

THE
FLIPPIN, BRUCE & PORTER
FUND
FUNDS

FBP Value Fund
FBP Balanced Fund

Annual Report

March 31, 2009

No-Load Funds

Enclosed is our report on the performance of the FBP Balanced Fund and the FBP Value Fund for the annual period ended March, 31, 2009. Additionally, we will comment on the positive reaction of the market and your Fund shares as a result of the substantial change in investor sentiment since the early part of March.

The S&P 500 Index (“S&P 500”) returned -38.1% over the last year. From its peak in late 2007, the market decline of more than 50% is comparable to the bear markets of the 1970s and 1930s. Every sector in the S&P 500 posted negative returns, with Financials, Industrials and Materials posting the worst. The Funds were similarly affected by this difficult period, with the Balanced Fund falling 29.2% and the Value Fund dropping 41.8%. The Funds’ exposure to Financials was the largest drag on performance relative to the S&P 500, accounting for all of the underperformance. The Funds’ Industrials holdings also underperformed, but that was more than offset by positive relative performance in both the Consumer Discretionary and Health Care sectors. Balanced Fund returns were helped by the Fund’s allocation to fixed income assets. The Balanced Fund’s fixed income holdings emphasized short-term investment grade issues, which produced positive returns and helped protect principal in a challenging environment.

The past year was the most difficult twelve-month period we have experienced in our investment careers. Escalating energy prices and the bursting of the real estate bubble exposed the excessive debt that corporations, financial institutions and individuals had accumulated over the course of the previous business cycles. This debt became a huge albatross over the world’s economic system. As real estate and other asset values began to decline, a vicious cycle of deleveraging forces pushed prices lower and lower, resulting in the most severe financial crisis in decades.

Investors shrugged off the rescues of Countrywide and Bear Stearns in early 2008, but by September a number of other financial companies were in distress. After repeatedly indicating that the companies were adequately capitalized, the Federal Government, prompted by the rising tide of mortgage foreclosures, effectively nationalized Fannie Mae and Freddie Mac. That action, combined with the decision to allow Lehman Brothers to go into bankruptcy, badly shook investors’ confidence and led them to conclude that the financial system was on shaky ground. A few days later AIG was also effectively nationalized, adding to the panic and fear. All but the safest investments came under price pressure—even the safety of short-term money market funds and bank deposits was being questioned. The credit markets seized up and fear became widespread.

The news from Wall Street hit Main Street hard. Retail and industrial sales quickly slowed as consumers and businesses became very cautious in their spending and outlook for the future. It became obvious very quickly that the economy was in a deep recession. GDP plummeted and unemployment shot up, adding to the doubts about personal financial stability.

In response, multiple, coordinated worldwide monetary and fiscal plans were implemented to re-inflate the world's economies. The Federal Reserve and the U.S. government reacted with aggressive policies, including lowering interest rates, increasing the money supply, passing fiscal stimulus packages and creating programs to stabilize asset values. In January, the incoming Obama Administration made improving the economy its top priority. Congress passed an enormous spending bill to stimulate economic activity and the Obama Administration increased its regulation of the banking system by initiating a stress test for the largest institutions. The test was designed to assure that the banks could function even if economic conditions worsened. It now appears that these actions are working. The economy and financial markets have shown signs of stabilizing and confidence is being restored. We do have concerns about the long-term impact on our capitalistic system of increased government debt and regulation, but the short-term impact has been positive.

As we wrote in our most recent quarterly letter, improvements in the market appeared in early March and are encouraging. In our view, Wall Street sentiment has improved dramatically and earnings reports have been generally better than expected. Stocks have rebounded strongly, up more than 30% from the March 9th lows. The Funds have also responded positively, outpacing the S&P 500 in this initial recovery. The current rally is more powerful in its breadth than other recent moves and is being led by sectors that usually perform well in the beginning stages of an economic recovery. The banks' stress test results have been released and the tests indicate that, while some need additional capital, the banks are healthier than was feared and should be able to absorb further losses as the economy gradually recovers. The markets are now looking forward. While the path will not be straight up, we are optimistic that the recovery is underway and the outlook for investors will be brighter.

Please visit our website at www.fbpinc.com for information on our firm, philosophy, investment process and staff. We thank you for your continued confidence and investment in The Flippin, Bruce and Porter Funds.



John T. Bruce, CFA
President - Portfolio Manager
May 14, 2009

Data presented reflects past performance, which is no guarantee of future results. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Due to market volatility, current performance may be higher or lower than the performance shown.

This report is submitted for the general information of the shareholders of the Funds. The report is not authorized for distribution to prospective investors in the Funds unless it's accompanied by a current prospectus.

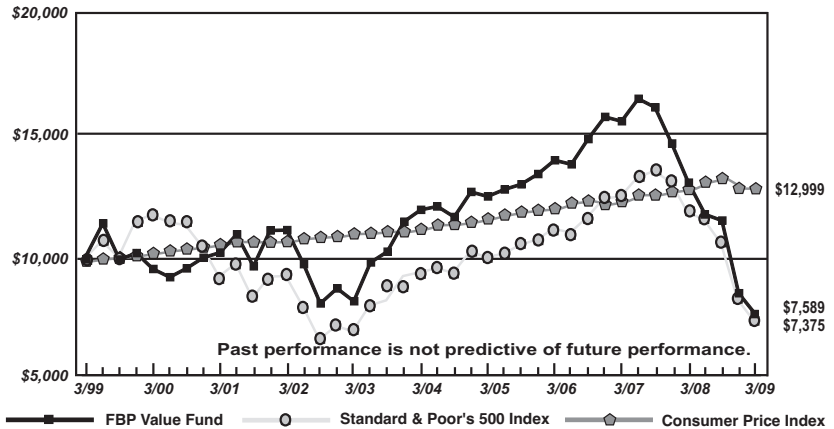
This report reflects our views, opinions and portfolio holdings as of March 31, 2009, the end of the reporting period. These views are subject to change at any time based upon market or other conditions. For more current information throughout the year please visit www.fbpinc.com.

THE FLIPPIN, BRUCE & PORTER FUNDS COMPARATIVE PERFORMANCE CHARTS (Unaudited)

Performance for each Fund is compared to the most appropriate broad-based index, the S&P 500 Index, an unmanaged index of 500 large common stocks. Over time, this index has the potential to outpace the FBP Balanced Fund, which normally maintains at least 25% of its investable assets in bonds. Balanced funds have the growth potential to outpace inflation, but they will typically lag a 100% stock index over the long term because of the bond portion of their portfolios. However, the advantage of the bond portion is that it can make the return and principal of a balanced fund more stable than a portfolio completely invested in stocks. Results are also compared to the Consumer Price Index, a measure of inflation.

