation	559,152
10,000	Plains Exploration & Production Company ^(a)	351,600
14,000	Spectra Energy Corporation	333,200
7,996	Transocean, Inc. ^(a)	878,281
10,000	XTO Energy, Inc.	465,200
		<u>6,943,860</u>
	Financials — 12.0%	
27,900	Aegon N.V. - ARS	244,962
13,800	AFLAC, Inc.	810,750
8,000	American Capital Strategies Ltd.	204,080
20,000	American Express Company	708,600
16,500	American International Group, Inc.	54,945
62,870	Bank of America Corporation	2,200,450
15,000	Charles Schwab Corporation (The)	390,000
40,000	Colonial Properties Trust	747,600
7,000	Regions Financial Corporation	67,200
48,400	U.S. Bancorp	1,743,368
		<u>7,171,955</u>
	Health Care — 12.6%	
3,000	Abbott Laboratories	172,740
12,190	Becton, Dickinson & Company	978,369
17,500	Cardinal Health, Inc.	862,400
5,500	Cerner Corporation ^(a)	245,520
4,000	Covance, Inc. ^(a)	353,640

THE GOVERNMENT STREET EQUITY FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 86.4% (Continued)	Value
	Health Care — 12.6% (Continued)	
2,000	Covidien Ltd.	\$ 107,520
20,000	Elan Corporation ^(a)	213,400
5,000	Fresenius Medical Care AG & Company - ADR	259,700
6,500	Genzyme Corporation ^(a)	525,785
7,000	Gilead Sciences, Inc. ^(a)	319,060
20,000	Johnson & Johnson.....	1,385,600
11,250	Techne Corporation ^(a)	811,350
6,500	Thermo Fisher Scientific, Inc. ^(a)	357,500
16,000	Waters Corporation ^(a)	930,880
		7,523,464
	Industrials — 12.7%	
19,500	Caterpillar, Inc.	1,162,200
3,000	C.H. Robinson Worldwide, Inc.	152,880
30,000	Emerson Electric Company.....	1,223,700
9,500	FedEx Corporation.....	750,880
17,000	General Dynamics Corporation	1,251,540
16,000	Ingersoll-Rand Company Ltd. - Class A.....	498,720
10,000	Norfolk Southern Corporation	662,100
23,000	Quanta Services, Inc. ^(a)	621,230
5,000	Stericycle, Inc. ^(a)	294,550
16,000	United Technologies Corporation	960,960
		7,578,760
	Information Technology — 12.9%	
9,500	Accenture Ltd. - Class A	361,000
37,000	Adobe Systems, Inc. ^(a)	1,460,390
20,000	Automatic Data Processing, Inc.	855,000
5,000	Broadridge Financial Solutions, Inc.	76,950
35,900	Cisco Systems, Inc. ^(a)	809,904
28,000	Corning, Inc.	437,920
6,000	Dell, Inc. ^(a)	98,880
37,000	Hewlett-Packard Company	1,710,880
7,000	International Business Machines Corporation.....	818,720
12,000	NetApp, Inc. ^(a)	218,760
10,000	Oracle Corporation ^(a)	203,100
24,000	Texas Instruments, Inc.	516,000
5,000	Tyco Electronics Ltd.	138,300
		7,705,804
	Materials — 3.3%	
7,000	Alcoa, Inc.	158,060
9,000	Dow Chemical Company (The).....	286,020
2,000	Freeport-McMoRan Copper & Gold, Inc.	113,700
10,000	Nucor Corporation	395,000
7,000	POSCO - ADR	653,590
5,000	Praxair, Inc.	358,700
		1,965,070

THE GOVERNMENT STREET EQUITY FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 86.4% (Continued)	Value
	Telecommunication Services — 1.3%	
9,000	America Movil SAB de C.V. - Series L - ADR	\$ 417,240
6,000	AT&T, Inc.	167,520
37	FairPoint Communications, Inc.	321
4,000	Nippon Telegraph and Telephone Corporation - ADR.....	90,040
2,000	Telephone and Data Systems, Inc.	71,500
		<u>746,621</u>
	Utilities — 3.0%	
65,980	Duke Energy Corporation	1,150,031
4,500	EnergySouth, Inc.	276,435
2,000	FirstEnergy Corporation	133,980
5,000	Wisconsin Energy Corporation	224,500
		<u>1,784,946</u>
	Total Common Stocks (Cost \$31,035,420)	\$ 51,458,424

Shares	EXCHANGE-TRADED FUNDS — 7.0%	Value
7,000	Market Vectors - Agribusiness ETF ^(a)	\$ 257,880
10,000	Market Vectors - Coal ETF ^(a)	295,300
5,000	Market Vectors - Steel ETF	263,050
10,000	Standard & Poor's Depository Receipts, SPDR Trust, Series I	1,160,200
20,000	Vanguard Emerging Markets ETF	693,200
35,000	Vanguard FTSE All-World Ex-US Index ETF	1,485,400
	Total Exchange-Traded Funds (Cost \$5,317,528)	\$ 4,155,030

Par Value	COMMERCIAL PAPER — 6.7%	Value
\$ 1,103,000	Deutsche Bank Financial, LLC, 1.40%, due 10/01/2008	\$ 1,103,000
2,862,000	General Electric Capital Corporation, 1.65%, due 10/01/2008	2,862,000
	Total Commercial Paper (Cost \$3,965,000)	\$ 3,965,000

Shares	MONEY MARKET FUNDS — 0.0%	Value
970	AIM STIT - STIC Prime Portfolio - Institutional Class, 2.204% ^(b) (Cost \$970)	\$ 970
	Total Investments at Value — 100.1% (Cost \$40,318,918)	\$ 59,579,424
	Liabilities in Excess of Other Assets — (0.1%)	(1,042,475)
	Net Assets — 100.0%.....	\$ 58,536,949

^(a) Non-income producing security.

^(b) Variable rate security. The rate shown is the 7-day effective yield as of September 30, 2008.

ADR - American Depositary Receipt

ARS - American Registered Shares

See accompanying notes to financial statements.

THE GOVERNMENT STREET MID-CAP FUND

SCHEDULE OF INVESTMENTS

September 30, 2008 (Unaudited)

Shares	COMMON STOCKS — 91.2%	Value
	Consumer Discretionary — 8.1%	
2,500	AnnTaylor Stores Corporation ^(a)	\$ 51,600
2,000	ArvinMeritor, Inc.	26,080
6,500	Barnes & Noble, Inc.	169,520
2,000	Bob Evans Farms, Inc.	54,580
3,000	BorgWarner, Inc.	98,310
220	Central European Media Enterprises Ltd. - Class A ^(a)	14,388
2,900	Coach, Inc. ^(a)	72,616
1,700	Darden Restaurants, Inc.	48,671
3,500	DreamWorks Animation SKG, Inc. - Class A ^(a)	110,075
3,000	Family Dollar Stores, Inc.	71,100
5,700	GameStop Corporation - Class A ^(a)	194,997
2,500	Hanesbrands, Inc. ^(a)	54,375
4,300	Hasbro, Inc.	149,296
600	HSN, Inc. ^(a)	6,606
900	Interactive Data Corporation	22,698
1,605	ITT Educational Services, Inc. ^(a)	129,861
3,000	Jarden Corporation ^(a)	70,350
2,500	Liberty Global, Inc. - Class A ^(a)	75,750
1,200	Nordstrom, Inc.	34,584
2,800	OfficeMax, Inc.	24,892
5,800	O'Reilly Automotive, Inc. ^(a)	155,266
1,000	PetSmart, Inc.	24,710
3,000	Phillips-Van Heusen Corporation	113,730
2,200	Ross Stores, Inc.	80,982
6,000	Service Corporation International	50,160
2,950	Snap-on, Inc.	155,347
3,400	Sotheby's	68,204
600	Ticketmaster ^(a)	6,438
1,300	Tiffany & Company	46,176
1,200	Urban Outfitters, Inc. ^(a)	38,244
2,500	Vail Resorts, Inc. ^(a)	87,375
1,600	Wiley (John) & Sons, Inc. - Class A	64,720
		2,371,701
	Consumer Staples — 3.3%	
5,400	Church & Dwight Company, Inc.	335,286
6,000	Hormel Foods Corporation	217,680
4,700	J.M. Smucker Company	238,243
3,000	NBTY, Inc. ^(a)	88,560
1,740	Universal Corporation	85,417
		965,186
	Energy — 7.9%	
6,610	Cameron International Corporation ^(a)	254,749
5,780	FMC Technologies, Inc. ^(a)	269,059
3,740	Murphy Oil Corporation	239,884
2,800	Newfield Exploration Company ^(a)	89,572
5,360	Noble Corporation	235,304
3,600	Overseas Shipholding Group, Inc.	209,916
960	Patriot Coal Corporation ^(a)	27,888

