

KIRR, MARBACH PARTNERS
VALUE FUND



**Kirr, Marbach
Partners Funds**

ANNUAL REPORT

SEPTEMBER 30, 2018

www.kmpartnersfunds.com

KIRR, MARBACH PARTNERS

VALUE FUND

November 14, 2018

Dear Fellow Shareholders:

There is no doubt U.S. stocks and the economy are on a tear. Stocks are at record highs, fueled by higher corporate earnings, which are surging based on strong economic growth and lower tax rates. The unemployment rate continues to fall and with the economy essentially at full employment, wages are starting to go up. Higher stocks and wages have propelled consumer confidence to an 18-year high, bolstering spending and corporate profits.

With this virtuous circle/positive feedback loop in full swing, it sure seems like the future will continue to be bright for U.S. stocks and the economy. While we don't see anything on the near-term horizon to derail stocks, like a recession, the fact is both the stock market's advance from the March 2009 lows and the economic expansion are long in the tooth.

Indeed, we are carefully monitoring a number of signs that may be indicating Goldilocks (in the form of the combination of low interest rates, low inflation, low unemployment and low oil prices) has left the building. Valuations are reasonable and our outlook for the future remains positive, but this is no time to be complacent or overconfident. As always, we urge you to tune out the noise (there will be plenty) and focus on the fundamentals.

Periods ending September 30, 2018⁽⁴⁾

	Value Fund ⁽¹⁾	Russell 3000 ⁽²⁾	S&P 500 ⁽³⁾
	Total Return	Index	Index
One-year	8.80%	17.58%	17.91%
Three-years	10.51%	17.07%	17.31%
Five-years	6.69%	13.46%	13.95%
Ten-years	10.72%	12.01%	11.97%
Since Inception (December 31, 1998)	7.63%	6.87%	6.47%

The Fund's Gross Expense Ratio was 1.48% and Net Expense Ratio was 1.46% according to the Prospectus dated January 26, 2018. Until February 28, 2019, the Adviser has contractually agreed to waive its management fee and/or reimburse the Fund's other expenses to the extent necessary to ensure that the annual operating expenses do not exceed 1.45% of its average net assets.

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

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

We're frustrated the performance of "growth" stocks continued to dominate "value" stocks in the fiscal year ending September 30, 2018, a trend that has disappointingly remained in place since the end of the Global Financial Crisis. While we remain confident this trend will reverse at some point, nobody can say for sure if or when this will happen.

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Percent Change in Top Ten Holdings from Book Cost (as of 9/30/2018)

1. Canadian Pacific Railway LTD.	+600.8%	6. Voya Financial, Inc.	+121.6%
2. Colliers International Group, Inc.	+102.9%	7. Conduent, Inc.	+35.7%
3. Alliance Data Systems Corp	+221.1%	8. MasTec, Inc.	+149.4%
4. Cognizant Technology Solutions Corp.	+719.0%	9. LyondellBasell Industries NV	+449.5%
5. XPO Logistics, Inc.	+87.4%	10. EMCOR Group, Inc.	+1490.2%

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

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

Summary

Regarding the return of stock market volatility since the end of the fiscal year, we think Howard Marks from Oaktree Capital Management is a bright guy and makes a lot of sense. He says, "The best response when seas are choppy is to focus on completing the long-term voyage and not think about whether the next wave is going to push the nose of the boat up or down. Our investment destination is best reached by accurately valuing assets, assessing the relationship between price and that value, and acting resolutely and unemotionally when mispricings are detected. That's still the best-I think the only-reliable path to investment success. Nothing about the current environment alters that one bit." We couldn't agree more.

We thank you for the opportunity to manage your precious assets. We're invested alongside you and are working hard each day.

Regards,



Mark D. Foster, CFA
President



Mickey Kim, CFA
Vice-President, Treasurer and Secretary

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

Past performance is not a guarantee of future results.