FBP Value Fund

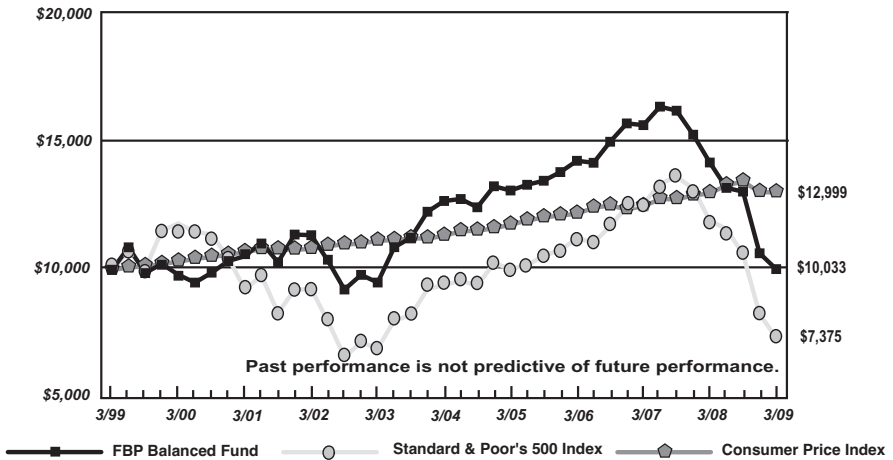
Comparison of the Change in Value of a \$10,000 Investment in the FBP Value Fund, the Standard & Poor's 500 Index and the Consumer Price Index



THE FLIPPIN, BRUCE & PORTER FUNDS COMPARATIVE PERFORMANCE CHARTS (Unaudited) (Continued)

FBP Balanced Fund

Comparison of the Change in Value of a \$10,000 Investment in the FBP Balanced Fund, the Standard & Poor's 500 Index and the Consumer Price Index



Average Annual Total Returns ^(a) (for periods ended March 31, 2009)

	<u>1 Year</u>	<u>5 Years</u>	<u>10 Years</u>
FBP Value Fund	-41.78%	-8.62%	-2.72%
FBP Balanced Fund	-29.15%	-4.56%	0.03%
Standard & Poor's 500 Index	-38.09%	-4.76%	-3.00%
Consumer Price Index	0.23%	2.81%	2.66%

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

FBP VALUE FUND

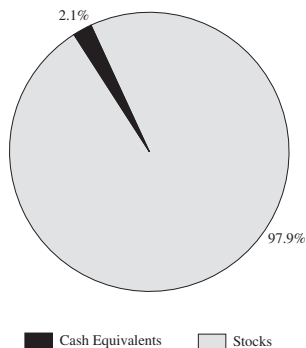
PORTFOLIO INFORMATION

March 31, 2009 (Unaudited)

General Information

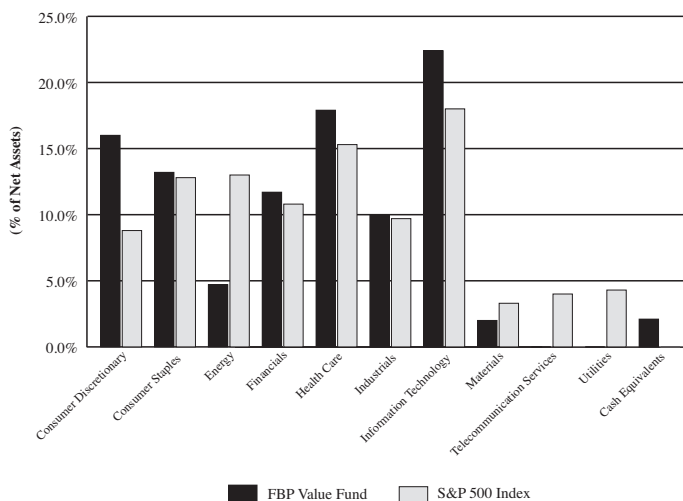
Net Asset Value Per Share	\$ 12.02
Total Net Assets (Millions)	\$ 20.6
Current Net Expense Ratio	1.07%
Portfolio Turnover	16%
Fund Inception Date	7/30/93

Asset Allocation



Stock Characteristics	FBP Value Fund	S&P 500 Index
Number of Stocks	42	500
Weighted Avg Market Capitalization (Billions)	\$ 56.7	\$ 66.7
Price-to-Earnings Ratio (IBES 1 Yr. Forecast EPS)	10.6	12.6
Price-to-Book Value	1.4	1.8

Sector Diversification vs. the S&P 500 Index



Ten Largest Equity Holdings

International Business Machines Corporation	6.6%
Wal-Mart Stores, Inc.	4.8%
Travelers Companies, Inc. (The)	4.3%
JPMorgan Chase & Company	4.1%
Johnson & Johnson	3.8%
WellPoint, Inc.	3.8%
Kohl's Corporation	3.7%
Best Buy Company, Inc.	3.7%
Cisco Systems, Inc.	3.7%
Pfizer, Inc.	3.6%

% of Net Assets

6.6%
4.8%
4.3%
4.1%
3.8%
3.8%
3.7%
3.7%
3.7%
3.6%

FBP BALANCED FUND

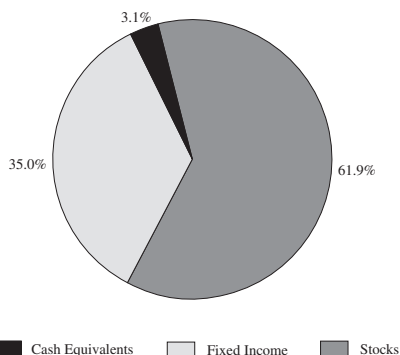
PORTFOLIO INFORMATION

March 31, 2009 (Unaudited)

General Information

Net Asset Value Per Share	\$ 10.97
Total Net Assets (Millions)	\$ 34.2
Current Net Expense Ratio	1.00%
Portfolio Turnover	24%
Fund Inception Date	7/3/89

Asset Allocation



Stock Portfolio (61.9% of Fund)

Number of Stocks	51
Weighted Avg Market Capitalization (Billions)	\$ 56.2
Price-to-Earnings Ratio (IBES 1 Yr. Forecast EPS)	10.6
Price-to-Book Value	1.4

Ten Largest Equity Holdings % of Net Assets

International Business Machines Corporation	3.7%
JPMorgan Chase & Company	2.7%
Wal-Mart Stores, Inc.	2.6%
Pfizer, Inc.	2.6%
Travelers Companies, Inc. (The)	2.5%
Johnson & Johnson	2.3%
WellPoint, Inc.	2.1%
Cisco Systems, Inc.	2.0%
Best Buy Company, Inc.	1.9%
Home Depot, Inc. (The)	1.8%

Five Largest Sectors % of Net Assets

Information Technology	12.5%
Health Care	10.3%
Consumer Discretionary	9.7%
Consumer Staples	8.8%
Financials	7.5%

Fixed Income Portfolio (35.0% of Fund)

Number of Fixed-Income Securities	16
Average Quality	A
Average Weighted Maturity	1.7 yrs.
Average Effective Duration	1.4 yrs.