THE GOVERNMENT STREET MID-CAP FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 91.2% (Continued)	Value
	Energy — 7.9% (Continued)	
4,800	Peabody Energy Corporation.....	\$ 216,000
4,380	Pioneer Natural Resources Company.....	228,986
5,000	Pride International, Inc. ^(a)	148,050
4,500	Smith International, Inc.	263,880
4,950	Valero Energy Corporation	149,985
		2,333,273
	Financials — 15.2%	
8,400	American Financial Group, Inc.	247,800
6,750	Arthur J. Gallagher & Company	173,205
7,300	Associated Banc-Corp	145,635
6,000	Bank of Hawaii Corporation	320,700
10,050	Berkley (W.R.) Corporation.....	236,677
5,600	Cullen/Frost Bankers, Inc.	327,040
10,250	Eaton Vance Corporation.....	361,107
2,600	Everest Re Group Ltd.	224,978
9,300	HCC Insurance Holdings, Inc.	251,100
10,400	Jefferies Group, Inc.	227,552
3,780	Legg Mason, Inc.	143,867
4,600	Liberty Property Trust.....	173,190
10,270	New York Community Bancorp, Inc.	172,433
6,941	Potlatch Corporation	321,993
7,000	Rayonier, Inc.	331,450
4,400	State Street Corporation	250,272
16,400	Synovus Financial Corporation	169,740
3,300	Westamerica Bancorporation	189,849
6,650	Wilmington Trust Corporation	191,720
		4,460,308
	Health Care — 16.1%	
3,500	Applied Biosystems, Inc.	119,875
1,000	Bard (C.R.), Inc.	94,870
3,450	Barr Pharmaceuticals, Inc. ^(a)	225,285
2,500	Bio-Rad Laboratories, Inc. - Class A ^(a)	247,800
2,500	Cephalon, Inc. ^(a)	193,725
6,000	Cerner Corporation ^(a)	267,840
8,000	Community Health Systems, Inc. ^(a)	234,480
4,000	Covance, Inc. ^(a)	353,640
8,250	Coventry Health Care, Inc. ^(a)	268,537
1,500	Covidien Ltd.	80,640
5,600	DENTSPLY International, Inc.	210,224
2,000	Edwards Lifesciences Corporation ^(a)	115,520
1,000	Elan Corporation plc - ADR ^(a)	10,670
4,000	Fresenius Medical Care AG & Company - ADR	207,760
12,000	Gilead Sciences, Inc. ^(a)	546,960
4,000	Henry Schein, Inc. ^(a)	215,360
1,500	IDEXX Laboratories, Inc. ^(a)	82,200
2,000	Millipore Corporation ^(a)	137,600
7,700	Mylan, Inc.	87,934
3,000	ResMed, Inc. ^(a)	129,000
4,500	Techne Corporation ^(a)	324,540

THE GOVERNMENT STREET MID-CAP FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 91.2% (Continued)	Value
	Health Care — 16.1% (Continued)	
3,000	Teleflex, Inc.	\$ 190,470
5,100	Varian Medical Systems, Inc. ^(a)	291,363
2,000	Waters Corporation ^(a)	116,360
		<u>4,752,653</u>
	Industrials — 14.4%	
3,000	Alexander & Baldwin, Inc.	132,090
7,500	AMETEK, Inc.	305,775
5,000	C.H. Robinson Worldwide, Inc.	254,800
6,000	Donaldson Company, Inc.	251,460
6,000	Expeditors International of Washington, Inc.	209,040
7,000	Fastenal Company	345,730
3,500	Goodrich Corporation	145,600
6,000	Graco, Inc.	213,660
3,000	Harsco Corporation	111,570
5,500	Herman Miller, Inc.	134,585
4,475	Jacobs Engineering Group, Inc. ^(a)	243,037
1,248	John Bean Technologies Corporation ^(a)	15,800
2,000	Joy Global, Inc.	90,280
1,500	Koninklijke Philips Electronics N.V. - ADR	40,875
3,000	L-3 Communications Holdings, Inc.	294,960
4,000	Manpower, Inc.	172,640
5,000	MSC Industrial Direct Company, Inc.	230,350
5,000	SPX Corporation	385,000
8,275	Stericycle, Inc. ^(a)	487,480
5,000	Trinity Industries, Inc.	128,650
1,000	WESCO International, Inc. ^(a)	32,180
		<u>4,225,562</u>
	Information Technology — 12.6%	
16,000	Activision Blizzard, Inc. ^(a)	246,880
8,500	ADC Telecommunications, Inc. ^(a)	71,825
6,000	ADTRAN, Inc.	116,940
4,000	Advent Software, Inc. ^(a)	140,920
5,000	Alliance Data Systems Corporation ^(a)	316,900
8,000	Arrow Electronics, Inc. ^(a)	209,760
8,000	Cognizant Technology Solutions Corporation - Class A ^(a)	182,640
1,000	CommScope, Inc. ^(a)	34,640
6,500	Cree, Inc. ^(a)	148,070
4,000	DST Systems, Inc. ^(a)	223,960
6,000	Harris Corporation	277,200
1,500	IAC/InterActiveCorp ^(a)	25,950
10,000	Integrated Device Technology, Inc. ^(a)	77,800
9,000	Jack Henry & Associates, Inc.	182,970
6,000	Lam Research Corporation ^(a)	188,940
5,000	Linear Technology Corporation	153,300
6,000	Macrovision Corporation ^(a)	92,280
5,000	Microchip Technology, Inc.	147,150
8,000	National Instruments Corporation	240,400
5,000	NetApp, Inc. ^(a)	91,150
4,000	Polycom, Inc. ^(a)	92,520