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

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

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

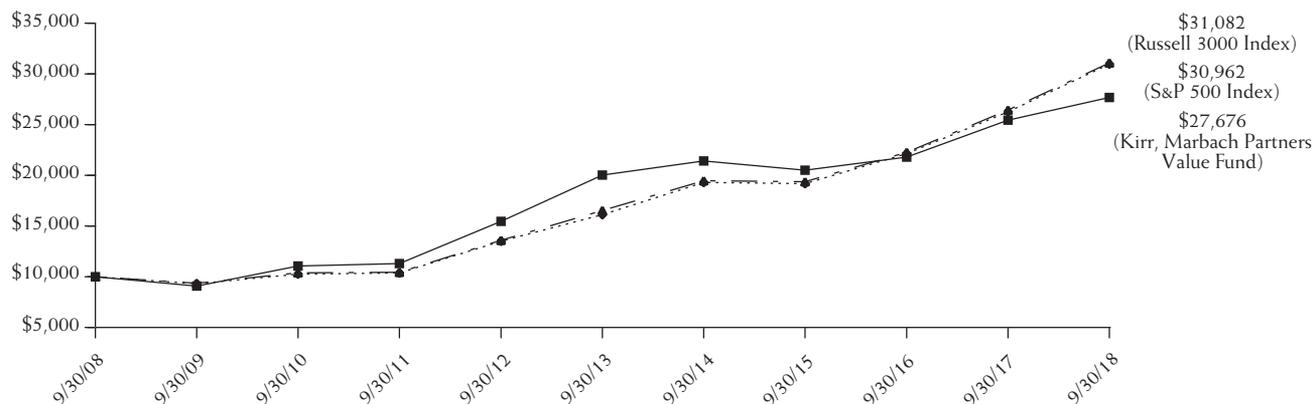
Quasar Distributors, LLC is the Distributor for Value Fund.

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

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VALUE OF \$10,000 INVESTMENT (UNAUDITED)



This chart assumes an initial investment of \$10,000. Performance reflects fee waivers in effect. In the absence of fee waivers, total return would be reduced. Past performance is not predictive of future performance. Investment return and principal value will fluctuate, so that your shares, when redeemed maybe worth more or less than their original cost. Performance assumes the reinvestment of capital gains and income distributions. The performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

Average Annual Rate of Return (%)

	One Year Ended September 30, 2018	Five Years Ended September 30, 2018	Ten Years Ended September 30, 2018	Since Inception* to September 30, 2018
Kirr Marbach Partners Value Fund	8.80%	6.69%	10.72%	7.63%
Russell 3000 Index**	17.58%	13.46%	12.01%	6.87%
S&P 500 Index***	17.91%	13.95%	11.97%	6.47%

* December 31, 1998

** The Russell 3000 Index is an unmanaged, capitalization-weighted index generally representative of the overall U.S. stock market. This Index cannot be invested in directly.

*** The Standard & Poor's 500 Index (S&P 500) is an unmanaged, capitalization-weighted index generally representative of the U.S. market for large capitalization stocks. This Index cannot be invested in directly.

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EXPENSE EXAMPLE – SEPTEMBER 30, 2018 (UNAUDITED)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, which may include redemption fees; and exchange fees; and (2) ongoing costs, including management fees; distribution fees; and other Fund expenses. This Example is 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. The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (April 1, 2018 – September 30, 2018).

ACTUAL EXPENSES

The first line of the table below provides information about actual account values and actual expenses. Although the Fund charges no sales load or transaction fees, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Fund's transfer agent. If you request that a redemption be made by wire transfer, currently a \$15.00 fee is charged by the Fund's transfer agent. You will be charged a transaction fee equal to 1.00% of the net amount of the redemption if you redeem your shares within 30 days of purchase. IRA accounts will be charged a \$15.00 annual maintenance fee. To the extent the Fund invests in shares of other investment companies as part of its investment strategy, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Fund invests in addition to the expenses of the Fund. Actual expenses of the underlying funds are expected to vary among the various underlying funds. These expenses are not included in the example below. The example below includes, but is not limited to, management fees, shareholder servicing fees, fund accounting, custody and transfer agent fees. However, the example below does not include portfolio trading commissions and related expenses, interest expense and other extraordinary expenses as determined under generally accepted accounting principles. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. 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 in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