Sector Breakdown

Sector	% of Net Assets
U.S. Treasury	2.3%
Government Agency	6.8%
Corporate	25.9%

FBP VALUE FUND

SCHEDULE OF INVESTMENTS

March 31, 2009

COMMON STOCKS — 97.9%	Shares	Value
Consumer Discretionary — 16.0%		
Best Buy Company, Inc.	20,000	\$ 759,200
Home Depot, Inc. (The)	28,000	659,680
KB Home	25,500	336,090
Kohl's Corporation ^(a)	18,000	761,760
Macy's, Inc.	26,500	235,850
McGraw-Hill Companies, Inc. (The)	18,000	411,660
Wyndham Worldwide Corporation	34,300	144,060
		<u>3,308,300</u>
Consumer Staples — 13.2%		
Avon Products, Inc.	20,000	384,600
CVS Caremark Corporation	18,000	494,820
Kimberly-Clark Corporation	7,800	359,658
Sysco Corporation	10,000	228,000
Walgreen Company	10,000	259,600
Wal-Mart Stores, Inc.	19,000	989,900
		<u>2,716,578</u>
Energy — 4.7%		
BJ Services Company	27,000	268,650
Pioneer Natural Resources Company	15,600	256,932
Royal Dutch Shell PLC - Class A - ADR	10,000	443,000
		<u>968,582</u>
Financials — 11.7%		
American Express Company	15,000	204,450
Comerica, Inc.	3,000	54,930
JPMorgan Chase & Company	32,000	850,560
Lincoln National Corporation	19,000	127,110
Travelers Companies, Inc. (The)	22,000	894,080
Willis Group Holdings Ltd.	13,000	286,000
		<u>2,417,130</u>
Health Care — 17.9%		
Amgen, Inc. ^(a)	15,000	742,800
Johnson & Johnson	15,000	789,000
Merck & Company, Inc.	17,500	468,125
Pfizer, Inc.	55,000	749,100
Watson Pharmaceuticals, Inc. ^(a)	5,000	155,550
WellPoint, Inc. ^(a)	20,600	782,182
		<u>3,686,757</u>
Industrials — 10.0%		
Avery Dennison Corporation	20,000	446,800
FedEx Corporation	10,100	449,349
General Electric Company	41,000	414,510
Ingersoll-Rand Company Ltd. - Class A	25,000	345,000
Masco Corporation	58,000	404,840
		<u>2,060,499</u>

FBP VALUE FUND

SCHEDULE OF INVESTMENTS (Continued)

COMMON STOCKS — 97.9% (Continued)	Shares	Value
Information Technology — 22.4%		
Cisco Systems, Inc. ^(a)	45,000	\$ 754,650
Computer Sciences Corporation ^(a)	17,000	626,280
Dell, Inc. ^(a)	39,000	369,720
Flextronics International Ltd. ^(a)	95,818	276,914
Hewlett-Packard Company	19,000	609,140
International Business Machines Corporation	14,000	1,356,460
Microsoft Corporation	23,000	422,510
Nokia Corporation - ADR	17,000	198,390
		<u>4,614,064</u>
Materials — 2.0%		
Sealed Air Corporation	30,000	414,000
		<u>414,000</u>
Total Common Stocks (Cost \$25,516,371).....		<u>\$ 20,185,910</u>

MONEY MARKET FUNDS — 1.2%	Shares	Value
Fidelity Institutional Money Market Government Portfolio - Class I, 0.51% ^(b) (Cost \$240,701).....	240,701	\$ 240,701
Total Investments at Value — 99.1% (Cost \$25,757,072)		\$ 20,426,611
Other Assets in Excess of Liabilities — 0.9%		178,366
Total Net Assets — 100.0%		<u>\$ 20,604,977</u>

ADR - American Depositary Receipt.

^(a) Non-income producing security.

^(b) Variable rate security. The rate shown is the 7-day effective yield as of March 31, 2009.

See accompanying notes to financial statements.

FBP BALANCED FUND

SCHEDULE OF INVESTMENTS

March 31, 2009

COMMON STOCKS — 61.9%	Shares	Value
Consumer Discretionary — 9.7%		
Best Buy Company, Inc.	17,000	\$ 645,320
Home Depot, Inc. (The)	26,000	612,560
KB Home	28,000	369,040
Kohl's Corporation ^(a)	14,000	592,480
Macy's, Inc.	32,000	284,800
McGraw-Hill Companies, Inc. (The)	21,000	480,270
Whirlpool Corporation	7,500	221,925
Wyndham Worldwide Corporation	28,000	117,600
		<u>3,323,995</u>
Consumer Staples — 8.8%		
Avon Products, Inc.	24,000	461,520
CVS Caremark Corporation	20,000	549,800
Kimberly-Clark Corporation	7,700	355,047
Philip Morris International, Inc.	6,500	231,270
Sysco Corporation	11,600	264,480
Walgreen Company	10,000	259,600
Wal-Mart Stores, Inc.	17,000	885,700
		<u>3,007,417</u>
Energy — 4.0%		
BJ Services Company	27,000	268,650
BP PLC - ADR	5,000	200,500
ConocoPhillips	5,000	195,800
Pioneer Natural Resources Company	17,000	279,990
Royal Dutch Shell PLC - Class A - ADR	10,000	443,000
		<u>1,387,940</u>
Financials — 7.5%		
American Express Company	18,000	245,340
Comerica, Inc.	5,000	91,550
JPMorgan Chase & Company	35,000	930,300
Lincoln National Corporation	18,700	125,103
Travelers Companies, Inc. (The)	21,000	853,440
Willis Group Holdings Ltd.	15,000	330,000
		<u>2,575,733</u>
Health Care — 10.3%		
Amgen, Inc. ^(a)	9,000	445,680
Eli Lilly & Company	6,000	200,460
Johnson & Johnson	15,000	789,000
Merck & Company, Inc.	15,600	417,300
Pfizer, Inc.	65,000	885,300
Watson Pharmaceuticals, Inc. ^(a)	2,500	77,775
WellPoint, Inc. ^(a)	18,500	702,445
		<u>3,517,960</u>

FBP BALANCED FUND

SCHEDULE OF INVESTMENTS (Continued)