THE GOVERNMENT STREET MID-CAP FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	COMMON STOCKS — 91.2% (Continued)	Value
	Information Technology — 12.6% (Continued)	
5,000	SanDisk Corporation ^(a)	\$ 97,750
4,000	Sybase, Inc. ^(a)	122,480
7,000	Xilinx, Inc.	164,150
2,500	Zebra Technologies Corporation - Class A ^(a)	69,625
		3,716,200
	Materials — 5.9%	
4,000	Airgas, Inc.	198,600
8,000	Albemarle Corporation	246,720
3,000	Ashland, Inc.	87,720
4,000	Cabot Corporation	127,120
2,500	Eagle Materials, Inc.	55,925
2,500	Martin Marietta Materials, Inc.	279,950
4,000	Scotts Miracle-Gro Company (The) - Class A	94,560
9,570	Sonoco Products Company	284,038
12,000	Steel Dynamics, Inc.	205,080
7,000	Valspar Corporation (The).....	156,030
		1,735,743
	Telecommunication Services — 0.1%	
1,000	Telephone and Data Systems, Inc.	35,750
	Utilities — 7.6%	
8,400	AGL Resources, Inc.	263,592
7,000	Equitable Resources, Inc.	256,830
9,050	Great Plains Energy, Inc.	200,457
8,850	MDU Resources Group, Inc.	256,650
5,750	ONEOK, Inc.	197,800
7,900	Pepco Holdings, Inc.	180,989
10,800	Puget Energy, Inc.	288,360
7,530	SCANA Corporation.....	293,143
10,600	Vectren Corporation.....	295,210
		2,233,031
	Total Common Stocks (Cost \$22,542,373)	\$ 26,829,407
Par Value	COMMERCIAL PAPER — 8.7%	Value
\$ 1,134,000	Deutsche Bank Financial, LLC, 1.40%, due 10/01/2008	\$ 1,134,000
1,420,000	General Electric Capital Corporation, 1.65%, due 10/01/2008	1,420,000
	Total Commercial Paper (Cost \$2,554,000)	\$ 2,554,000

THE GOVERNMENT STREET MID-CAP FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	MONEY MARKET FUNDS — 0.0%	Value
251	AIM STIT - STIC Prime Portfolio - Institutional Class, 2.204% ^(a) (Cost \$251)	\$ 251
	Total Investments at Value — 99.9% (Cost \$25,096,624)	\$ 29,383,658
	Other Assets in Excess of Liabilities — 0.1%	29,724
	Net Assets — 100.0%	<u>\$ 29,413,382</u>

^(a) Non-income producing security.

^(b) Variable rate security. The rate shown is the 7-day effective yield as of September 30, 2008.

ADR - American Depositary Receipt

See accompanying notes to financial statements.

THE ALABAMA TAX-FREE BOND FUND
SCHEDULE OF INVESTMENTS
September 30, 2008 (Unaudited)

Par Value	ALABAMA FIXED RATE REVENUE AND GENERAL OBLIGATION (GO) BONDS — 95.9%	Value
	Alabama Drinking Water Financing Auth., Rev., 4.00%, due 08/15/2014	\$ 248,182
\$ 250,000	4.00%, due 08/15/2014	404,220
400,000	5.00%, due 08/15/2018	652,402
	Alabama Special Care Facilities Financing Auth., Birmingham, Rev., 4.50%, due 11/01/2009, ETM	510,865
500,000	4.50%, due 11/01/2009, ETM	400,668
400,000	5.375%, due 11/01/2012, ETM	911,533
	Alabama Special Care Facilities Financing Auth., Mobile Hospital, Rev., 4.50%, due 11/01/2010, ETM	255,075
250,000	4.50%, due 11/01/2010, ETM	
	Alabama State Federal Highway Financing Auth., Rev., 5.00%, due 03/01/2009	212,104
210,000	5.00%, due 03/01/2009	305,853
300,000	5.00%, due 03/01/2016	517,957
	Alabama State, GO, 5.00%, due 06/01/2012	256,895
250,000	5.00%, due 06/01/2012	310,632
300,000	5.00%, due 09/01/2015	310,632
300,000	5.00%, due 09/01/2016	310,659
300,000	5.00%, due 09/01/2017	1,188,818
	Alabama State Parks System Improvement Corporation, GO, 5.50%, due 06/01/2010	209,328
200,000	5.50%, due 06/01/2010	
	Alabama State Public School & College Auth., Capital Improvements, Rev., 5.00%, due 02/01/2010	309,153
300,000	5.00%, due 02/01/2010	482,823
475,000	5.00%, due 11/01/2012	609,948
600,000	5.125%, due 11/01/2013	533,704
525,000	5.125%, due 11/01/2015	1,935,628
	Alabama State Public School & College Auth., Rev., 5.00%, due 05/01/2010	367,553
355,000	5.00%, due 05/01/2010	
	Alabama Water Pollution Control Auth., Rev., 5.00%, due 08/15/2010	509,105
500,000	5.00%, due 08/15/2010	
	Anniston, AL, Waterworks & Sewer Board, Rev., 4.00%, due 06/01/2015	400,616
400,000	4.00%, due 06/01/2015	
	Athens, AL, Electric Rev. Warrants, 3.00%, due 06/01/2011	496,270
500,000	3.00%, due 06/01/2011	
	Athens, AL, School Warrants, 5.05%, due 08/01/2015	338,775
335,000	5.05%, due 08/01/2015	

THE ALABAMA TAX-FREE BOND FUND

SCHEDULE OF INVESTMENTS (Continued)

Par Value	ALABAMA FIXED RATE REVENUE AND GENERAL OBLIGATION (GO) BONDS — 95.9% (Continued)	Value
\$ 225,000	Auburn, AL, Capital Improvements, School Warrants, GO, 5.00%, due 08/01/2012	\$ 237,901
285,000	Auburn, AL, School Warrants, GO, 4.25%, due 08/01/2009	289,520
335,000	Auburn, AL, Water Works Board, Rev., 5.00%, due 07/01/2015	345,663
400,000	Auburn University, AL, General Fee Rev., 4.45%, due 06/01/2011	403,624
400,000	5.25%, due 06/01/2015	412,448
		816,072
200,000	Baldwin Co., AL, Board of Education, Rev. Warrants, 5.20%, due 06/01/2009	200,476
300,000	5.00%, due 06/01/2010	309,750
		510,226
500,000	Baldwin Co., AL, GO, 4.50%, due 11/01/2008	500,935
200,000	5.00%, due 02/01/2015	209,250
320,000	5.00%, due 02/01/2017	332,013
		1,042,198
300,000	Birmingham, AL, Special Care Facilities Financing Auth., Rev., 3.70%, due 06/01/2009	300,876
300,000	Decatur, AL, Warrants, GO, 5.00%, due 06/01/2009	300,615
100,000	Decatur, AL, Water Rev., 5.00%, due 05/01/2014	102,016
500,000	Dothan, AL, GO, 5.50%, due 09/01/2014	519,340
295,000	Fairhope, AL, Warrants, 5.10%, due 06/01/2014	304,354
200,000	Florence, AL, School Warrants, 4.65%, due 12/01/2012	204,416
500,000	Homewood, AL, Warrants, GO, 5.00%, due 09/01/2014	532,265
250,000	5.00%, due 09/01/2015	263,827
		796,092

THE ALABAMA TAX-FREE BOND FUND

SCHEDULE OF INVESTMENTS (Continued)