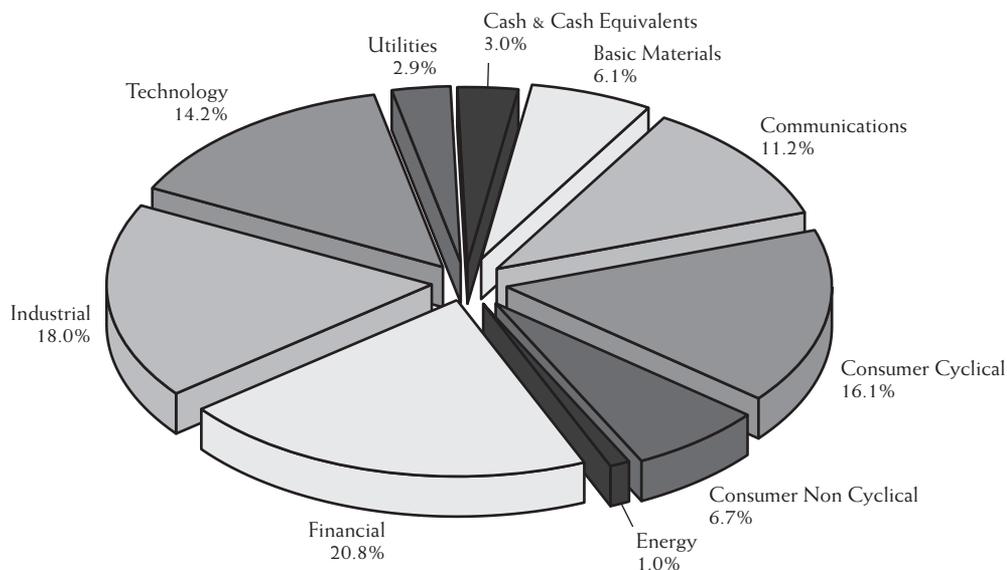
	Beginning Account Value 4/1/18	Ending Account Value 9/30/18	Expense Paid During Period 4/1/18 – 9/30/18 ⁽¹⁾
Actual	\$1,000.00	\$1,037.40	\$7.41
Hypothetical (5% return before expenses)	1,000.00	1,017.80	7.33

(1) Expenses are equal to the Fund's annualized expense ratio after reimbursement of 1.45% multiplied by the average account value over the period, multiplied by 183/365 to reflect the one-half year period. The annualized expense ratio prior to reimbursement was 1.46%.

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ALLOCATION OF PORTFOLIO NET ASSETS (UNAUDITED) SEPTEMBER 30, 2018



TOP TEN EQUITY HOLDINGS (UNAUDITED) AS OF SEPTEMBER 30, 2018 (% OF NET ASSETS)

Canadian Pacific Railway Ltd.	4.2%
Colliers International Group, Inc.	4.0%
Alliance Data Systems Corp.	3.9%
Cognizant Technology Solutions Corp. – Class A	3.6%
XPO Logistics, Inc.	3.5%
Voya Financial, Inc.	3.3%
Conduent, Inc.	3.2%
MasTec, Inc.	3.1%
LyondellBasell Industries NV – Class A	3.1%
EMCOR Group, Inc.	3.1%

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SCHEDULE OF INVESTMENTS SEPTEMBER 30, 2018

