

SEMI-ANNUAL REPORT

DECEMBER 31, 2008

(UNAUDITED)



OAK VALUE FUND

WWW.OAKVALUEFUND.COM

Dear Fellow Oak Value Fund Shareholders,

The Oak Value Fund (the “Fund”) posted a loss of 24.36% for the six month period ended December 31, 2008 as compared to a loss of 28.48% for the S&P 500 Index. The pain of this outcome is perhaps somewhat dampened by the fact that the Fund’s portfolio fared better than the market overall and many of its like-minded peers. In history’s most widely taught treatise of wartime engagement, *The Art of War*, SunTzu writes “*All armies prefer high ground to low and sunny places to dark.*” As we reflect upon the first half of the Fund’s fiscal year, this quote is particularly relevant. There is no doubt that 2008 was a battleground for most investors, but our experience has provided us with a good definition of our “high ground.” The recent market turmoil has only served to reinforce our longstanding belief that the Fund and its shareholders are best served by focusing our time, resources and capital on advantaged businesses.

When asked for our market forecasts, we invariably disappoint. We simply do not attempt to predict the market, nor do we invest in a way that contemplates catching updrafts or avoiding downdrafts. Neither do we let a quantitative model dictate our investment decisions. Instead, we focus on businesses. We seek to manage risk the same way that the management teams that run the businesses in the Fund’s portfolio manage risk – through a thorough understanding of the underlying businesses. We do not ignore the economy, but we concentrate on what we believe ought to happen over the long term, based on highly conservative assumptions. Within this framework, we remain opportunistic buyers of businesses built on high ground – those we believe are advantaged both competitively and economically.

In the area of non-portfolio related developments, we are pleased to report that effective November 1, 2008, Christy L. Philips was appointed co-manager of the Fund, joining David R. Carr and Larry D. Coats in managing the Fund’s portfolio. Christy joined the adviser five years ago and has proven to be a valuable addition to our team. She is a seasoned investor with a wonderful combination of experience, intelligence and temperament. We are also pleased to report that the Fund was recently added to three of Merrill Lynch’s investment platforms and is now available to clients of the more than 16,000 Merrill Lynch professional financial advisers.

We have included the Fund’s financial statements for the six month period ended December 31, 2008 as well as other financial and portfolio data in the pages that follow. A detailed summary of the Fund’s investment activities is provided in the Investment Adviser’s Review posted on the Fund’s website - www.oakvaluefund.com. We encourage you to review this and other information posted to the site on a regular basis. For your convenience, we have established an electronic mailing list to efficiently provide information to Fund shareholders and

prospective shareholders. Investors interested in receiving information from the Fund in electronic form may subscribe to this service at the following URL address: www.oakvaluefund.com/mail.aspx.

We thank you for your continued interest and partnership and welcome your questions and comments.

Oak Value Fund Co-Managers,

David R. Carr, Jr.

Larry D. Coats, Jr.

Christy L. Phillips

Note: Please see Important Information section of this report for disclosure that applies to this letter.

Top Ten Holdings As of December 31, 2008¹

Company	Primary Business	S&P Sector
3M Co.	Manufacturing & Marketing Technology Products/Services	Industrials
AFLAC, Inc.	Supplemental Health and Life Insurance	Financials
Avon Products, Inc.	Cosmetics and Fragrance Manufacturer and Marketer	Consumer Staples
Berkshire Hathaway, Inc. – Class A	Insurance, Reinsurance & Capital Allocation	Financials
Cadbury PLC – ADR	Confectioneries	Consumer Staples
Coach, Inc.	Handbags and Accessories	Consumer Discretionary
Diageo PLC – ADR	Global Premium Alcohol Business	Consumer Staples
Microsoft Corp.	Computer Software Developer and Manufacturer	Information Technology
Oracle Corp.	Database, Middleware, & Application Software	Information Technology
Praxair, Inc.	Industrial Use Atmospheric & Process Gases	Materials

¹ Top Ten Holdings are presented to illustrate examples of the securities in which the Fund may invest. Because they are presented as of the dates indicated and change from time to time, they may not be representative of the Fund's current or future investments. Top Ten Holdings do not include money market instruments.