COMMON STOCKS — 61.9% (Continued)	Shares	Value
Industrials — 5.6%		
Avery Dennison Corporation	20,000	\$ 446,800
FedEx Corporation	7,400	329,226
General Electric Company	40,000	404,400
Ingersoll-Rand Company Ltd. - Class A	27,000	372,600
Masco Corporation	50,000	349,000
		<u>1,902,026</u>
Information Technology — 12.5%		
Cisco Systems, Inc. ^(a)	40,000	670,800
Computer Sciences Corporation ^(a)	14,000	515,760
Dell, Inc. ^(a)	30,000	284,400
Flextronics International Ltd. ^(a)	88,000	254,320
Hewlett-Packard Company	16,000	512,960
International Business Machines Corporation	13,000	1,259,570
Microsoft Corporation	27,000	495,990
Nokia Corporation - ADR	24,000	280,080
		<u>4,273,880</u>
Materials — 2.8%		
E.I. du Pont de Nemours and Company	9,000	200,970
PPG Industries, Inc.	5,000	184,500
RPM International, Inc.	10,000	127,300
Sealed Air Corporation	32,000	441,600
		<u>954,370</u>
Telecommunication Services — 0.7%		
Verizon Communications, Inc.	7,500	226,500
		<u>226,500</u>
Total Common Stocks (Cost \$24,989,581).....		<u>\$ 21,169,821</u>

U.S. GOVERNMENT & AGENCY OBLIGATIONS — 9.1%	Par Value	Value
U.S. Treasury Notes — 2.3%		
4.50%, due 11/15/2010	\$ 750,000	<u>\$ 797,051</u>
Federal Home Loan Bank — 6.8%		
4.375%, due 03/17/2010	750,000	774,403
4.375%, due 10/22/2010	750,000	785,098
5.05%, due 08/24/2011	750,000	761,447
		<u>2,320,948</u>
Total U.S. Government & Agency Obligations (Cost \$3,025,873).....		<u>\$ 3,117,999</u>

FBP BALANCED FUND

SCHEDULE OF INVESTMENTS (Continued)

CORPORATE BONDS — 25.9%	Par Value	Value
Consumer Discretionary — 2.2%		
Newell Rubbermaid, Inc., 4.625%, due 12/15/2009	\$ 750,000	\$ 748,444
Consumer Staples — 2.3%		
Kraft Foods, Inc., 5.625%, due 11/01/2011	750,000	780,791
Financials — 8.2%		
Credit Suisse First Boston USA, Inc., 4.70%, due 06/01/2009	750,000	752,711
International Lease Finance Corporation, 5.40%, due 02/15/2012	750,000	421,669
Northern Trust Company, 7.10%, due 08/01/2009.....	1,000,000	1,008,956
Prudential Financial, Inc., 5.80%, due 06/15/2012.....	750,000	602,522
		<u>2,785,858</u>
Health Care — 2.2%		
UnitedHealth Group, Inc., 5.25%, due 03/15/2011	750,000	756,417
Industrials — 6.5%		
Donnelly (R.R.) & Sons Company, 3.75%, due 04/01/2009	750,000	750,000
Ryder System, Inc., 5.00%, due 04/01/2011.....	750,000	719,836
Union Pacific Corporation, 3.625%, due 06/01/2010	750,000	747,088
		<u>2,216,924</u>
Utilities — 4.5%		
Ohio Power Company, 5.30%, due 11/01/2010	750,000	758,351
SBC Communications, Inc., 5.875%, due 02/01/2012.....	750,000	785,604
		<u>1,543,955</u>
Total Corporate Bonds (Cost \$9,238,335)		\$ 8,832,389

MONEY MARKET FUNDS — 2.4%	Shares	Value
Fidelity Institutional Money Market Government Portfolio - Class I, 0.51% ^(b) (Cost \$824,920).....	824,920	\$ 824,920
Total Investments at Value — 99.3% (Cost \$38,078,709)		\$ 33,945,129
Other Assets in Excess of Liabilities — 0.7%		<u>254,235</u>
Total Net Assets — 100.0%		\$ <u>34,199,364</u>

ADR - American Depositary Receipt.

^(a) Non-income producing security.

^(b) Variable rate security. The rate shown is the 7-day effective yield as of March 31, 2009.

See accompanying notes to financial statements.

THE FLIPPIN, BRUCE & PORTER FUNDS
STATEMENTS OF ASSETS AND LIABILITIES
March 31, 2009

	FBP Value Fund	FBP Balanced Fund
ASSETS		
Investments in securities:		
At acquisition cost	\$ 25,757,072	\$ 38,078,709
At value (Note 1)	\$ 20,426,611	\$ 33,945,129
Dividends and interest receivable	38,771	220,180
Receivable for investment securities sold.....	156,749	78,374
Receivable for capital shares sold	2,993	9,466
Other assets	6,338	4,099
TOTAL ASSETS	<u>20,631,462</u>	<u>34,257,248</u>
LIABILITIES		
Distributions payable	2,106	16,383
Payable for capital shares redeemed.....	2,086	10,130
Accrued investment advisory fees (Note 3)	5,437	13,066
Payable to Administrator (Note 3)	4,000	4,000
Accrued compliance fees (Note 3)	700	700
Other accrued expenses and liabilities	12,156	13,605
TOTAL LIABILITIES	<u>26,485</u>	<u>57,884</u>
NET ASSETS	<u>\$ 20,604,977</u>	<u>\$ 34,199,364</u>
Net assets consist of:		
Paid-in capital.....	\$ 31,336,314	\$ 42,087,176
Accumulated undistributed net investment income	303	26,645
Accumulated net realized losses from security transactions	(5,401,179)	(3,780,877)
Net unrealized depreciation on investments	(5,330,461)	(4,133,580)
Net assets	<u>\$ 20,604,977</u>	<u>\$ 34,199,364</u>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value)	<u>1,714,422</u>	<u>3,118,333</u>
Net asset value, offering price and redemption price per share (Note 1)	<u>\$ 12.02</u>	<u>\$ 10.97</u>

See accompanying notes to financial statements.

THE FLIPPIN, BRUCE & PORTER FUNDS
STATEMENTS OF OPERATIONS
Year Ended March 31, 2009

	FBP Value Fund	FBP Balanced Fund
INVESTMENT INCOME		
Interest	\$ —	\$ 819,000
Dividends	833,189	665,640
Foreign withholding taxes on dividends.....	(5,356)	(4,872)
TOTAL INVESTMENT INCOME	<u>827,833</u>	<u>1,479,768</u>
EXPENSES		
Investment advisory fees (Note 3)	217,453	308,397
Administration fees (Note 3).....	51,674	61,254
Professional fees	22,700	24,522
Trustees' fees and expenses	15,330	15,330
Registration fees.....	13,143	7,250
Postage and supplies	11,612	9,163
Compliance service fees (Note 3).....	8,954	8,951
Custodian and bank service fees.....	8,587	7,666
Printing of shareholder reports	5,405	3,499
Insurance expense	3,668	4,543
Other expenses	7,699	12,151
TOTAL EXPENSES	<u>366,225</u>	<u>462,726</u>
Fees voluntarily waived by the Adviser (Note 3).....	(33,953)	(22,283)
NET EXPENSES	<u>332,272</u>	<u>440,443</u>
NET INVESTMENT INCOME	<u>495,561</u>	<u>1,039,325</u>
REALIZED AND UNREALIZED GAINS (LOSSES)		
ON INVESTMENTS		
Net realized losses on security transactions	(5,387,493)	(3,859,162)
Net realized gains (losses) on option contracts written	(13,686)	78,285
Net change in unrealized appreciation/ depreciation on investments	<u>(11,397,617)</u>	<u>(12,251,683)</u>
NET REALIZED AND UNREALIZED LOSSES		
ON INVESTMENTS	<u>(16,798,796)</u>	<u>(16,032,560)</u>
NET DECREASE IN NET ASSETS		
FROM OPERATIONS	<u>\$ (16,303,235)</u>	<u>\$ (14,993,235)</u>

See accompanying notes to financial statements.