Number of Shares		Value	Number of Shares		Value
	COMMON STOCKS – 97.0%			Industrial – 18.0%	
	Basic Materials – 6.1%		15,678	Canadian Pacific Railway Ltd.	\$ 3,322,795
31,210	Innospec, Inc.	\$ 2,395,367	20,195	Deluxe Corp.	1,149,903
23,837	LyondellBasell Industries NV – Class A	<u>2,443,531</u>	32,455	EMCOR Group, Inc.	2,437,695
		<u>4,838,898</u>	55,900	MasTec, Inc.*	2,495,935
			18,293	WABCO Holdings, Inc.*	2,157,477
			24,425	XPO Logistics, Inc.*	<u>2,788,602</u>
					<u>14,352,407</u>
	Communications – 11.2%			Technology – 14.2%	
13,095	Alliance Data Systems Corp.	3,092,515	37,170	Cognizant Technology Solutions Corp. – Class A	2,867,665
72,390	ARRIS International plc*	1,881,416	113,005	Conduent, Inc.*	2,544,873
85,785	CenturyLink, Inc.	1,818,642	20,055	DXC Technology Co.	1,875,544
16,200	Liberty SiriusXM Group – Class A*	703,728	22,410	Luxoft Holding, Inc.*	1,061,113
32,590	Liberty SiriusXM Group – Class C*	<u>1,416,036</u>	47,119	NCR Corp.*	1,338,651
		<u>8,912,337</u>	97,215	Nuance Communications, Inc.*	<u>1,683,764</u>
					<u>11,371,610</u>
	Consumer Cyclical – 16.1%			Utilities – 2.9%	
2,800	AutoZone, Inc.*	2,171,960	91,490	Vistra Energy Corp.*	<u>2,276,271</u>
28,180	Dave & Buster's Entertainment, Inc.	1,866,080		TOTAL COMMON STOCKS	
26,960	Dollar Tree, Inc.*	2,198,588		(Cost \$43,848,866)	<u>77,458,719</u>
98,550	Extended Stay America, Inc.	1,993,666			
12,278	Marriott Vacations Worldwide Corp.	1,372,027		SHORT-TERM INVESTMENT – 3.1%	
44,510	Motorcar Parts of America, Inc.*	1,043,759	2,438,400	Fidelity Institutional Government Portfolio – Class I, 1.92%**	
40,324	Spartan Motors, Inc.	594,779		(Cost \$2,438,400)	<u>2,438,400</u>
17,775	Visteon Corp.*	<u>1,651,298</u>		Total Investments	
		<u>12,892,157</u>		(Cost \$46,287,266) – 100.1%	<u>79,897,119</u>
	Consumer Non Cyclical – 6.7%			Other Assets and Liabilities, Net – (0.1%)	<u>(78,575)</u>
8,260	Allergan plc	1,573,365		TOTAL NET ASSETS – 100.0%	<u>\$79,818,544</u>
39,715	Mylan NV*	1,453,569			
20,925	Varex Imaging Corp.*	599,711			
13,110	Zimmer Biomet Holdings, Inc.	<u>1,723,572</u>			
		<u>5,350,217</u>			
	Energy – 1.0%				
10,489	Marathon Petroleum Corp.	<u>838,805</u>			
	Financial – 20.8%				
38,725	American International Group, Inc.	2,061,719			
15,775	Aon plc	2,425,879			
38,160	CIT Group, Inc.	1,969,438			
41,315	Colliers International Group, Inc.	3,203,978			
42,175	Heritage Insurance Holdings, Inc.	625,034			
1,916	Markel Corp.*	2,277,147			
46,300	Synchrony Financial	1,439,004			
52,825	Voya Financial, Inc.	<u>2,623,818</u>			
		<u>16,626,017</u>			

* Non-income producing security.

** Rate in effect as of September 30, 2018.

See Notes to the Financial Statements

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STATEMENT OF ASSETS AND LIABILITIES SEPTEMBER 30, 2018

ASSETS:

Investments, at current value (cost \$46,287,266)	\$79,897,119
Dividends receivable	25,331
Prepaid expenses	13,140
Interest receivable	3,423
Receivable for Fund shares sold	<u>2,853</u>
Total Assets	<u>79,941,866</u>

LIABILITIES:

Payable to Adviser	59,078
Payable for audit fees	22,198
Accrued expenses	30,063
Accrued distribution fees	<u>11,983</u>
Total Liabilities	<u>123,322</u>

NET ASSETS \$79,818,544

NET ASSETS CONSIST OF:

Capital Stock	\$41,248,799
Total Distributable Earnings	<u>38,569,745</u>
Total Net Assets	<u>\$79,818,544</u>

Shares outstanding (500,000,000 shares
of \$0.01 par value authorized) 3,130,874

Net asset value and offering price per share⁽¹⁾ \$ 25.49

(1) A redemption fee is assessed against shares redeemed within 30 days of purchase.

STATEMENT OF OPERATIONS YEAR ENDED SEPTEMBER 30, 2018

INVESTMENT INCOME:

Dividend income (net of withholding of \$5,010)	\$ 847,751
Interest income	<u>21,369</u>
Total Investment Income	<u>869,120</u>

EXPENSES:

Investment Adviser fees	797,072
Legal fees	90,766
Distribution fees	61,693
Administration fees	49,383
Transfer agent fees	40,019
Fund accounting fees	27,949
Federal & state registration fees	26,622
Audit fees	22,196
Custody fees	16,778
Postage & printing fees	14,197
Directors fees	12,001
Other	<u>8,851</u>
Total expenses before reimbursement	1,167,527
Less: Reimbursement from Investment Adviser	<u>(11,773)</u>
Net Expenses	<u>1,155,754</u>

NET INVESTMENT LOSS (286,634)

REALIZED AND UNREALIZED
GAIN ON INVESTMENTS:

Net realized gain on investments	5,286,558
Net change in unrealized appreciation on investments	<u>1,683,169</u>
Net realized and unrealized gain on investments	<u>6,969,727</u>

**NET INCREASE IN NET ASSETS
RESULTING FROM OPERATIONS**

\$6,683,093

See Notes to the Financial Statements

KIRR, MARBACH PARTNERS

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STATEMENTS OF CHANGES IN NET ASSETS

	Year ended September 30, 2018	Year ended September 30, 2017
OPERATIONS:		
Net investment loss	\$ (286,634)	\$ (243,815)
Net realized gain on investments	5,286,558	5,471,486
Net change in unrealized appreciation on investments	<u>1,683,169</u>	<u>6,068,994</u>
Net increase in net assets resulting from operations	<u>6,683,093</u>	<u>11,296,665</u>
CAPITAL SHARE TRANSACTIONS:		
Proceeds from shares sold	3,081,225	2,496,002
Proceeds from reinvestment of distributions	5,040,518	3,736,702
Payments for shares redeemed	(6,149,886)	(7,447,241)
Redemption fees	<u>—</u>	<u>88</u>
Net increase (decrease) in net assets resulting from capital share transactions	<u>1,971,857</u>	<u>(1,214,449)</u>
DISTRIBUTIONS TO SHAREHOLDERS	<u>(5,212,562)</u>	<u>(3,872,059)</u>
TOTAL INCREASE IN NET ASSETS	<u>3,442,388</u>	<u>6,210,157</u>
NET ASSETS:		
Beginning of period	<u>76,376,156</u>	<u>70,165,999</u>
End of period	<u>\$79,818,544</u>	<u>\$76,376,156*</u>
CHANGES IN SHARES OUTSTANDING:		
Shares sold	121,368	105,297
Shares issued to holders in reinvestment of dividends	200,897	162,254
Shares redeemed	<u>(242,682)</u>	<u>(314,140)</u>
Net increase (decrease)	<u>79,583</u>	<u>(46,589)</u>

* Includes undistributed net investment income of \$631,288.

See Notes to the Financial Statements

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FINANCIAL HIGHLIGHTS

For a Fund share outstanding throughout the period.

	Year Ended September 30,				
	2018	2017	2016	2015	2014
PER SHARE DATA:					
Net asset value, beginning of period	\$25.03	\$22.65	\$21.38	\$22.33	\$20.88
Investment operations:					
Net investment income (loss)	(0.10)	(0.08)	0.16	(0.16)	(0.19)
Net realized and unrealized gain (loss) on investments	2.27	3.75	1.18	(0.79)	1.64
Total from investment operations	2.17	3.67	1.34	(0.95)	1.45
Less distributions:					
Dividends from net investment income	—	—	—	—	—
Dividends from net capital gains	(1.71)	(1.29)	(0.07)	—	—
Total distributions	(1.71)	(1.29)	(0.07)	—	—
Paid in capital from redemption fees	—	— ⁽¹⁾	— ⁽¹⁾	— ⁽¹⁾	— ⁽¹⁾
Net asset value, end of period	\$25.49	\$25.03	\$22.65	\$21.38	\$22.33
TOTAL RETURN	8.80%	16.72%	6.29%	(4.25)%	6.94%
SUPPLEMENTAL DATA AND RATIOS:					
Net assets, end of period (in millions)	\$79.8	\$76.4	\$70.2	\$70.0	\$73.7
Ratio of expenses to average net assets:					
Before expense reimbursement/recoupment	1.46%	1.47%	1.49%	1.46%	1.45%
After expense reimbursement/recoupment	1.45%	1.45%	1.45%	1.45%	1.45%
Ratio of net investment income (loss) to average net assets:					
Before expense reimbursement/recoupment	(0.37)%	(0.35)%	0.70%	(0.69)%	(0.85)%
After expense reimbursement/recoupment	(0.36)%	(0.33)%	0.74%	(0.68)%	(0.85)%
Portfolio turnover rate	14%	16%	23%	21%	11%

(1) Less than \$0.01 per share.

See Notes to the Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2018

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Kirr, Marbach Partners Funds, Inc. (the "Corporation") was organized as a Maryland corporation on September 23, 1998 and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end diversified management investment company issuing its shares in series, each series representing a distinct portfolio with its own investment objective and policies. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 "Financial Services-Investment Companies." The one series presently authorized is Kirr, Marbach Partners Value Fund (the "Fund"). The investment objective of the Fund is to seek long-term capital growth. The Fund commenced operations on December 31, 1998.