July 1, 2008 – December 31, 2008 Positions Added

Company Purchased	Primary Business	Sector Classification
Avon Products, Inc.	Cosmetics and Fragrance Manufacturer and Marketer	Consumer Staples
Chesapeake Energy Corp.	Oil and Natural Gas Exploration and Production	Energy
MasterCard, Inc. – Class A	Credit and Debit Card Transaction and Processing Services	Information Technology
Syngenta AG – ADR	Crop Protection and Commercial Seed Business	Materials
Zimmer Holdings, Inc.	Orthopedic Reconstructive Implants	Health Care

July 1, 2008 – December 31, 2008 Positions Eliminated

Company Sold	Primary Business	Sector Classification
Apollo Group, Inc. – Class A	Education and Training Services	Consumer Discretionary
Capital One Financial Corp.	Financial Products and Services	Financials
E.I. du Pont de Nemours and Co.	Chemicals	Materials
E.W. Scripps Co. – Class A	Broadcasting and Print Media	Consumer Discretionary
Fidelity National Information Services, Inc.	Financial Transaction Processing	Information Technology
Lender Processing Services, Inc.	Information and Data Services to the Mortgage Lending Industry	Information Technology
Viacom, Inc. – Class B	Broadcasting, Entertainment, & Online Media	Consumer Discretionary

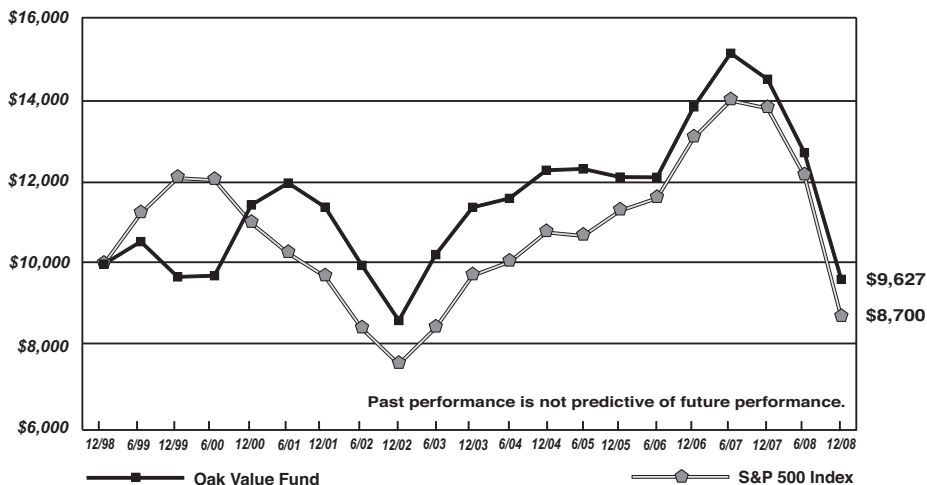
Important Information:

The Oak Value Fund is distributed by Ultimus Fund Distributors, LLC. The information presented above is not to be construed as an offer or solicitation to purchase the Oak Value Fund (the “Fund”), which is offered only by prospectus. An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The Fund’s prospectus contains this and other important information. To obtain a copy of the Oak Value Fund’s prospectus please visit our website at www.oakvaluefund.com or call 1-800-622-2472 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest.

OAK VALUE FUND

PERFORMANCE INFORMATION (Unaudited)

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



Cumulative Total Returns^(A)

	Calendar 1999	Calendar 2000	Calendar 2001	Calendar 2002	Calendar 2003	Calendar 2004	Calendar 2005	Calendar 2006	Calendar 2007	Calendar 2008	Since Inception* (as of 12/31/08)
Oak Value Fund	-3.12%	18.17%	-0.47%	-24.34%	32.11%	7.97%	-1.37%	14.18%	4.87%	-33.71%	214.92% ^(B)
S&P 500 Index	21.04%	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	180.51% ^(B)

Average Annual Total Returns^(A)

	For the Periods Ended December 31, 2008				
	One Year	Three Years	Five Years	Ten Years	Since Inception*
Oak Value Fund.....	-33.71%	-7.41%	-3.31%	-0.38%	7.46%
S&P 500 Index.....	-37.00%	-8.36%	-2.19%	-1.38%	6.68%

* Inception date of the Oak Value Fund was January 18, 1993.