THE FLIPPIN, BRUCE & PORTER FUNDS

STATEMENTS OF CHANGES IN NET ASSETS

	FBP Value Fund		FBP Balanced Fund	
	Year Ended March 31, 2009	Year Ended March 31, 2008	Year Ended March 31, 2009	Year Ended March 31, 2008
FROM OPERATIONS				
Net investment income	\$ 495,561	\$ 679,283	\$ 1,039,325	\$ 1,321,239
Net realized gains (losses) on:				
Security transactions	(5,387,493)	3,349,834	(3,859,162)	3,294,326
Option contracts written	(13,686)	119,265	78,285	112,605
In-kind redemptions (Note 1).....	—	370,882	—	—
Net change in unrealized appreciation/ depreciation on investments.....	(11,397,617)	(13,281,533)	(12,251,683)	(10,396,097)
Net decrease in net assets from operations	(16,303,235)	(8,762,269)	(14,993,235)	(5,667,927)
DISTRIBUTIONS TO SHAREHOLDERS				
From net investment income.....	(472,135)	(687,582)	(963,884)	(1,357,079)
From realized capital gains on security transactions	—	(3,492,371)	—	(3,501,622)
Return of capital.....	—	(393,309)	—	(219,267)
Decrease in net assets from distributions to shareholders	(472,135)	(4,573,262)	(963,884)	(5,077,968)
FROM CAPITAL SHARE TRANSACTIONS				
Proceeds from shares sold	1,826,232	3,160,085	1,127,417	3,637,669
Net asset value of shares issued in reinvestment of distributions to shareholders.....	459,482	4,441,138	868,323	4,737,391
Payments for shares redeemed	(7,976,893)	(11,427,076)	(6,834,380)	(8,991,631)
Net decrease in net assets from capital share transactions	(5,691,179)	(3,825,853)	(4,838,640)	(616,571)
TOTAL DECREASE IN NET ASSETS ..	(22,466,549)	(17,161,384)	(20,795,759)	(11,362,466)
NET ASSETS				
Beginning of year.....	43,071,526	60,232,910	54,995,123	66,357,589
End of year	<u>\$ 20,604,977</u>	<u>\$ 43,071,526</u>	<u>\$ 34,199,364</u>	<u>\$ 54,995,123</u>
ACCUMULATED UNDISTRIBUTED NET INVESTMENT INCOME	<u>\$ 303</u>	<u>\$ —</u>	<u>\$ 26,645</u>	<u>\$ 45,666</u>
CAPITAL SHARE ACTIVITY				
Sold	115,697	121,432	85,110	196,696
Reinvested	29,288	173,994	66,451	265,687
Redeemed	(482,157)	(450,272)	(504,104)	(493,053)
Net decrease in shares outstanding	(337,172)	(154,846)	(352,543)	(30,670)
Shares outstanding at beginning of year ..	2,051,594	2,206,440	3,470,876	3,501,546
Shares outstanding at end of year	<u>1,714,422</u>	<u>2,051,594</u>	<u>3,118,333</u>	<u>3,470,876</u>

See accompanying notes to financial statements.

FBP VALUE FUND

FINANCIAL HIGHLIGHTS

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

	Years Ended March 31,				
	2009	2008	2007	2006	2005
Net asset value at beginning of year	\$ 20.99	\$ 27.30	\$ 26.60	\$ 25.73	\$ 24.86
Income (loss) from investment operations:					
Net investment income	0.27	0.32	0.33	0.32	0.29
Net realized and unrealized gains (losses) on investments	(8.98)	(4.43)	2.71	2.70	0.86
Total from investment operations	(8.71)	(4.11)	3.04	3.02	1.15
Less distributions:					
Dividends from net investment income	(0.26)	(0.32)	(0.33)	(0.32)	(0.28)
Distributions from net realized gains	—	(1.68)	(2.01)	(1.83)	—
Return of capital	—	(0.20)	—	—	—
Total distributions	(0.26)	(2.20)	(2.34)	(2.15)	(0.28)
Net asset value at end of year	\$ 12.02	\$ 20.99	\$ 27.30	\$ 26.60	\$ 25.73
Total return ^(a)	(41.78%)	(16.33%)	11.57%	12.03%	4.65%
Net assets at end of year (000's)	\$ 20,605	\$ 43,072	\$ 60,233	\$ 59,611	\$ 61,212
Ratio of net expenses to average net assets..	1.07% ^(b)	1.01%	1.01%	1.01%	1.00%
Ratio of net investment income to average net assets	1.59%	1.21%	1.19%	1.17%	1.17%
Portfolio turnover rate	16%	26%	16%	15%	15%

^(a) Total return is a measure of the change in value of an investment in the Fund over the periods 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) Absent investment advisory fees voluntarily waived by the Adviser, the ratio of expenses to average net assets would have been 1.18% for the year ended March 31, 2009 (Note 3).

See accompanying notes to financial statements.

FBP BALANCED FUND FINANCIAL HIGHLIGHTS

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

	Years Ended March 31,				
	2009	2008	2007	2006	2005
Net asset value at beginning of year	\$ 15.84	\$ 18.95	\$ 18.39	\$ 18.06	\$ 18.40
Income (loss) from investment operations:					
Net investment income	0.32	0.38	0.37	0.33	0.29
Net realized and unrealized gains (losses) on investments	(4.89)	(2.01)	1.39	1.22	0.28
Total from investment operations.....	(4.57)	(1.63)	1.76	1.55	0.57
Less distributions:					
Dividends from net investment income	(0.30)	(0.39)	(0.37)	(0.32)	(0.30)
Distributions from net realized gains	—	(1.02)	(0.83)	(0.90)	(0.61)
Return of capital	—	(0.07)	—	—	—
Total distributions	(0.30)	(1.48)	(1.20)	(1.22)	(0.91)
Net asset value at end of year.....	\$ 10.97	\$ 15.84	\$ 18.95	\$ 18.39	\$ 18.06
Total return ^(a)	(29.15%)	(9.27%)	9.70%	8.81%	3.20%
Net assets at end of year (000's)	\$ 34,199	\$ 54,995	\$ 66,358	\$ 62,781	\$ 61,466
Ratio of net expenses to average net assets..	1.00% ^(b)	0.96%	0.97%	0.99%	0.96%
Ratio of net investment income to average net assets	2.36%	2.05%	1.95%	1.75%	1.62%
Portfolio turnover rate	24%	29%	17%	24%	17%

^(a) Total return is a measure of the change in value of an investment in the Fund over the periods 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) Absent investment advisory fees voluntarily waived by the Adviser, the ratio of expenses to average net assets would have been 1.05% for the year ended March 31, 2009 (Note 3).