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with generally accepted accounting principles in the United States of America ("GAAP").

- a) Investment Valuation – Securities listed on the Nasdaq National Market are valued at the Nasdaq Official Closing Price ("NOCP"). Other securities traded on a national securities exchange (including options on indices so traded) are valued at the last sales price on the exchange where the security is primarily traded. Exchange-traded securities for which there were no transactions and Nasdaq-traded securities for which there is no NOCP are valued at the mean of the bid and asked prices. Securities for which market quotations are not readily available are valued at fair value as determined in good faith under the supervision of the Board of Directors. Foreign securities have been issued by foreign private issuers registered on United States exchanges in accordance with Section 12 of the Securities Exchange Act of 1934. Debt securities, including short-term debt instruments having maturities less than 60 days, are valued at the mean between the bid and asked prices as reported by an approved pricing service.

The Fund has performed an analysis of all existing investments to determine the significance and character of all inputs to their fair value determination. Various inputs are used in determining the value of each of the Fund's investments. These inputs are summarized in the following three broad categories:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the company has the ability to access.
- Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instruments on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the company's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2018

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the inputs used to value the Fund's investments as of September 30, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$77,458,719	\$ —	\$ —	\$77,458,719
Short-Term Investment	2,438,400	—	—	2,438,400
Total Investments	<u>\$79,897,119</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$79,897,119</u>

Refer to the Schedule of Investments for industry classifications.

- b) Federal Income Taxes – A provision, for federal income taxes or excise taxes, has not been made since the Fund has elected to be taxed as a “regulated investment company” and intends to distribute substantially all taxable income to its shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. There is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on the tax return for the fiscal year ended September 30, 2018, or for any other tax years which are open for exam. As of September 30, 2018, open tax years include the tax years ended September 30, 2015 through 2018. The Fund is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the year ended September 30, 2018, the Fund did not incur any interest or penalties.
- c) Income and Expenses – The Fund is charged for those expenses that are directly attributable to the Fund, such as advisory, administration and certain shareholder service fees.
- d) Distributions to Shareholders – Dividends from net investment income and distributions of net realized capital gains, if any, will be declared and paid at least annually. The character of distributions made during the period from net investment income or net realized gains may differ from the characterization for federal income tax purposes due to differences in the recognition of income, expense and gain items for financial statement and tax purposes. All short term capital gains are included in ordinary income for tax purposes.
- e) Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- f) Repurchase Agreements – The Fund may enter into repurchase agreements with certain banks or non-bank dealers. The Adviser will monitor, on an ongoing basis, the value of the underlying securities to ensure that the value always equals or exceeds the repurchase price plus accrued interest.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2018

g) Security Transactions and Investment Income – The Fund follows industry practice and records security transactions on the trade date. Realized gains and losses on sales of securities are calculated on the basis of identified cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and regulations. Discounts and premiums on securities purchased are amortized over the expected life of the respective securities.

The Fund distributes all net investment income, if any, and net realized capital gains, if any, annually. Distributions to shareholders are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income tax purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, GAAP requires that they be reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset values per share of the Fund. For the year ended September 30, 2018, there were no reclassifications.

h) Subsequent Events – Management has evaluated Fund related events and transactions that occurred subsequent to September 30, 2018 through the date of issuance of the Fund's financial statements. There were no events or transactions that occurred during this period that materially impacted the amounts or disclosures in the Fund's financial statements.

2. INVESTMENT TRANSACTIONS

The aggregate purchases and sales of securities, excluding short-term investments, by the Fund for the year ended September 30, 2018, were as follows:

	Purchases	Sales
U.S. Government	\$ —	\$ —
Other	\$11,467,978	\$10,847,014

At September 30, 2018, the components of accumulated earnings (losses) on a tax basis were as follows:

Cost of investments	\$ 46,187,189
Gross unrealized appreciation	\$ 35,363,559
Gross unrealized depreciation	\$ (1,653,580)
Net unrealized appreciation	\$ 33,709,979
Undistributed ordinary income	273,110
Undistributed long-term capital gain	4,586,656
Total distributable earnings	4,859,766
Other accumulated losses	\$ —
Total accumulated earnings	\$ 38,569,745

KIRR, MARBACH PARTNERS

VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2018

As of September 30, 2018, the Fund did not have any capital loss carryovers. A regulated investment company may elect for any taxable year to treat any portion of any qualified late year loss as arising on the first day of the next taxable year. Qualified late year losses are certain capital, and ordinary losses which occur during the portion of the Fund's taxable year subsequent to October 31. For the taxable year ended September 30, 2018, the Fund did not defer any qualified late year losses.