^(A) The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

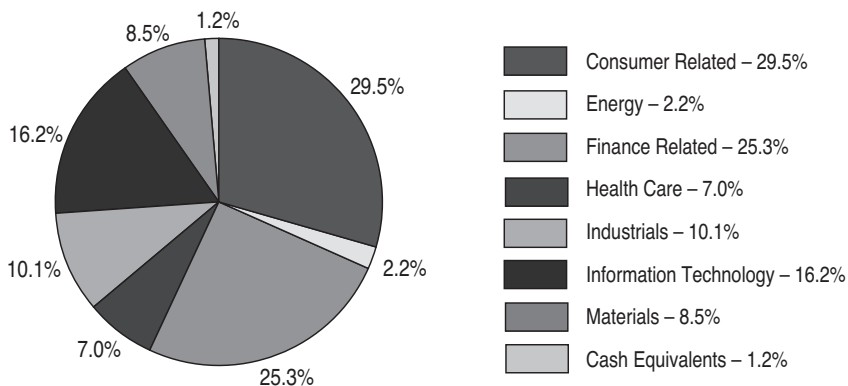
^(B) Not annualized.

OAK VALUE FUND

PORTFOLIO INFORMATION

December 31, 2008 (Unaudited)

Distribution by Business Category (% of Net Assets)



Ten Largest Holdings

Company	% of Net Assets
Berkshire Hathaway, Inc. - Class A	9.11%
Avon Products, Inc.	6.41%
Praxair, Inc.	6.13%
Diageo PLC - ADR	6.09%
AFLAC, Inc.	6.04%
3M Co.	5.53%
Coach, Inc.	5.46%
Cadbury PLC - ADR	5.38%
Oracle Corp.	4.73%
Microsoft Corp.	4.65%

OAK VALUE FUND
SCHEDULE OF INVESTMENTS
December 31, 2008 (Unaudited)

Shares	COMMON STOCKS – 98.8%	Value
	Consumer Discretionary – 11.6%	
164,425	Coach, Inc. ^(a)	\$ 3,415,107
67,645	Scripps Networks Interactive, Inc. - Class A.....	1,488,190
99,750	Tiffany & Co.	2,357,093
		7,260,390
	Consumer Staples – 17.9%	
166,875	Avon Products, Inc.	4,010,006
94,373	Cadbury PLC - ADR	3,366,285
67,125	Diageo PLC - ADR	3,808,673
		11,184,964
	Energy – 2.2%	
83,225	Chesapeake Energy Corp.	1,345,748
	Financials – 25.3%	
82,450	AFLAC, Inc.	3,779,508
95,500	American Express Co.	1,771,525
56,450	AON Corp.	2,578,636
59	Berkshire Hathaway, Inc. - Class A ^(a)	5,699,400
100,450	Moody's Corp.	2,018,041
		15,847,110
	Health Care – 7.0%	
82,675	Medtronic, Inc.	2,597,648
43,900	Zimmer Holdings, Inc. ^(a)	1,774,438
		4,372,086
	Industrials – 10.1%	
60,050	3M Co.	3,455,277
53,175	United Technologies Corp.	2,850,180
		6,305,457
	Information Technology – 16.2%	
135,075	Cisco Systems, Inc. ^(a)	2,201,722
25,000	eBay, Inc. ^(a)	349,000
12,175	MasterCard, Inc. - Class A	1,740,173
149,725	Microsoft Corp.	2,910,654
166,675	Oracle Corp. ^(a)	2,955,148
		10,156,697
	Materials – 8.5%	
64,550	Praxair, Inc.	3,831,688
37,875	Syngenta AG - ADR	1,482,427
		5,314,115
	Total Common Stocks (Cost \$73,021,192)	\$ 61,786,567

OAK VALUE FUND

SCHEDULE OF INVESTMENTS (Continued)

Shares	CASH EQUIVALENTS — 0.1%	Value
59,429	First American Government Obligations Fund - Class Y, 0.68% ^(a) (Cost \$59,429)	\$ 59,429
	Total Investments at Value — 98.9% (Cost \$73,080,621)	\$ 61,845,996
	Other Assets in Excess of Liabilities — 1.1%	683,221
	Net Assets — 100.0%	\$ 62,529,217

^(a) Non-income producing security.

^(b) Variable rate security. The rate shown is the 7-day effective yield as of December 31, 2008.

ADR - American Depositary Receipt

See accompanying notes to financial statements.