See accompanying notes to financial statements.

THE FLIPPIN, BRUCE & PORTER FUNDS

NOTES TO FINANCIAL STATEMENTS

March 31, 2009

1. Significant Accounting Policies

The FBP Value Fund and the FBP Balanced Fund (the “Funds”) are no-load, diversified series of the Williamsburg Investment Trust (the “Trust”), an open-end management investment company registered under the Investment Company Act of 1940. The Trust was organized as a Massachusetts business trust on July 18, 1988.

The FBP Value Fund seeks long term growth of capital through investment in a diversified portfolio comprised primarily of equity securities, with current income as a secondary objective.

The FBP Balanced Fund seeks long term capital appreciation and current income through investment in a balanced portfolio of equity and fixed income securities assuming a moderate level of investment risk.

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. Call options written by the Funds are valued at the then current market quotation, using the ask price as of the close of each day on the principal exchanges on which they are traded. 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 procedures established by and under the general supervision of 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 Financial Accounting Standards Board’s (“FASB”) Statement of 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 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 FLIPPIN, BRUCE & PORTER FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

The following is a summary of the inputs used to value each Fund's investments as of March 31, 2009:

	FBP Value Fund	FBP Balanced Fund
Level 1 - Quoted prices	\$ 20,426,611	\$ 21,994,741
Level 2 - Other significant observable inputs	—	11,950,388
Level 3 - Significant unobservable inputs	—	—
Total	<u>\$ 20,426,611</u>	<u>\$ 33,945,129</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 — Each Fund 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, the Funds actively monitor and seek additional collateral, as needed. If the seller defaults, the fair value of the collateral may decline and realization of the collateral by the Funds may be delayed or limited.

Distributions to shareholders — Dividends arising from net investment income are declared and paid quarterly to shareholders of each 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.

The tax character of distributions paid during the years ended March 31, 2009 and March 31, 2008 are as follows:

Year Ended	Ordinary Income	Long-Term Capital Gains	Return of Capital	Total Distributions
FBP Value Fund				
03/31/09	\$ 472,135	\$ —	\$ —	\$ 472,135
03/31/08	\$ 699,173	\$ 3,480,780	\$ 393,309	\$ 4,573,262
FBP Balanced Fund				
03/31/09	\$ 963,884	\$ —	\$ —	\$ 963,884
03/31/08	\$ 1,403,338	\$ 3,455,363	\$ 219,267	\$ 5,077,968

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.

THE FLIPPIN, BRUCE & PORTER FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

Options transactions — The Funds may write covered call options for which premiums are received and are recorded as liabilities, and are subsequently valued daily at the closing prices on their primary exchanges. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised increase the proceeds used to calculate the realized gain or loss on the sale of the security. If a closing purchase transaction is used to terminate a Fund's obligation on a call, a gain or loss will be realized, depending upon whether the price of the closing purchase transaction is more or less than the premium previously received on the call written.

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.

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 March 31, 2009:

	FBP Value Fund	FBP Balanced Fund
Cost of portfolio investments.....	\$ 25,757,072	\$ 38,053,527
Gross unrealized appreciation	\$ 4,126,662	\$ 5,079,208
Gross unrealized depreciation	(9,457,123)	(9,187,606)
Net unrealized depreciation	(5,330,461)	(4,108,398)
Undistributed ordinary income	2,409	17,846
Capital loss carryforward.....	(2,475,616)	(1,823,332)
Post-October losses	(2,925,563)	(1,957,545)
Other temporary differences	(2,106)	(16,383)
Accumulated deficit	<u>\$ (10,731,337)</u>	<u>\$ (7,887,812)</u>

The difference between the federal income tax cost of portfolio investments and the financial statement cost for the FBP Balanced Fund is due to certain differences in the recognition of capital gains and 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 differing methods in the amortization of discounts and premiums on fixed income securities.

As of March 31, 2009, the FBP Value Fund and the FBP Balanced Fund had capital loss carryforwards of \$2,475,616 and \$1,823,332, respectively, which expire on March 31, 2017. In addition, the Funds' had net realized capital losses of \$2,925,563 and \$1,957,545, respectively, during the period November 1, 2008 through March 31, 2009, which are treated for federal income tax purposes as arising during the Funds' tax year ending March 31, 2010. These capital loss carryforwards and "post-October" losses may be utilized in future years to offset net realized capital gains, if any, prior to distributing such gains to shareholders.

THE FLIPPIN, BRUCE & PORTER FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the year ended March 31, 2009, the FBP Value Fund and the FBP Balanced Fund reclassified distributions in excess of net realized gains on security transactions of \$23,123 and \$94,462, respectively, against accumulated undistributed net investment income 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.

During the year ended March 31, 2008, the FBP Value Fund realized \$370,882 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 Fund recognizes 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 Fund and are not required to be distributed to shareholders.

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, 2007 through March 31, 2009) and has concluded that no provision for income tax is required in these financial statements.

2. Investment Transactions

During the year ended March 31, 2009, cost of purchases and proceeds from sales and maturities of investment securities, other than short-term investments and U.S. government securities, amounted to \$4,997,700 and \$10,698,375, respectively, for the FBP Value Fund and \$8,846,757 and \$10,189,980, respectively, for the FBP Balanced Fund.

3. Transactions with Affiliates

INVESTMENT ADVISORY AGREEMENT

The Funds' investments are managed by Flippin, Bruce & Porter, Inc. (the "Adviser") under the terms of an Investment Advisory Agreement. Under the Investment Advisory Agreement, each Fund pays the Adviser a fee, which is computed and accrued daily and paid monthly, at an annual rate of .70% of its average daily net assets up to \$250 million; .65% of the next \$250 million of such assets; and .50% of such assets in excess of \$500 million.

During the year ended March 31, 2009, the Adviser voluntarily waived \$33,953 and \$22,283 of its investment advisory fees from the FBP Value Fund and the FBP Balanced Fund, respectively.