Par Value	ALABAMA FIXED RATE REVENUE AND GENERAL OBLIGATION (GO) BONDS — 95.9% (Continued)	Value
\$ 370,000	Hoover, AL, Special Tax, Warrants, 5.00%, due 02/15/2015	\$ 379,021
300,000	Houston Co., AL, GO, 5.60%, due 10/15/2014	315,294
100,000	Huntsville, AL, Capital Improvements, GO, 3.25%, due 11/01/2010	100,937
300,000	Huntsville, AL, Electric Systems, Rev., 4.00%, due 12/01/2013	305,460
400,000	Huntsville, AL, GO, 5.50%, due 08/01/2009	410,764
500,000	5.00%, due 08/01/2011	525,945
250,000	5.25%, due 11/01/2012	252,925
300,000	5.125%, due 05/01/2020	304,716
		<u>1,494,350</u>
200,000	Huntsville, AL, Water Systems, Rev., 4.70%, due 11/01/2013	202,250
225,000	Jefferson Co., AL, Sewer Rev., 5.00%, due 02/01/2041, Prerefunded 02/01/2011 @ 101	236,371
200,000	Madison, AL, Warrants, 4.40%, due 02/01/2011	203,902
400,000	4.85%, due 02/01/2013	406,452
		<u>610,354</u>
400,000	Madison Co., AL, Board of Education, Capital Outlay Tax Antic. Warrants, 5.20%, due 03/01/2011	415,840
250,000	5.20%, due 03/01/2014	258,433
		<u>674,273</u>
400,000	Mobile, AL, GO, 4.75%, due 02/15/2014	414,516
500,000	5.20%, due 08/15/2018	504,810
		<u>919,326</u>
300,000	Mobile, AL, Water & Sewer, Rev., 5.25%, due 01/01/2014	310,293
100,000	Mobile Co., AL, Refunding & Improvements, Warrants, GO, 4.50%, due 08/01/2013	104,093
300,000	Montgomery, AL, GO, 5.00%, due 11/01/2015	309,735
125,000	Montgomery, AL, Special Care Facilities, Rev., 5.00%, due 11/15/2029	126,549

THE ALABAMA TAX-FREE BOND FUND

SCHEDULE OF INVESTMENTS (Continued)

Par Value	ALABAMA FIXED RATE REVENUE AND GENERAL OBLIGATION (GO) BONDS — 95.9% (Continued)	Value
\$ 350,000	Montgomery, AL, Waterworks & Sanitation, Rev., 5.25%, due 09/01/2011	\$ 370,167
405,000	Mountain Brook, AL, City Board of Education, Capital Outlay Warrants, 4.80%, due 02/15/2011	405,579
210,000	Opelika, AL, GO, 4.00%, due 03/01/2010	213,520
200,000	Scottsboro, AL, Waterworks Sewer & Gas Board, Rev., 4.35%, due 08/01/2011	201,486
500,000	Shelby Co., AL, Board of Education, Rev. Warrants, 4.80%, due 02/01/2011	507,320
145,000	St. Clair Co., AL, GO, 4.00%, due 08/01/2013	148,344
205,000	4.00%, due 08/01/2014	208,571
		356,915
400,000	Trussville, AL, Warrants, 4.30%, due 10/01/2010	412,000
300,000	Tuscaloosa, AL, Board of Education, Special Tax Warrants, 4.85%, due 02/15/2013	300,342
145,000	Tuscaloosa, AL, Warrants, GO, 4.25%, due 02/15/2011	149,188
500,000	5.45%, due 01/01/2014	523,160
400,000	5.55%, due 01/01/2015, Prerefunded 01/01/2010 @ 101	419,020
		1,091,368
425,000	Tuscaloosa Co., AL, Warrants, GO, 4.30%, due 10/01/2009	434,189
240,000	University of Alabama, AL, General Fee Rev., 4.10%, due 12/01/2013	242,218
375,000	University of Alabama, AL, Series A, Rev., 4.00%, due 10/01/2010	384,443
245,000	5.00%, due 07/01/2017	253,227
		637,670
565,000	Vestavia Hills, AL, Warrants, 5.00%, due 02/01/2012	594,081
	Total Alabama Fixed Rate Revenue and General Obligation (GO) Bonds (Cost \$25,221,013).....	\$ 25,407,510

THE ALABAMA TAX-FREE BOND FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	MONEY MARKET FUNDS — 3.3%	Value
877,319	Alpine Municipal Money Market Fund - Class I, 6.29% ^(a) (Cost \$877,319)	\$ 877,319
	Total Investments at Value — 99.2% (Cost \$26,098,332)	\$ 26,284,829
	Other Assets in Excess of Liabilities — 0.8%	<u>217,161</u>
	Net Assets — 100.0%.....	<u>\$ 26,501,990</u>

^(a) Variable rate security. The rate shown is the 7-day effective yield as of September 30, 2008.

ETM - Escrowed to maturity.

See accompanying notes to financial statements.

THE GOVERNMENT STREET FUNDS

STATEMENTS OF ASSETS AND LIABILITIES

September 30, 2008 (Unaudited)

	Government Street Equity Fund	Government Street Mid-Cap Fund	Alabama Tax Free Bond Fund
ASSETS			
Investments in securities:			
At acquisition cost	\$ 40,318,918	\$ 25,096,624	\$ 26,098,332
At value (Note 1)	\$ 59,579,424	\$ 29,383,658	\$ 26,284,829
Dividends and interest receivable	91,702	47,922	300,817
Receivable for capital shares sold	14,342	1,788	—
Other assets	12,167	8,452	7,596
TOTAL ASSETS	<u>59,697,635</u>	<u>29,441,820</u>	<u>26,593,242</u>
LIABILITIES			
Distributions payable	7,689	—	26,897
Payable for investment securities purchased	1,071,257	—	—
Payable for capital shares redeemed	35,718	6,698	48,770
Accrued investment advisory fees (Note 3)	30,149	12,535	5,966
Accrued administration fees (Note 3)	6,600	4,000	3,500
Accrued compliance fees (Note 3)	625	550	550
Other accrued expenses	8,648	4,655	5,569
TOTAL LIABILITIES	<u>1,160,686</u>	<u>28,438</u>	<u>91,252</u>
NET ASSETS	<u>\$ 58,536,949</u>	<u>\$ 29,413,382</u>	<u>\$ 26,501,990</u>
Net assets consist of:			
Paid-in capital	\$ 38,523,366	\$ 25,264,133	\$ 26,366,641
Accumulated undistributed net investment income	7,708	68,874	16,170
Accumulated net realized gains (losses) from security transactions	745,369	(206,659)	(67,318)
Net unrealized appreciation on investments	<u>19,260,506</u>	<u>4,287,034</u>	<u>186,497</u>
Net assets	<u>\$ 58,536,949</u>	<u>\$ 29,413,382</u>	<u>\$ 26,501,990</u>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	<u>1,456,686</u>	<u>2,529,948</u>	<u>2,563,300</u>
Net asset value, offering price and redemption price per share (Note 1)	<u>\$ 40.19</u>	<u>\$ 11.63</u>	<u>\$ 10.34</u>

See accompanying notes to financial statements.