OAK VALUE FUND

STATEMENT OF ASSETS AND LIABILITIES

December 31, 2008 (Unaudited)

ASSETS	
Investments in securities:	
At cost.....	\$ 73,080,621
At market value (Note 1).....	\$ 61,845,996
Receivable for investment securities sold.....	749,188
Receivable for capital shares sold	15,233
Dividends receivable	41,147
Other assets	39,619
TOTAL ASSETS	<u>62,691,183</u>
 LIABILITIES	
Dividends payable.....	1,050
Payable for capital shares redeemed	100,280
Accrued investment advisory fees (Note 3).....	48,236
Payable to administrator (Note 3).....	12,400
TOTAL LIABILITIES	<u>161,966</u>
 NET ASSETS	 <u>\$ 62,529,217</u>
 Net assets consist of:	
Paid-in capital	\$ 73,665,970
Accumulated net investment income	520
Accumulated net realized gains from security transactions	97,352
Net unrealized depreciation on investments	<u>(11,234,625)</u>
Net assets	<u>\$ 62,529,217</u>
 Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value).....	 <u>4,303,571</u>
 Net asset value, offering price and redemption price per share ^(A)	 <u>\$ 14.53</u>

^(A) Redemption price may differ from the net asset value per share depending upon the length of time the shares are held (Note 1).

See accompanying notes to financial statements.

OAK VALUE FUND
STATEMENT OF OPERATIONS
For the Six Months Ended December 31, 2008 (Unaudited)

INVESTMENT INCOME

Dividends \$ 647,450

EXPENSES

Investment advisory fees (Note 3) 362,975

Transfer agent and shareholder services fees (Note 3) 50,292

Trustees' fees and expenses 47,980

Administration fees (Note 3) 36,270

Professional fees 29,681

Fund accounting fees (Note 3) 15,934

Insurance expense 13,778

Registration fees 10,767

Compliance service fees (Note 3) 9,000

Printing of shareholder reports 8,649

Custody and bank service fees 7,226

Interest expense (Note 4) 68

Other expenses 10,384

TOTAL EXPENSES 603,004

NET INVESTMENT INCOME 44,446

REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS

Net realized gains from security transactions 198,138

Net change in unrealized appreciation/depreciation on investments (22,150,154)

NET REALIZED AND UNREALIZED LOSSES ON INVESTMENTS (21,952,016)

NET DECREASE IN NET ASSETS FROM OPERATIONS \$ (21,907,570)

See accompanying notes to financial statements.

OAK VALUE FUND

STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended December 31, 2008 (Unaudited)	Year Ended June 30, 2008
FROM OPERATIONS		
Net investment income (loss)	\$ 44,446	\$ (99,216)
Net realized gains from security transactions	198,138	13,297,916
Net change in unrealized appreciation/depreciation on investments	<u>(22,150,154)</u>	<u>(32,835,797)</u>
Net decrease in net assets from operations	<u>(21,907,570)</u>	<u>(19,637,097)</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income	(43,926)	—
From net realized gains from security transactions	<u>(182,701)</u>	<u>(13,111,978)</u>
Decrease in net assets from distributions to shareholders	<u>(226,627)</u>	<u>(13,111,978)</u>
FROM CAPITAL SHARE TRANSACTIONS		
Proceeds from shares sold	1,198,673	4,383,470
Reinvestment of distributions to shareholders	221,420	12,789,625
Proceeds from redemption fees collected (Note 1)	4,025	5,060
Payments for shares redeemed	<u>(10,501,749)</u>	<u>(33,027,500)</u>
Net decrease in net assets from capital share transactions	<u>(9,077,631)</u>	<u>(15,849,345)</u>
NET DECREASE IN NET ASSETS	(31,211,828)	(48,598,420)
NET ASSETS		
Beginning of period	93,741,045	142,339,465
End of period	<u>\$ 62,529,217</u>	<u>\$ 93,741,045</u>
ACCUMULATED NET INVESTMENT INCOME	<u>\$ 520</u>	<u>\$ —</u>
SUMMARY OF CAPITAL SHARE ACTIVITY		
Shares sold	72,869	191,644
Shares reinvested	15,964	588,072
Shares redeemed	<u>(647,511)</u>	<u>(1,433,786)</u>
Net decrease in shares outstanding	(558,678)	(654,070)
Shares outstanding, beginning of period	<u>4,862,249</u>	<u>5,516,319</u>
Shares outstanding, end of period	<u>4,303,571</u>	<u>4,862,249</u>

See accompanying notes to financial statements.