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

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 each Fund at an annual rate of .15% of its 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 FLIPPIN, BRUCE & PORTER FUNDS

NOTES TO FINANCIAL STATEMENTS (Continued)

subject to a minimum monthly fee of \$4,000, plus a shareholder recordkeeping fee at the annual rate of \$10 per shareholder account in excess of 1,000 accounts. In addition, each Fund pays out-of-pocket expenses including, but not limited to, postage, supplies and costs of pricing the Funds' 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. 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 \$16,800 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. Covered Call Options

A summary of covered call option contracts during the year ended March 31, 2009 is as follows:

	FBP Value Fund		FBP Balanced Fund	
	Option Contracts	Option Premiums	Option Contracts	Option Premiums
Options outstanding at beginning of year	\$ —	\$ —	\$ —	\$ —
Options written	150	97,914	120	78,285
Options expired	(100)	(67,672)	(120)	(78,285)
Options cancelled in a closing purchase transaction.....	(50)	(30,242)	—	—
Options outstanding at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

5. 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 FLIPPIN, BRUCE & PORTER FUNDS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Trustees and Shareholders of
the FBP Value Fund and the FBP Balanced Fund
of the Williamsburg Investment Trust

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of the FBP Value Fund and the FBP Balanced Fund (the "Funds") (each a series of the Williamsburg Investment Trust), as of March 31, 2008, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. 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 the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of March 31, 2008, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the FBP Value Fund and the FBP Balanced Fund at March 31, 2008, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

Cincinnati, Ohio
May 16, 2008

THE FLIPPIN, BRUCE & PORTER FUNDS

BOARD OF TRUSTEES AND EXECUTIVE OFFICERS

(Unaudited)

Overall responsibility for management of the Funds 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 Funds. The officers have been elected for an annual term. The following are the Trustees and executive officers of the Funds:

Trustee	Address	Age	Position Held with the Trust	Length of Time Served
*Charles M. Caravati, Jr.	931 Broad Street Road, Manakin-Sabot, VA	72	Chairman and Trustee	Since June 1991
*Austin Brockenbrough III	1802 Bayberry Court, Suite 400 Richmond, VA	72	Trustee	Since September 1988
*John T. Bruce	800 Main Street Lynchburg, VA	55	President and Trustee	Since September 1988
Robert S. Harris	100 Darden Boulevard Charlottesville, VA	59	Trustee	Since January 2007
J. Finley Lee, Jr.	4488 Pond Apple Drive North Naples, FL	69	Trustee	Since September 1988
Richard L. Morrill	University of Richmond Richmond, VA	69	Trustee	Since March 1993
Harris V. Morrisette	100 Jacintoport Boulevard Saraland, AL	49	Trustee	Since March 1993
Samuel B. Witt III	302 Clovelly Road Richmond, VA	73	Trustee	Since November 1988
John M. Flippin	800 Main Street Lynchburg, VA	67	Vice President	Since September 1988
R. Gregory Porter III	800 Main Street Lynchburg, VA	67	Vice President	Since September 1988
John H. Hanna IV	800 Main Street Lynchburg, VA	53	Vice President	Since February 2007
David J. Marshall	800 Main Street Lynchburg, VA	52	Vice President	Since February 2007
Robert G. Dorsey	225 Pictoria Drive, Suite 450 Cincinnati, OH	52	Vice President	Since November 2000
Mark J. Seger	225 Pictoria Drive, Suite 450 Cincinnati, OH	47	Treasurer	Since November 2000
John F. Splain	225 Pictoria Drive, Suite 450 Cincinnati, OH	52	Secretary	Since November 2000
Tina H. Bloom	225 Pictoria Drive, Suite 450 Cincinnati, OH	40	Chief Compliance Officer	Since August 2006

* Messrs. Bruce, Brockenbrough and Caravati are “interested persons” of the Trust within the meaning of Section 2(a)(19) of the Investment Company Act of 1940. Charles M. Caravati, Jr. is the father of Charles M. Caravati III, an officer of The Jamestown Funds, which are other portfolios of the Trust.

THE FLIPPIN, BRUCE & PORTER FUNDS

BOARD OF TRUSTEES AND EXECUTIVE OFFICERS

(Unaudited) (Continued)

Each Trustee oversees ten portfolios of the Trust, including the Funds. The principal occupations of the Trustees and executive officers of the Funds during the past five years and public directorships held by the Trustees are set forth below:

Charles M. Caravati, Jr. is a retired physician. He is also the retired President of Dermatology Associates of Virginia, P.C.

Austin Brockenbrough III is President and Managing Director of Lowe, Brockenbrough & Company, Inc. (an investment advisory firm). He is a member of the Board of Directors of Tredegar Corporation (a plastics manufacturer) and Wilkinson O'Grady & Co., Inc. (a global asset manager).

John T. Bruce is a Principal of the Adviser.

Robert S. Harris is the C. Stewart Sheppard Professor of Business Administration at The Darden Graduate School of Business Administration at the University of Virginia. He was previously the dean at Darden. Professor Harris has published widely on corporate finance, financial markets and mergers and acquisitions and has served as a consultant to corporations and government agencies.

J. Finley Lee, Jr. is a financial consultant and the Julian Price Professor Emeritus at the University of North Carolina.

Richard L. Morrill is the Chancellor of the University of Richmond. He is also a member of the Board of Directors of Tredegar Corporation and Albemarle Corporation (polymers and chemical manufacturer).

Harris V. Morrisette is Chief Executive Officer of China Doll Rice Company. He is a member of the Board of Directors of BancTrust Financial Group, Inc. (a bank holding company) and EnergySouth, Inc. In addition, he is Chairman of Azalea Aviation, Inc. (an airplane fueling company).

Samuel B. Witt III is the retired Senior Vice President and General Counsel of Stateside Associates, Inc. He is also a member of the Board of Directors of The Swiss Helvetia Fund, Inc. (a closed-end investment company).

John M. Flippin is a Principal of the Adviser.

R. Gregory Porter III is a Principal of the Adviser.

John H. Hanna IV is a Principal of the Adviser.

David J. Marshall is a Principal of the Adviser.

Robert G. Dorsey is a Managing Director of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC.

Mark J. Seger is a Managing Director of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC.

John F. Splain is a Managing Director of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC.

Tina H. Bloom is Vice President of Administration of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC.

Additional information about members of the Board of Trustees and executive officers is available in the Statement of Additional Information ("SAI"). To obtain a free copy of the SAI, please call 1-800-281-3217.

THE FLIPPIN BRUCE & PORTER 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 operating expenses. These ongoing costs, which are deducted from each Fund's gross income, directly reduce the investment return 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 (October 1, 2008) shown and held for the entire period (March 31, 2009).

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 (October 1, 2008 through March 31, 2009.)

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.

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

FBP Value Fund

	Beginning Account Value October 1, 2008	Ending Account Value March 31, 2009	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$ 661.90	\$ 4.43
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$ 1,019.60	\$ 5.39

* Expenses are equal to the FBP Value Fund's annualized expense ratio of 1.07% for the period, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period).