THE GOVERNMENT STREET FUNDS
STATEMENTS OF OPERATIONS
Six Months Ended September 30, 2008 (Unaudited)

	Government Street Equity Fund	Government Street Mid-Cap Fund	Alabama Tax Free Bond Fund
INVESTMENT INCOME			
Interest.....	\$ 16,072	\$ 22,545	\$ 528,491
Dividends.....	<u>702,445</u>	<u>213,799</u>	<u>11,175</u>
TOTAL INVESTMENT INCOME	<u>718,517</u>	<u>236,344</u>	<u>539,666</u>
EXPENSES			
Investment advisory fees (Note 3)	200,148	122,031	46,882
Administration fees (Note 3)	42,898	24,176	21,000
Trustees' fees and expenses.....	8,147	8,147	8,147
Professional fees	9,330	7,446	6,796
Custodian and bank service fees	5,470	5,989	2,633
Compliance fees and expenses (Note 3)	3,697	3,346	3,330
Pricing costs.....	1,221	1,962	5,843
Account maintenance fees	3,608	3,350	603
Postage and supplies.....	2,857	1,974	1,913
Registration fees	2,316	2,223	1,412
Insurance expense.....	2,645	1,405	1,223
Printing of shareholder reports	2,322	1,219	1,093
Other expenses	<u>5,444</u>	<u>2,218</u>	<u>2,219</u>
TOTAL EXPENSES	<u>290,103</u>	<u>185,486</u>	<u>103,094</u>
Fees waived by the Adviser (Note 3).....	—	(6,508)	(16,027)
NET EXPENSES	<u>290,103</u>	<u>178,978</u>	<u>87,067</u>
NET INVESTMENT INCOME	<u>428,414</u>	<u>57,366</u>	<u>452,599</u>
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS			
Net realized gains (losses) from security transactions	792,253	(213,943)	—
Net realized gains from in-kind redemptions (Note 1).....	1,510,757	236,919	—
Net change in unrealized appreciation/ depreciation on investments	<u>(9,045,829)</u>	<u>(1,710,661)</u>	<u>(413,336)</u>
NET REALIZED AND UNREALIZED LOSSES ON INVESTMENTS	<u>(6,742,819)</u>	<u>(1,687,685)</u>	<u>(413,336)</u>
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>\$ (6,314,405)</u>	<u>\$ (1,630,319)</u>	<u>\$ 39,263</u>

See accompanying notes to financial statements.

THE GOVERNMENT STREET FUNDS

STATEMENTS OF CHANGES IN NET ASSETS

	Government Street Equity Fund		Government Street Mid-Cap Fund	
	Six Months Ended Sept. 30, 2008 (Unaudited)	Year Ended March 31, 2008	Six Months Ended Sept. 30, 2008 (Unaudited)	Year Ended March 31, 2008
FROM OPERATIONS				
Net investment income	\$ 428,414	\$ 906,424	\$ 57,366	\$ 86,354
Net realized gains (losses) from security transactions	792,253	1,965,343	(213,943)	756,786
Net realized gains from in-kind redemptions (Note 1)	1,510,757	10,223,336	236,919	369,183
Net change in unrealized appreciation/ depreciation on investments	(9,045,829)	(14,723,170)	(1,710,661)	(2,471,103)
Net decrease in net assets from operations ..	<u>(6,314,405)</u>	<u>(1,628,067)</u>	<u>(1,630,319)</u>	<u>(1,258,780)</u>
DISTRIBUTIONS TO SHAREHOLDERS				
From net investment income	(420,706)	(906,812)	—	(131,638)
From realized capital gains on security transactions	—	(2,019,387)	—	(749,760)
Return of capital	—	(265,270)	—	—
Decrease in net assets from distributions to shareholders	<u>(420,706)</u>	<u>(3,191,469)</u>	<u>—</u>	<u>(881,398)</u>
FROM CAPITAL SHARE TRANSACTIONS				
Proceeds from shares sold	1,407,055	1,964,944	837,122	1,588,631
Net asset value of shares issued in reinvestment of distributions to shareholders	404,615	3,075,937	—	859,223
Payments for shares redeemed	<u>(3,806,492)</u>	<u>(20,710,964)</u>	<u>(1,217,113)</u>	<u>(2,844,837)</u>
Net decrease in net assets from capital share transactions	<u>(1,994,822)</u>	<u>(15,670,083)</u>	<u>(379,991)</u>	<u>(396,983)</u>
TOTAL DECREASE IN NET ASSETS	(8,729,933)	(20,489,619)	(2,010,310)	(2,537,161)
NET ASSETS				
Beginning of period	67,266,882	87,756,501	31,423,692	33,960,853
End of period	<u>\$ 58,536,949</u>	<u>\$ 67,266,882</u>	<u>\$ 29,413,382</u>	<u>\$ 31,423,692</u>
ACCUMULATED UNDISTRIBUTED				
NET INVESTMENT INCOME	<u>\$ 7,708</u>	<u>\$ —</u>	<u>\$ 68,874</u>	<u>\$ 11,508</u>
CAPITAL SHARE ACTIVITY				
Sold	31,588	40,023	66,187	119,232
Reinvested	9,586	62,867	—	64,918
Redeemed	<u>(87,254)</u>	<u>(414,553)</u>	<u>(95,635)</u>	<u>(210,523)</u>
Net decrease in shares outstanding	<u>(46,080)</u>	<u>(311,663)</u>	<u>(29,448)</u>	<u>(26,373)</u>
Shares outstanding, beginning of period	1,502,766	1,814,429	2,559,396	2,585,769
Shares outstanding, end of period	<u>1,456,686</u>	<u>1,502,766</u>	<u>2,529,948</u>	<u>2,559,396</u>

See accompanying notes to financial statements.

THE GOVERNMENT STREET FUNDS

STATEMENTS OF CHANGES IN NET ASSETS

	Alabama Tax Free Bond Fund	
	Six Months Ended Sept. 30, 2008 (Unaudited)	Year Ended March 31, 2008
FROM OPERATIONS		
Net investment income	\$ 452,599	\$ 872,561
Net realized gains from security transactions.....	—	16,614
Net change in unrealized appreciation/ depreciation on investments	(413,336)	265,263
Net increase in net assets from operations.....	<u>99,263</u>	<u>1,154,438</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(451,445)	(869,547)
From realized capital gains on security transactions	—	(15,917)
Decrease in net assets from distributions to shareholders	<u>(451,445)</u>	<u>(885,464)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	2,156,288	1,373,954
Net asset value of shares issued in reinvestment of distributions to shareholders	287,080	559,466
Payments for shares redeemed	(955,593)	(2,744,430)
Net increase (decrease) in net assets from capital share transactions	<u>1,487,775</u>	<u>(811,010)</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	1,075,593	(542,036)
NET ASSETS		
Beginning of period	25,426,397	25,968,433
End of period	<u>\$ 26,501,990</u>	<u>\$ 25,426,397</u>
ACCUMULATED UNDISTRIBUTED		
NET INVESTMENT INCOME	<u>\$ 16,170</u>	<u>\$ 15,016</u>
CAPITAL SHARE ACTIVITY		
Sold	205,682	131,729
Reinvested.....	27,508	53,777
Redeemed.....	(91,325)	(264,214)
Net increase (decrease) in shares outstanding.....	141,865	(78,708)
Shares outstanding, beginning of period.....	<u>2,421,435</u>	<u>2,500,143</u>
Shares outstanding, end of period	<u>2,563,300</u>	<u>2,421,435</u>

See accompanying notes to financial statements.

THE GOVERNMENT STREET EQUITY FUND

FINANCIAL HIGHLIGHTS

Selected Per Share Data and Ratios for a Share Outstanding Throughout Each Period

	Six Months Ended Sept. 30, 2008 (Unaudited)	Years Ended March 31,				
		2008	2007	2006	2005	2004
Net asset value at beginning of period	\$ 44.76	\$ 48.37	\$ 52.42	\$ 47.11	\$ 46.10	\$ 34.13
Income (loss) from investment operations:						
Net investment income	0.29	0.57	0.48	0.50	0.50	0.32
Net realized and unrealized gains (losses) on investments	(4.57)	(2.12)	2.90	5.31	1.01	11.97
Total from investment operations	(4.28)	(1.55)	3.38	5.81	1.51	12.29
Less distributions:						
Dividends from net investment income	(0.29)	(0.57)	(0.48)	(0.50)	(0.50)	(0.32)
Distributions from net realized gains.....	—	(1.31)	(6.95)	—	—	—
Return of capital	—	(0.18)	—	—	—	—
Total distributions.....	(0.29)	(2.06)	(7.43)	(0.50)	(0.50)	(0.32)
Net asset value at end of period	\$ 40.19	\$ 44.76	\$ 48.37	\$ 52.42	\$ 47.11	\$ 46.10
Total return ^(a)	(9.60%) ^(b)	(3.51%)	7.04%	12.39%	3.27%	36.09%
Net assets at end of period (000's)	\$ 58,537	\$ 67,267	\$ 87,757	\$ 107,243	\$ 132,922	\$ 129,719
Ratio of expenses to average net assets	0.87% ^(c)	0.84%	0.84%	0.78%	0.76%	0.79%
Ratio of net investment income to average net assets	1.28% ^(c)	1.12%	0.96%	0.95%	1.08%	0.77%
Portfolio turnover rate.....	15% ^(b)	12%	15%	17%	13%	15%

^(a) Total return is a measure of the change in value of an investment in the Fund over the period covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(b) Not annualized.