OAK VALUE FUND

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended December 31, 2008 (Unaudited)	Year Ended June 30, 2008	Year Ended June 30, 2007	Year Ended June 30, 2006	Year Ended June 30, 2005	Year Ended June 30, 2004
Net asset value at beginning of period	\$ 19.28	\$ 25.80	\$ 28.00	\$ 30.82	\$ 29.02	\$ 25.58
Income (loss) from investment operations:						
Net investment income (loss)	0.01	(0.02)	(0.05)	0.08	(0.12)	(0.15)
Net realized and unrealized gains (losses) on investments	(4.71)	(3.87)	6.61	(0.60)	1.92	3.59
Total from investment operations	(4.70)	(3.89)	6.56	(0.52)	1.80	3.44
Less distributions:						
From net investment income	(0.01)	—	(0.00) ^(A)	(0.08)	—	—
From net realized gains from security transactions	(0.04)	(2.63)	(8.77)	(2.22)	—	—
Total distributions.....	(0.05)	(2.63)	(8.77)	(2.30)	—	—
Proceeds from redemption fees collected (Note 1)	0.00 ^(A)	0.00 ^(A)	0.01	0.00 ^(A)	0.00 ^(A)	0.00 ^(A)
Net asset value at end of period	\$ 14.53	\$ 19.28	\$ 25.80	\$ 28.00	\$ 30.82	\$ 29.02
Total return ^(B)	(24.36%) ^(C)	(16.04%)	25.03%	(1.66%)	6.20%	13.45%
Net assets at end of period (000's).....	\$ 62,529	\$ 93,741	\$ 142,339	\$ 201,024	\$ 248,782	\$ 259,488
Ratio of expenses to average net assets	1.49% ^(D)	1.37%	1.35%	1.29%	1.25%	1.25%
Ratio of net investment income (loss) to average net assets	0.11% ^(D)	(0.08%)	(0.16%)	0.24%	(0.39%)	(0.52%)
Portfolio turnover rate	20% ^(C)	52%	44%	29%	29%	24%

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

^(B) 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 shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(C) Not annualized.

^(D) Annualized.

See accompanying notes to financial statements.

OAK VALUE FUND

NOTES TO FINANCIAL STATEMENTS

December 31, 2008 (Unaudited)

1. Organization and Significant Accounting Policies

The Oak Value Fund (the "Fund") is a diversified series of Oak Value Trust (the "Trust"). The Trust, registered as an open-end management investment company under the Investment Company Act of 1940, was organized as a Massachusetts business trust on March 3, 1995. The Fund began operations on January 18, 1993 as a series of the Albemarle Investment Trust.

The Fund's investment objective is to seek capital appreciation primarily through investments in equity securities, consisting of common and preferred stocks and securities convertible into common stocks traded in domestic and foreign markets.

The following is a summary of the Fund's significant accounting policies:

Securities Valuation — The Fund's portfolio securities are valued as of the close of business of the regular session of the principal exchange where the security is traded. 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. In the event that market quotations are not readily available, securities are valued at fair value as determined in accordance with procedures adopted in good faith by the Board of Trustees. Such methods of fair valuation may include, but are not limited to: multiple of earnings, discount from market of a similar freely traded security, or a combination of these or other methods. The fair value of securities with remaining maturities of 60 days or less has been determined in good faith by the Board of Trustees to be represented by amortized cost value, absent unusual circumstances.

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 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.

As of December 31, 2008, all of the inputs used to value the Fund's investments were Level 1.

Share Valuation — The net asset value per share of the Fund is calculated daily by dividing the total value of the Fund's assets, less liabilities, by the number of shares outstanding. The offering price and redemption price per share of the Fund is equal to the net asset value per share, except that shares of the Fund are subject to a redemption fee of 2% if redeemed within 90 days of the date of purchase. During the periods ended December 31, 2008 and June 30, 2008, proceeds from redemption fees totaled \$4,025 and \$5,060, respectively.

Repurchase Agreements — The Fund may enter into repurchase agreements from financial institutions such as banks and broker-dealers that the Trust's investment adviser deems creditworthy under the guidelines approved by the Board of Trustees, subject to the seller's agreement to repurchase such securities at a mutually agreed-upon date and price. The repurchase price generally equals the price paid

OAK VALUE FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

by the Fund plus interest negotiated on the basis of current short-term rates, which may be more or less than the rate on the underlying portfolio securities. The seller under a repurchase agreement is required to maintain the value of collateral held pursuant to the agreement at not less than the repurchase price (including accrued interest). If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Fund may be delayed or limited.