The tax character of distributions paid during the year ended September 30, 2018 were as follows:

Long Term Capital Gains*
\$5,212,562

The tax character of distributions paid during the year ended September 30, 2017 were as follows:

Long Term Capital Gains*
\$3,872,059

* The Fund also designates as distributions of long-term gains, to the extent necessary to fully distribute such capital gains, earnings and profits distributed to shareholders on the redemption of shares.

3. AGREEMENTS

The Fund has entered into an Investment Advisory Agreement with Kirr, Marbach & Company, LLC (the "Investment Adviser"). Pursuant to its advisory agreement with the Fund, the Investment Adviser is entitled to receive a fee, calculated daily and payable monthly, at the annual rate of 1.00% as applied to the Fund's daily net assets.

The Investment Adviser has contractually agreed to waive its management fee and/or reimburse the Fund's other expenses to the extent necessary to ensure that the Fund's total annual operating expenses (excluding acquired fund fees and expenses, interest, taxes, brokerage commissions and extraordinary expenses) do not exceed 1.45% of its average daily net assets until February 28, 2019. The Investment Adviser may decide to continue the agreement, or revise the total annual operating expense limitations after February 28, 2019. Any waiver or reimbursement is subject to later adjustment to allow the Investment Adviser to recoup amounts waived or reimbursed to the extent actual fees and expenses for a period are less than the expense limitation cap of 1.45%, provided, however, that the Investment Adviser shall only be entitled to recoup such amounts for a period of thirty-six months following the date on which such fee waiver or expense reimbursement was made. Waived/reimbursed fees and expenses subject to potential recovery by month of expiration are as follows:

Year of Expiration	Amount
October 2018 – September 2019	\$29,062
October 2019 – September 2020	15,117
October 2020 – September 2021	11,773
	<u>\$55,952</u>

As of September 30, 2018, it was possible, but not probable, those amounts would be recovered by the Investment Adviser. At the end of each fiscal year in the future, the Fund will continue to assess the potential recovery of waived/reimbursed fees and expenses for financial reporting purposes.

Quasar Distributors, LLC, (the "Distributor") serves as principal underwriter of the shares of the Fund pursuant to a Distribution Agreement between the Distributor and the Corporation. The Fund's shares are sold on a

KIRR, MARBACH PARTNERS

VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) SEPTEMBER 30, 2018

no-load basis and, therefore, the Distributor receives no sales commission or sales load for providing services to the Fund. The Corporation has adopted a plan pursuant to Rule 12b-1 under the 1940 Act (the "12b-1 Plan"), which authorizes the Corporation to pay the Distributor and certain financial intermediaries who assist in distributing the Fund shares or who provided shareholder services to Fund shareholders a distribution and shareholder servicing fee of up to 0.25% of the Fund's average daily net assets (computed on an annual basis). All or a portion of the fee may be used by the Fund or the Distributor to pay its distribution fee and costs of printing reports and prospectuses for potential investors and the costs of other distribution and shareholder servicing expenses. During the year ended September 30, 2018, the Fund incurred expenses of \$61,693 pursuant to the 12b-1 Plan.

U.S Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services (the "Administrator"), serves as transfer agent, administrator and accounting services agent for the Fund. U.S. Bank, N.A. serves as custodian for the Fund.

The Fund imposes a 1.00% redemption fee on shares held 30 days or less. For the years ended September 30, 2018 and September 30, 2017, the Fund collected \$0 and \$88, respectively, in redemption fees.

KIRR, MARBACH PARTNERS

VALUE FUND

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of KIRR, Marbach Partners Value Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of KIRR, Marbach Partners Value Fund (the "Fund"), including the schedule of investments, as of September 30, 2018, the related statement 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, financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of September 30, 2018, the results of its operations for the year then ended, the changes in its 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 accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the Fund's auditor since 2006.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of September 30, 2018 by correspondence with the custodian. We believe that our audit provides a reasonable basis for our opinion.