THE FLIPPIN BRUCE & PORTER FUNDS

ABOUT YOUR FUNDS' EXPENSES (Unaudited)

(Continued)

FBP Balanced Fund

	Beginning Account Value October 1, 2008	Ending Account Value March 31, 2009	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$ 769.80	\$ 4.41
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$ 1,019.95	\$ 5.04

* Expenses are equal to the FBP Balanced Fund's annualized expense ratio of 1.00% for the period, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period).

OTHER INFORMATION (Unaudited)

The Trust files a complete listing of portfolio holdings for the Funds with the Securities and Exchange Commission (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 1-800-327-9375. 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.

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free 1-800-327-9375, or on the SEC's 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 also available without charge upon request by calling toll-free 1-800-327-9375, or on the SEC's website at <http://www.sec.gov>.

FEDERAL TAX INFORMATION (Unaudited)

In accordance with federal tax requirements, the following provides shareholders with information concerning distributions from ordinary income and net realized gains made by the Funds during the year ended March 31, 2009. For the fiscal year ended March 31, 2009, certain dividends paid by the Funds may be subject to a maximum tax rate of 15%, as provided by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The FBP Value Fund and the FBP Balanced Fund intend to designate up to a maximum amount of \$472,135 and \$963,884, respectively, as taxed at a maximum rate of 15%. Additionally, for the fiscal year ended March 31, 2009, 100% and 74% of the dividends paid from ordinary income by the FBP Value Fund and the FBP Balanced Fund, respectively, qualified for the dividends received deduction for corporations. As required by federal regulations, complete information will be computed and reported in conjunction with your 2009 Form 1099-DIV.

THE FLIPPIN, BRUCE & PORTER FUNDS DISCLOSURE REGARDING APPROVAL OF INVESTMENT ADVISORY AGREEMENTS (Unaudited)

At an in-person meeting held on February 10, 2009, the Board of Trustees, including a majority of the Independent Trustees, approved the continuance for a one-year period of the Investment Advisory Agreements with the Adviser on behalf of the FBP Value Fund and the FBP Balanced Fund. Below is a discussion of the factors considered by the Board of Trustees along with their conclusions with respect thereto that formed the basis for the Board's approvals.

In selecting the Adviser and approving the most recent annual continuance of the Investment Advisory Agreements, the Trustees considered all information they deemed reasonably necessary to evaluate the terms of the Agreements. The principal areas of review by the Trustees were the nature, extent and quality of the services provided by the Adviser and the reasonableness of the fees charged for those services. These matters were considered by the Independent Trustees consulting with experienced counsel for the Independent Trustees, who is independent of the Adviser.

The Trustees' evaluation of the quality of the Adviser's services took into account their knowledge and experience gained through meetings with and reports of the Adviser's senior management over the course of the preceding year. Both short-term and long-term investment performance of the Funds was considered. Each Fund's performance was compared to its performance benchmark and to that of competitive funds with similar investment objectives and to the Adviser's comparably managed private accounts. The Trustees also considered the scope and quality of the in-house capabilities of the Adviser and other resources dedicated to performing services for the Funds. The quality of administrative and other services, including the Adviser's role in coordinating the activities of the Funds' other service providers, were considered in light of the Funds' compliance with investment policies and applicable laws and regulations and of related reports by management and the Funds' independent public accounting firm in periodic meetings with the Trust's Audit Committee. The Trustees also considered the business reputation of the Adviser, the qualifications of its key investment and compliance personnel, and its financial resources.

In reviewing the fees payable under the Investment Advisory Agreements, the Trustees compared the advisory fees and overall expense levels of each Fund with those of competitive funds with similar investment objectives as well as the private accounts managed by the Adviser. The Trustees considered information provided by the Adviser concerning the Adviser's profitability with respect to each Fund, including the assumptions and methodology used in preparing the profitability information, in light of applicable case law relating to advisory fees. For these purposes, the Trustees took into account not only the fees paid by the Funds, but also so-called "fallout" benefits to the Adviser, such as the benefits of research made available to the Adviser by reason of brokerage commissions generated by the Funds' securities transactions. The Trustees also reviewed the revenue sharing arrangements relating to the Funds, whereby fees are paid by the Adviser to various intermediaries that direct assets to the Funds. In evaluating the Funds' advisory fees, the Trustees took into account the complexity and quality of the investment management of the Funds.

Based upon their review of this information, the Independent Trustees concluded that: (i) based on the long-term performance of each Fund and the other services provided under the Investment Advisory Agreements, they believe that the Adviser has provided quality services to the Funds as compared to similarly managed funds and comparable private accounts managed by the Adviser; (ii) although the advisory fees payable to the Adviser by each Fund are in the higher range of fees for other comparably managed funds, they believe the fees to be reasonable given the scope and quality of services provided by the Adviser; and (iii) the total operating expense ratio of each Fund is lower than the average expense ratio of comparably managed funds, according to statistics derived from Morningstar, Inc. Given the size of the Funds and their expected growth, the Independent Trustees did not believe that at the present time it would be relevant to consider the extent to which economies

THE FLIPPIN, BRUCE & PORTER FUNDS DISCLOSURE REGARDING APPROVAL OF INVESTMENT ADVISORY AGREEMENTS (Unaudited) (Continued)

of scale would be realized as the Funds grow, and whether fee levels reflect these economies of scale. The Independent Trustees also considered the “fallout” benefits to, and the profitability of, the Adviser but given the amounts involved viewed these as secondary factors in connection with the evaluation of the reasonableness of the advisory fees paid by the Funds.

No single factor was considered in isolation or to be determinative to the decision of the Trustees to approve continuance of the Investment Advisory Agreements. Rather the Trustees concluded, in light of a weighing and balancing of all factors considered, that it was in the best interests of each Fund and its shareholders to continue its Investment Advisory Agreement without modification to its terms, including the fees charged for services thereunder.

This page intentionally left blank.

THE
FLIPPIN, BRUCE & PORTER
FUNDS

Investment Adviser

Flippin, Bruce & Porter, Inc.
800 Main Street, Second Floor
P.O. Box 6138
Lynchburg, Virginia 24505
Toll-Free 1-800-327-9375
www.fbpinc.com

Administrator

Ultimus Fund Solutions, LLC
P.O. Box 46707
Cincinnati, Ohio 45246-0707
Toll-Free 1-866-738-1127

Custodian

US Bank
425 Walnut Street
Cincinnati, Ohio 45202

**Independent Registered
Public Accounting Firm**

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

Legal Counsel

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

Officers

John T. Bruce, President
and Portfolio Manager
John M. Flippin, Vice President
R. Gregory Porter, III,
Vice President
John H. Hanna, IV, Vice President
David J. Marshall, Vice President

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