Investment Income — Interest income is accrued as earned. Dividend income is recorded on the ex-dividend date.

Distributions to Shareholders — Dividends arising from net investment income, if any, are declared and paid semi-annually to shareholders of the 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 capital gains are determined in accordance with federal income tax regulations which may differ from accounting principles generally accepted in the United States of America ("GAAP"). These "book/tax" differences are either temporary or permanent in nature and are primarily due to losses deferred due to wash sales. The tax character of distributions paid during the six months ended December 31, 2008 was \$43,926 of ordinary income and \$182,701 of long-term capital gains. The tax character of distributions paid during the year ended June 30, 2008 was \$268,376 of ordinary income and \$12,843,602 of long-term capital gains. Dividends and distributions to shareholders are recorded on the ex-dividend date.

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

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

Federal Income Tax — It is the Fund's policy to comply with the special provisions of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. As provided therein, in any fiscal year in which the Fund so qualifies and distributes at least 90% of its taxable 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 the 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 December 31, 2008:

Tax cost of portfolio investments	\$ 73,134,742
Gross unrealized appreciation	\$ 8,168,036
Gross unrealized depreciation	(19,456,782)
Net unrealized depreciation	\$(11,288,746)
Accumulated undistributed ordinary income	1,570
Other gains	151,473
Other temporary differences due to cash distributions	(1,050)
Accumulated deficit	<u>\$(11,136,753)</u>

OAK VALUE FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

The difference between the federal income tax cost of portfolio of investments and the financial statement cost is due to certain timing differences in the recognition of capital losses under income tax regulations and GAAP. These “book/tax” differences are temporary in nature and are primarily due to the tax deferral of losses on wash sales.

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 Fund’s 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 Fund’s tax positions taken on Federal income tax returns for all open tax years (tax years ended June 30, 2005 through June 30, 2008) and has concluded that no provision for income tax is required in these financial statements.

2. Investment Transactions

During the six months ended December 31, 2008, cost of purchases and proceeds from sales and maturities of investment securities, excluding short-term investments, amounted to \$16,044,830 and \$25,060,286, respectively.

3. Transactions with Affiliates

The Fund’s investments are managed by Oak Value Capital Management, Inc. (the “Adviser”) under the terms of an Investment Advisory Agreement. Under the Investment Advisory Agreement, the Fund pays the Adviser a fee, which is computed and accrued daily and paid monthly, at an annual rate of 0.90% of the Fund’s average daily net assets.

Certain Trustees and officers of the Trust are also officers of the Adviser or of Ultimus Fund Solutions, LLC (“Ultimus”), the Fund’s administrator, transfer agent and fund accounting services agent. Such Trustees and officers receive no direct payments or fees from the Trust for serving as officers.

Under the terms of an Administration Agreement with the Trust, Ultimus provides internal regulatory compliance services and executive and administrative services. Ultimus supervises the preparation of tax returns, reports to shareholders of the Fund, reports to and filings with the Securities and Exchange Commission and state securities commissions, and materials for meetings of the Board of Trustees. For the performance of these services, the Fund pays Ultimus a fee at the annual rate of .10% of the average value of its daily net assets up to \$50 million, .075% of such assets from \$50 million to \$200 million and .05% of such assets in excess of \$200 million, provided, however, that the minimum fee is \$2,000 per month.

Under the terms of a Transfer Agent and Shareholder Services Agreement with the Trust, Ultimus maintains the records of each shareholder’s account, answers shareholders’ inquiries concerning their accounts, processes purchases and redemptions of the Fund’s shares, acts as dividend and distribution disbursing agent and performs other shareholder service functions. Ultimus receives from the Fund for its services as transfer agent a fee payable monthly at an annual rate of \$16 per account, provided, however, that the minimum fee is \$2,000 per month. In addition, the Fund pays out-of-pocket expenses, including but not limited to, postage and supplies. Accordingly, during the six months ended December 31, 2008, Ultimus was paid \$20,771 of transfer agent and shareholder services fees.

OAK VALUE FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

The Fund has entered into agreements with certain financial intermediaries to provide record keeping, processing, shareholder communications and other services to the Fund. These services would be provided by the Fund if the shares were held in accounts registered directly with the Fund's transfer agent. Accordingly, the Fund pays a fee to such service providers in an amount equivalent to or less than the per account fee paid to the transfer agent. During the six months ended December 31, 2008, the Fund paid \$29,521 for such services. These fees are included in "Transfer agent and shareholder services fees" on the Statement of Operations.