^(c) Annualized.

See accompanying notes to financial statements.

THE GOVERNMENT STREET MID-CAP FUND

FINANCIAL HIGHLIGHTS

Selected Per Share Data and Ratios for a Share Outstanding Throughout Each Period

	Six Months Ended Sept. 30, 2008 (Unaudited)	Years Ended March 31,				Period Ended March 31, 2004 ^(a)
		2008	2007	2006	2005	
Net asset value at beginning of period	\$ 12.28	\$ 13.13	\$ 13.71	\$ 11.30	\$ 10.33	\$ 10.00
Income (loss) from investment operations:						
Net investment income	0.03	0.03	0.04	0.05	0.01	0.01
Net realized and unrealized gains (losses) on investments	(0.68)	(0.53)	0.45	2.38	0.97	0.68
Total from investment operations	(0.65)	(0.50)	0.49	2.43	0.98	0.69
Less distributions:						
Dividends from net investment income	—	(0.05)	(0.05)	(0.02)	(0.01)	(0.01)
Distributions from net realized gains	—	(0.30)	(1.02)	—	(0.00) ^(b)	(0.35)
Total distributions	—	(0.35)	(1.07)	(0.02)	(0.01)	(0.36)
Net asset value at end of period	\$ 11.63	\$ 12.28	\$ 13.13	\$ 13.71	\$ 11.30	\$ 10.33
Total return ^(c)	(5.29%) ^(d)	(3.99%)	3.83%	21.51%	9.47%	6.83% ^(d)
Net assets at end of period (000's)	\$ 29,413	\$ 31,424	\$ 33,961	\$ 37,619	\$ 32,025	\$ 19,227
Ratio of net expenses to average net assets ^(e)	1.10% ^(f)	1.10%	1.10%	1.10%	1.10%	1.09% ^(f)
Ratio of net investment income to average net assets	0.35% ^(f)	0.25%	0.26%	0.37%	0.14%	0.11% ^(f)
Portfolio turnover rate	6% ^(g)	11%	11%	28%	6%	177% ^(f)

^(a) Represents the period from the commencement of operations (November 17, 2003) through March 31, 2004.

^(b) Amount rounds to less than \$0.01 per share.

^(c) Total return is a measure of the change in value of an investment in the Fund over the period covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(d) Not annualized.

^(e) Absent investment advisory fees voluntarily waived by the Adviser, the ratios of expenses to average net assets would have been 1.14%^(f) for the six months ended September 30, 2008 and 1.12%, 1.12%, 1.11%, 1.23% and 1.71%^(f) for the periods ended March 31, 2008, 2007, 2006, 2005 and 2004, respectively (Note 3).

^(f) Annualized.

See accompanying notes to financial statements.

THE ALABAMA TAX FREE BOND FUND

FINANCIAL HIGHLIGHTS

Selected Per Share Data and Ratios for a Share Outstanding Throughout Each Period

	Six Months Ended Sept. 30, 2008 (Unaudited)	Years Ended March 31,				
		2008	2007	2006	2005	2004
Net asset value at beginning of period	\$ 10.50	\$ 10.39	\$ 10.40	\$ 10.55	\$ 10.90	\$ 10.89
Income (loss) from investment operations:						
Net investment income	0.18	0.36	0.36	0.34	0.35	0.35
Net realized and unrealized gains (losses) on investments	(0.16)	0.12	(0.01)	(0.15)	(0.36)	0.01
Total from investment operations	0.02	0.48	0.35	0.19	(0.01)	0.36
Less distributions:						
Dividends from net investment income	(0.18)	(0.36)	(0.36)	(0.34)	(0.34)	(0.35)
Distributions from net realized gains.....	—	(0.01)	—	—	—	—
Total distributions.....	(0.18)	(0.37)	(0.36)	(0.34)	(0.34)	(0.35)
Net asset value at end of period	\$ 10.34	\$ 10.50	\$ 10.39	\$ 10.40	\$ 10.55	\$ 10.90
Total return ^(a)	0.15% ^(a)	4.66%	3.38%	1.80%	(0.06%)	3.40%
Net assets at end of period (000's)	\$ 26,502	\$ 25,426	\$ 25,968	\$ 26,182	\$ 34,525	\$ 38,702
Ratio of net expenses to average net assets ^(a)	0.65% ^(a)	0.65%	0.65%	0.65%	0.65%	0.65%
Ratio of net investment income to average net assets	3.37% ^(a)	3.46%	3.44%	3.25%	3.21%	3.26%
Portfolio turnover rate.....	3% ^(a)	6%	15%	5%	4%	10%

^(a) Total return is a measure of the change in value of an investment in the Fund over the period covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(b) Not annualized.

^(c) Absent investment advisory fees voluntarily waived by the Adviser, the ratios of expenses to average net assets would have been 0.77%^(d) for the six months ended September 30, 2008 and 0.78%, 0.76%, 0.73%, 0.69% and 0.68% for the years ended March 31, 2008, 2007, 2006, 2005 and 2004, respectively (Note 3).

^(d) Annualized.

See accompanying notes to financial statements.

THE GOVERNMENT STREET FUNDS

NOTES TO FINANCIAL STATEMENTS

September 30, 2008 (Unaudited)

1. Significant Accounting Policies

The Government Street Equity Fund, The Government Street Mid-Cap Fund and The Alabama Tax Free Bond Fund (the “Funds”) are each a no-load series of the Williamsburg Investment Trust (the “Trust”). The Trust, an open-end management investment company registered under the Investment Company Act of 1940, as amended, was organized as a Massachusetts business trust on July 18, 1988.

The Government Street Equity Fund’s investment objective is to seek capital appreciation through the compounding of dividends and capital gains, both realized and unrealized, by investing in common stocks.

The Government Street Mid-Cap Fund’s investment objective is to seek capital appreciation by investing in common stocks of mid-cap companies.

The Alabama Tax Free Bond Fund’s investment objectives are to provide current income exempt from federal income taxes and from the personal income taxes of Alabama and to preserve capital.

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

Securities valuation — The Funds’ portfolio securities are valued as of the close of business of the regular session of the New York Stock Exchange (normally 4:00 p.m., Eastern time). Securities traded on a national stock exchange are valued based upon the closing price on the principal exchange where the security is traded. Securities which are quoted by NASDAQ are valued at the NASDAQ Official Closing Price. Securities which are traded over-the-counter are valued at the last sales price, if available, otherwise, at the last quoted bid price. It is expected that fixed income securities will ordinarily be traded in the over-the-counter market, and common stocks will ordinarily be traded on a national securities exchange, but may also be traded in the over-the-counter market. Short-term instruments (those with remaining maturities of 60 days or less) are valued at amortized cost, which approximates market value.