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
November 20, 2018

KIRR, MARBACH PARTNERS

VALUE FUND

ADDITIONAL INFORMATION
SEPTEMBER 30, 2018 (UNAUDITED)

AVAILABILITY OF FUND PORTFOLIO INFORMATION

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q, which is available on the SEC's website at www.sec.gov. The Fund's Form N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington D.C. For information on the Public Reference Room call 1-800-SEC-0330.

AVAILABILITY OF PROXY VOTING INFORMATION

Both a description of the Fund's Proxy Voting Policies and Procedures and information about the Fund's proxy voting record will be available (1) without charge, upon request, by calling 1-800-870-8039, and (2) on the SEC's website at www.sec.gov.

QUALIFIED DIVIDEND INCOME/DIVIDENDS RECEIVED DEDUCTION

For the fiscal year ended September 30, 2018, certain dividends paid by the Fund may be subject to a maximum tax rate of 23.8%, as provided for by the American Taxpayer Relief Act of 2012. The percentage of dividends declared from ordinary income designated as qualified dividend income was 0.00% for the Fund.

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended September 30, 2018, was 0.00% for the Fund.

KIRR, MARBACH PARTNERS

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ADDITIONAL INFORMATION (CONTINUED) SEPTEMBER 30, 2018 (UNAUDITED)

Name, Address and Age	Position with the Corporation	Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Other Directorships Held	Number of Funds Overseen in Complex
INTERESTED DIRECTORS					
Mark D. Foster* Born 1958	Director, Chairman and President	Indefinite term since 1998	Chief Investment Officer, Kirr, Marbach & Company, LLC	None	1
Mickey Kim* Born 1958	Director, Vice President, Secretary, Treasurer, and Chief Compliance Officer	Indefinite term since 1998	Chief Compliance Officer and Chief Operating Officer, Kirr, Marbach & Company, LLC	None	1
DIS-INTERESTED DIRECTORS					
Jeffrey N. Brown* Born 1959	Director	Indefinite term since 1998	President, Travel Indiana, LLC (2016 – present); President, Home News Enterprises (1998 – 2016)	None	1
Mark E. Chesnut* Born 1947	Director	Indefinite term since 1998	Retired, Formerly Vice-President, Cummins Engine Company	None	1
John Elwood* Born 1971	Director	Indefinite term since 2018	President, Elwood Staffing Services, Inc. (1996 – present)	None	1

* The address for all directors is Kirr, Marbach & Company, LLC, 621 Washington Street, Columbus, Indiana 47201

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DIRECTORS

Mark D. Foster, CFA
Mickey Kim, CFA
Jeffrey N. Brown
Mark E. Chesnut
John Elwood

PRINCIPAL OFFICERS

Mark D. Foster, CFA, President
Mickey Kim, CFA, Vice President, Treasurer and Secretary

INVESTMENT ADVISER

Kirr, Marbach & Company, LLC
621 Washington Street
Columbus, IN 47201

DISTRIBUTOR

Quasar Distributors, LLC
777 East Wisconsin Avenue
Milwaukee, WI 53202

CUSTODIAN

U.S. Bank, N.A.
1555 North River Center Drive
Milwaukee, WI 53212

ADMINISTRATOR,

TRANSFER AGENT AND
DIVIDEND – DISBURSING AGENT
U.S. Bancorp Fund Services, LLC
615 E. Michigan Street
Milwaukee, WI 53202

INDEPENDENT REGISTERED

PUBLIC ACCOUNTING FIRM
Tait, Weller & Baker LLP
Two Liberty Place
50 South 16th Street, Suite 2900
Philadelphia, PA 19102

LEGAL COUNSEL

Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654

This report should be accompanied or preceded by a prospectus.

The Fund's Statement of Additional Information contains additional information about the Fund's directors and is available without charge upon request by calling 1-800-808-9444.

The Fund's Proxy Voting Policies and Procedures are available without charge upon request by calling 1-800-808-9444. A description of the Fund's proxy voting policies and procedures is available on the Fund's website, www.kmpartnersfunds.com, or on the SEC's website, at www.sec.gov. Information regarding how the Fund voted proxies relating to portfolio securities during the twelve months ended June 30, is available without charge upon request by calling 1-800-808-9444 or on the SEC's website, at www.sec.gov.

ANNUAL REPORT

SEPTEMBER 30, 2018