Under the terms of a Fund Accounting Agreement with the Trust, Ultimus calculates the daily net asset value per share and maintains such books and records as are necessary to enable Ultimus to perform its duties. For these services, the Fund pays Ultimus a base fee of \$2,000 per month, plus an asset-based fee at the annual rate of .01% of the average value of its daily net assets up to \$500 million and .005% of such assets in excess of \$500 million. In addition, the Fund pays all costs of external pricing services.

Under the terms of a Compliance Consulting Agreement with the Trust, Ultimus provides an individual with the requisite background and familiarity with the Federal Securities Laws to serve as the Chief Compliance Officer and to administer the Trust's compliance policies and procedures. For these services, the Fund pays Ultimus a base fee of \$1,500 per month, plus an asset-based fee at the annual rate of .01% of the average value of its daily net assets from \$100 million to \$500 million, .005% of such assets from \$500 million to \$1 billion and .0025% of such assets in excess of \$1 billion. In addition, the Fund reimburses Ultimus for its reasonable out-of-pocket expenses, if any, relating to these compliance services.

4. Bank Line of Credit

The Fund has an unsecured \$25,000,000 bank line of credit. Borrowings under this arrangement bear interest at a rate per annum equal to Prime Rate minus 0.50%. During the six months ended December 31, 2008, the Fund incurred \$68 of interest expense related to borrowings under the line of credit. Average debt outstanding during the six months ended December 31, 2008 was \$2,968. As of December 31, 2008, the Fund had no outstanding borrowings.

5. Contingencies and Commitments

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

OAK VALUE FUND

ABOUT YOUR FUND'S EXPENSES (Unaudited)

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including redemption fees; and (2) ongoing costs, including management fees and other Fund expenses. The following examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual 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 expenses in the table below are based on an investment of \$1,000 made at the beginning of the most recent semi-annual period (July 1, 2008) and held until the end of the period (December 31, 2008).

The table below illustrates the 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 the 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 Fund. 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 Fund under the heading “Expenses Paid During Period.”

Hypothetical 5% return – This section is intended to help you compare the Fund's costs with those of other mutual funds. It assumes that the 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 return used is not the Fund's actual return, 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 the 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 Fund does not impose any sales charges. However, a redemption fee of 2% is applied on the sale of shares sold within 90 days of the date of purchase. The redemption fee does not apply to the redemption of shares acquired through reinvestment of dividends and other distributions.

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

	Beginning Account Value July 1, 2008	Ending Account Value December 31, 2008	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$ 756.40	\$ 6.60
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,017.69	\$ 7.58

* Expenses are equal to the annualized expense ratio of 1.49% for the period, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

OAK VALUE FUND

OTHER INFORMATION (Unaudited)

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free 1-800-622-2474, or on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>. Information regarding how the Fund 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 1-800-622-2474, or on the SEC's website <http://www.sec.gov>.

The Trust files a complete listing of portfolio holdings for the Fund with the SEC as of the end of the first and third quarters of each fiscal year on Form N-Q. The filings are available without charge upon request, by calling 1-800-622-2474. Furthermore, you may obtain a copy of the 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.

OAK VALUE FUND

APPROVAL OF ADVISORY AGREEMENT (Unaudited)

The Board of Trustees of the Trust, with the Independent Trustees voting separately, has approved the continuance of the Fund's Investment Advisory Agreement (the "Agreement") with the Adviser. Approval took place at a meeting held on November 11, 2008, at which all of the Trustees were present.

The Trustees were advised by counsel of their fiduciary obligations in approving the Agreement, and the Independent Trustees requested such information from the Adviser as they deemed reasonably necessary to evaluate the terms of the Agreement and whether the Agreement will continue to be in the best interests of the Fund and its shareholders. The Trustees reviewed: (i) the nature, extent and quality of the services provided by the Adviser; (ii) the investment performance of the Fund and the Adviser; (iii) the costs of the services provided and the profits realized by the Adviser from its relationship with the Fund; (iv) the extent to which economies of scale would be realized as the Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of the Fund's shareholders. The Trustees reviewed the background, qualifications, education and experience of the Adviser's portfolio managers, research staff and support personnel and the operations and ownership of the Adviser. The Trustees also reviewed the responsibilities of the Adviser under the Agreement and considered the quality of the advisory services provided to the Trust, including the Adviser's intensive research process and its practices with regards to shareholder protection, shareholder services and communications, and compliance. The Independent Trustees were advised and supported by counsel experienced in securities matters throughout the process. Prior to voting, the Independent Trustees reviewed and discussed the proposed continuance of the Agreement with management of the Adviser.