When market quotations are not readily available, securities may be valued on the basis of prices provided by an independent pricing service. The prices provided by the pricing service are determined with consideration given to institutional bid and last sale prices and take into account securities prices, yields, maturities, call features, ratings, institutional trading in similar groups of securities and developments related to specific securities. If a pricing service cannot provide a valuation, securities will be valued in good faith at fair value using methods consistent with those determined by the Board of Trustees. Such methods of fair valuation may include, but are not limited to: multiple of earnings, multiple of book value, discount from market of a similar freely traded security, purchase price of security, subsequent private transactions in the security or related securities, or a combination of these and other factors.

THE GOVERNMENT STREET FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

The Financial Accounting Standards Board's ("FASB") Statement on Financial Accounting Standards No. 157 "Fair Value Measurements" establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements.

Various inputs are used in determining the value of each of the Fund's investments. These inputs are summarized in the three broad levels listed below:

- Level 1 - quoted prices in active markets for identical securities
- Level 2 - other significant observable inputs
- Level 3 - significant unobservable inputs

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value each Fund's net assets as of September 30, 2008:

Valuation Inputs	The Government Street Equity Fund	The Government Street Mid-Cap Fund	The Alabama Tax Free Bond Fund
Level 1 - Quoted Prices.....	\$ 55,614,424	\$ 26,829,658	\$ 877,319
Level 2 - Other Significant Observable Inputs	3,965,000	2,554,000	25,407,510
Total	<u>\$ 59,579,424</u>	<u>\$ 29,383,658</u>	<u>\$ 26,284,829</u>

Share valuation — The net asset value per share of each Fund is calculated daily by dividing the total value of each Fund's assets, less liabilities, by the number of shares outstanding. The offering price and redemption price per share of each Fund is equal to the net asset value per share.

Investment income — Interest income is accrued as earned. Dividend income is recorded on the ex-dividend date. Discounts and premiums on fixed-income securities purchased are amortized using the interest method.

Repurchase agreements — The Funds may enter into repurchase agreements. A repurchase agreement, which is collateralized by U.S. Government obligations, is valued at cost which, together with accrued interest, approximates market value. At the time a Fund enters into a repurchase agreement, the Fund takes possession of the underlying securities and the seller agrees that the value of the underlying securities, including accrued interest, will at all times be equal to or exceed the face amount of the repurchase agreement. In addition, Funds actively monitor and seek additional collateral, as needed. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Funds may be delayed or limited.

THE GOVERNMENT STREET FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

Distributions to shareholders — Dividends arising from net investment income are declared and paid quarterly to shareholders of The Government Street Equity Fund; declared and paid annually to shareholders of The Government Street Mid-Cap Fund; and declared daily and paid monthly to shareholders of The Alabama Tax Free Bond Fund. Net realized short-term capital gains, if any, may be distributed throughout the year and net realized long-term capital gains, if any, are distributed at least once each year. The amount of distributions from net investment income and net realized gains are determined in accordance with federal income tax regulations which may differ from accounting principles generally accepted in the United States. These “book/tax” differences are either temporary or permanent in nature. Certain Funds may utilize earnings and profits distributed to shareholders on redemptions of shares as part of the dividends paid deduction for income tax purposes. The tax character of distributions paid during the periods ended September 30, 2008 and March 31, 2008 are as follows:

	Periods Ended	Ordinary Income	Exempt-Interest Dividends	Long-Term Gains	Return of Capital	Total Distributions
Government Street Equity Fund	09/30/08	\$ 420,706	\$ —	\$ —	\$ —	\$ 420,706
	03/31/08	\$ 1,059,790	\$ —	\$ 1,866,409	\$ 265,270	\$ 3,191,469
Government Street Mid-Cap Fund	09/30/08	\$ —	\$ —	\$ —	\$ —	\$ —
	03/31/08	\$ 150,519	\$ —	\$ 730,879	\$ —	\$ 881,398
Alabama Tax Free Bond Fund	09/30/08	\$ —	\$ 451,445	\$ —	\$ —	\$ 451,445
	03/31/08	\$ —	\$ 869,547	\$ 15,917	\$ —	\$ 885,464

Security transactions — Security transactions are accounted for on trade date. Gains and losses on securities sold are determined on a specific identification basis.

Common expenses — Common expenses of the Trust are allocated among the funds of the Trust based on relative net assets of each fund or the nature of the services performed and the relative applicability to each fund.

Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Federal income tax — 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 a Fund so qualifies, and distributes at least 90% of its taxable net 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.

THE GOVERNMENT STREET FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

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 (earned during the calendar year) and 98% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts from prior years.

The following information is computed on a tax basis for each item as of September 30, 2008:

	Government Street Equity Fund	Government Street Mid-Cap Fund	Alabama Tax Free Bond Fund
Cost of portfolio investments	\$ 40,401,981	\$ 25,096,624	\$ 26,149,684
Gross unrealized appreciation	\$ 22,812,363	\$ 6,188,897	\$ 303,642
Gross unrealized depreciation	(3,634,920)	(1,901,863)	(168,497)
Net unrealized appreciation	19,177,443	4,287,034	135,145
Undistributed ordinary income	15,397	69,072	26,897
Undistributed long-term gains	—	7,085	204
Other gains (losses)	828,432	(213,942)	—
Other temporary differences	(7,689)	—	(26,897)
Total distributable earnings	\$ 20,013,583	\$ 4,149,249	\$ 135,349

The difference between the federal income tax cost of portfolio investments and the financial statement cost for The Government Street Equity Fund and The Alabama Tax Free Bond Fund is due to certain timing differences in the recognition of capital gains or losses under income tax regulations and accounting principles generally accepted in the United States. These "book/tax" differences are temporary in nature and are primarily due to the tax deferral of losses on wash sales and/or differing methods in the amortization of discounts and premiums on fixed income securities.

During the six months ended September 30, 2008, The Government Street Equity Fund and The Government Street Mid-Cap Fund realized \$1,510,757 and \$236,919, respectively, of net capital gains resulting from in-kind redemptions (redemptions in which shareholders who redeemed Fund shares received securities held by the Fund rather than cash). The Funds recognize a gain on in-kind redemptions to the extent that the value of the distributed securities on the date of redemption exceeds the cost of those securities. Such gains are not taxable to the Funds and are not required to be distributed to shareholders. The Funds have reclassified these amounts against paid-in capital. These reclassifications are reflected on the Statements of Assets and Liabilities. Such reclassifications, the result of permanent differences between the financial statement and income tax reporting requirements, had no effect on each Fund's net assets or net asset value per share.

THE GOVERNMENT STREET FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

FASB's Interpretation No. 48 ("FIN 48") "Accounting for Uncertainty in Income Taxes" provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken in the course of preparing the Funds' tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the "more-likely-than-not" threshold would be recorded as a tax benefit or expense in the current year. As required by FIN 48, management has analyzed the Funds' tax positions taken on Federal income tax returns for all open tax years (tax years ended March 31, 2005 through March 31, 2008) and has concluded that no provision for income tax is required in these financial statements.

2. Investment Transactions

During the six months ended September 30, 2008, cost of purchases and proceeds from sales and maturities of investment securities, other than short-term investments and U.S. government securities, amounted to \$9,559,618 and \$13,328,848, respectively, for The Government Street Equity Fund; \$1,773,580 and \$1,803,743, respectively, for The Government Street Mid-Cap Fund; and \$2,141,738 and \$800,000, respectively, for The Alabama Tax Free Bond Fund.

3. Transactions with Affiliates

INVESTMENT ADVISORY AGREEMENT

The Funds' investments are managed by Leavell Investment Management, Inc. (the "Adviser"), formerly T. Leavell & Associates, Inc., under the terms of an Investment Advisory Agreement. Under the Investment Advisory Agreement, The Government Street Equity Fund pays the Adviser a fee, which is computed and accrued daily and paid monthly, at an annual rate of .60% of its average daily net assets up to \$100 million and .50% of such assets in excess of \$100 million. The Government Street Mid-Cap Fund pays the Adviser a fee at an annual rate of .75% of its average daily net assets. The Alabama Tax Free Bond Fund pays the Adviser a fee at an annual rate of .35% of its average daily net assets up to \$100 million and .25% of such assets in excess of \$100 million.

For the six months ended September 30, 2008, the Adviser voluntarily undertook to limit the total operating expenses of The Government Street Mid-Cap Fund and The Alabama Tax Free Bond Fund to 1.10% and .65%, respectively, of average daily net assets. Accordingly, the Adviser voluntarily waived \$6,508 and \$16,027, respectively, of its investment advisory fees from The Government Street Mid-Cap Fund and The Alabama Tax Free Bond Fund during the six months ended September 30, 2008.

Certain officers of the Trust are also officers of the Adviser.

THE GOVERNMENT STREET FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

MUTUAL FUND SERVICES AGREEMENT

Under the terms of a Mutual Fund Services Agreement between the Trust and Ultimus Fund Solutions, LLC (“Ultimus”), Ultimus provides administrative, pricing, accounting, dividend disbursing, shareholder servicing and transfer agent services for the Funds. For these services, Ultimus receives a monthly fee from The Government Street Equity Fund, The Government Street Mid-Cap Fund and The Alabama Tax Free Bond Fund at an annual rate of .15% of each Fund’s average daily net assets up to \$25 million; .125% of the next \$25 million of such assets; and .10% of such assets in excess of \$50 million. The Government Street Equity Fund, The Government Street Mid-Cap Fund and The Alabama Tax Free Bond Fund are subject to a minimum monthly fee of \$4,000, \$4,000 and \$3,500, respectively. In addition, each Fund pays out-of-pocket expenses including, but not limited to, postage, supplies and costs of pricing portfolio securities. Certain officers of the Trust are also officers of Ultimus, or of Ultimus Fund Distributors, LLC (the “Distributor”), the principal underwriter of each Fund’s shares and an affiliate of Ultimus. The Distributor is compensated by the Adviser (not the Funds) for acting as principal underwriter.

COMPLIANCE CONSULTING AGREEMENT

Under the terms of a Compliance Consulting Agreement between the Trust and Ultimus, Ultimus provides an individual to serve as the Trust’s Chief Compliance Officer and to administer the Funds’ compliance policies and procedures. For these services, the Funds pay Ultimus an annual base fee of \$18,600 plus an asset-based fee equal to 0.01% per annum on the Funds’ aggregate net assets in excess of \$100 million. In addition, the Funds reimburse Ultimus for reasonable out-of-pocket expenses, if any, incurred in connection with these services.

4. Contingencies and Commitments

The Funds indemnify the Trust's officers and Trustees for certain liabilities that might arise from their performance of their duties to the Funds. Additionally, in the normal course of business the Funds enter into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Funds’ maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.

THE GOVERNMENT STREET FUNDS

ABOUT YOUR FUNDS' EXPENSES (Unaudited)

We believe it is important for you to understand the impact of costs on your investment. All mutual funds have operating expenses. As a shareholder of the Funds, you incur ongoing costs, including management fees and other fund expenses. These ongoing costs, which are deducted from each Fund's gross income, directly reduce the investment returns of the Funds.

A mutual fund's ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The examples below are based on an investment of \$1,000 made at the beginning of the period (April 1, 2008) shown and held for the entire period (September 30, 2008).

The table below illustrates each Fund's costs in two ways:

Actual fund return – This section helps you to estimate the actual expenses that you paid over the period. The “Ending Account Value” shown is derived from each Fund's actual return, and the third column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in the Funds. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for the Funds under the heading “Expenses Paid During Period.”

Hypothetical 5% return – This section is intended to help you compare the Funds' costs with those of other mutual funds. It assumes that each Fund had an annual return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the returns used are not the Funds' actual returns, the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess each Fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The Funds do not charge transaction fees, such as purchase or redemption fees, nor do they carry a “sales load.”

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

THE GOVERNMENT STREET FUNDS

ABOUT YOUR FUNDS' EXPENSES (Unaudited)

(Continued)

More information about the Funds' expenses, including historical expense ratios, can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to the Funds' prospectus.

	Beginning Account Value April 1, 2008	Ending Account Value Sept. 30, 2008	Expenses Paid During Period*
The Government Street Equity Fund			
Based on Actual Fund Return	\$ 1,000.00	\$ 904.00	\$ 4.15
Based on Hypothetical 5% Return (before expenses)	\$ 1,000.00	\$1,020.71	\$ 4.41
The Government Street Mid-Cap Fund			
Based on Actual Fund Return	\$ 1,000.00	\$ 947.10	\$ 5.37
Based on Hypothetical 5% Return (before expenses)	\$ 1,000.00	\$1,019.55	\$ 5.57
The Alabama Tax Free Bond Fund			
Based on Actual Fund Return	\$ 1,000.00	\$1,001.50	\$ 3.26
Based on Hypothetical 5% Return (before expenses)	\$ 1,000.00	\$1,021.81	\$ 3.29

* Expenses are equal to the Funds' annualized expense ratios for the period as stated below, multiplied by the average account value over the period, multiplied by 183/365 (to reflect the one-half year period).

The Government Street Equity Fund	0.87%
The Government Street Mid-Cap Fund	1.10%
The Alabama Tax Free Bond Fund	0.65%

THE GOVERNMENT STREET FUNDS OTHER INFORMATION (Unaudited)

A description of the policies and procedures that the Funds use to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free 1-866-738-1125, or on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge upon request by calling toll-free 1-866-738-1125 or on the SEC's website at <http://www.sec.gov>.

The Trust files a complete listing of portfolio holdings for the Funds with the SEC as of the first and third quarters of each fiscal year on Form N-Q. The filings are available upon request, by calling 1-866-738-1125. Furthermore, you may obtain a copy of these filings on the SEC's website at <http://www.sec.gov>. The Trust's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

This page intentionally left blank.

The Government Street Funds

No Load Mutual Funds

Investment Adviser

Leavell Investment Management, Inc.
150 Government Street
Post Office Box 1307
Mobile, AL 36633

Administrator

Ultimus Fund Solutions, LLC
P.O. Box 46707
Cincinnati, OH 45246-0707
1-866-738-1125

Legal Counsel

Sullivan & Worcester LLP
One Post Office Square
Boston, MA 02109

Independent Registered Public Accounting Firm

Ernst & Young LLP
1900 Scripps Center
312 Walnut Street
Cincinnati, OH 45202

Board of Trustees

Austin Brockenbrough, III
John T. Bruce
Charles M. Caravati, Jr.
Robert S. Harris
J. Finley Lee, Jr.
Richard L. Morrill
Harris V. Morrissette
Samuel B. Witt, III

Portfolio Managers

Thomas W. Leavell,
The Government Street Equity Fund
The Government Street Mid-Cap Fund
Timothy S. Healey,
The Government Street Mid-Cap Fund
The Alabama Tax Free Bond Fund
Richard E. Anthony, Jr.,
The Government Street Mid-Cap Fund