The Adviser provided the Board with extensive information to assist the Trustees with analyzing the Fund's performance over various periods. The Fund's returns for periods ended June 30, 2008 were compared to the returns of its benchmark index and similarly managed mutual funds. These analyses and comparisons showed that the short-term (1 year) and long-term (5-year and 10-year) performance of the Fund trailed the performance of the S&P 500 Index and the average of Large Cap Blend funds as categorized by Morningstar. Based upon their review, the Trustees found that the Adviser has provided valuable advisory services and has consistently adhered to the stated investment objective and strategies of the Fund.

In reviewing the advisory fees and the total expense ratio of the Fund, the Trustees were provided with comparative expense and advisory fee information for other similarly situated mutual funds, categorized both by fund size and by investment style. The Trustees also considered the "fallout benefits" received by the Adviser in its management of the Fund, including certain research services received as a result of placement of the Fund's brokerage, but, given the amounts involved, viewed these as secondary factors in connection with the reasonableness of the advisory fees being paid by the Fund. The Trustees concluded that, based upon the investment strategies and the long-term performance of the Fund, the advisory fees paid by the Fund are reasonable.

The Trustees reviewed a recent balance sheet of the Adviser and a statement of the Adviser's revenues and estimated expenses with respect to its management of the Fund during the Fund's fiscal year ended June 30, 2008. The Trustees also reviewed the Fund's brokerage costs and determined that the brokerage commissions negotiated by the Adviser on behalf of the Fund are competitive with industry averages.

OAK VALUE FUND

APPROVAL OF ADVISORY AGREEMENT (Unaudited)

(Continued)

The Independent Trustees concluded that: (i) in considering the Adviser's disciplined investment approach of buying businesses having durable competitive advantages and adequate margins or safety, the risk characteristics of the Fund and the effectiveness of the Fund in achieving its stated objective, they believe the nature, extent and quality of services provided by the Adviser are valuable, particularly in light of the current market environment; (ii) although the Fund's performance (computed over periods ended June 30, 2008) for the one year, five year and ten year periods fell below the returns of its benchmark index (the S&P 500), the Fund's relative performance for the one year and ten year periods ended September 30, 2008 exceeded the S&P 500 Index due primarily to the Fund's avoidance of extremely cyclical and heavily commodity-based businesses; (iii) although the advisory fees and overall operating expenses of the Fund are in the higher range of advisory fees and expenses for mutual funds of similar size and similar investment goals, the Independent Trustees believe that the scope and quality of services provided by the Adviser, which exceed the norm, support the appropriateness of the advisory fees payable by the Fund and were mindful that after factoring in the estimated costs of distribution incurred by the Adviser on behalf of the Fund, the Adviser did not realize any profits from the advisory fees paid by the Fund; and (iv) given the current and projected asset levels in the Fund, it would not be relevant to consider the extent to which economies of scale would be realized as the Fund grows, and whether fee levels reflect these economies of scale. The Independent Trustees also reviewed and considered the profitability of the Adviser with regards to its management of the Fund, concluding that the Adviser's profitability was not excessive given the high quality and scope of services provided by the Adviser and the long-term investment performance of the Fund. The Independent Trustees agreed that it is not appropriate to introduce fee breakpoints at the present time. The Trustees noted, however, that if the Fund grows significantly in assets, it may become necessary for the Adviser to consider adding fee breakpoints to the Agreement.

No single factor was considered in isolation or to be determinative to the decision of the Independent Trustees to approve continuance of the Agreement. Rather, the Independent Trustees concluded, in light of a weighing and balancing of all factors considered, that the advisory fees payable by the Fund under the Agreement are fair and reasonable. The Independent Trustees determined that it would be in the best interests of the Fund and its shareholders for the Adviser to continue to serve as investment adviser and voted to renew the Agreement for an additional annual period.

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OAK VALUE FUND

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Mark J. Seger, Treasurer/
Chief Compliance Officer
John F. Splain, Secretary

This report is for the information of the shareholders of the Oak Value Fund. It may not be distributed to prospective investors unless it is preceded or accompanied by the current fund prospectus.