

Report of Independent Auditors

To the Account Owners and Trustees of
New Jersey Better Educational Savings Trust- New Jersey Division of Investments Managed Investment Options -
NJBEST Portfolio A, NJBEST Portfolio B, NJBEST Portfolio C, NJBEST Portfolio D, NJBEST Portfolio E and NJ Better
Educational Savings Portfolio:

We have audited the accompanying combined statement of assets and liabilities of the New Jersey Better Educational Savings Trust (the "Plan")- New Jersey Division of Investments Managed Investment Options - NJBEST Portfolio A, NJBEST Portfolio B, NJBEST Portfolio C, NJBEST Portfolio D, NJBEST Portfolio E and NJ Better Educational Savings Portfolio (six of the investment options of the Plan) as of June 30, 2007, and the related combined statement of operations for the year then ended, and the combined statement of changes in net assets for each of the two years in the period then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audit includes 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 Plan's 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, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of June 30, 2007, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the New Jersey Better Educational Savings Trust - New Jersey Division of Investments Managed Investment Options - NJBEST Portfolio A, NJBEST Portfolio B, NJBEST Portfolio C, NJBEST Portfolio D, NJBEST Portfolio E and NJ Better Educational Savings Portfolio at June 30, 2007, the results of their combined statement of operations for the year then ended, and the combined statement of changes in net assets for each of the two years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplemental Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Ernst & Young LLP

Boston, Massachusetts
August 31, 2007

New Jersey Better Educational Savings Trust - New Jersey Division of Investments Managed Investment Options

Combined Statement of Assets and Liabilities June 30, 2007

Assets:

Investments in securities:

Cost	\$ 325,216,807
Value	\$ 346,175,694

Receivables:

Plan shares sold	74,430
Interest	2,398,746
Total assets	<u>348,648,870</u>

Liabilities:

Payables:

Plan shares redeemed	134,748
Accrued expenses	114,192
Total liabilities	<u>248,940</u>

Net assets, at value	<u>\$ 348,399,930</u>
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New Jersey Better Educational Savings Trust - New Jersey Division of Investments Managed Investment Options

Combined Statement of Operations for the year ended June 30, 2007

Investment income:	
Interest	\$ 10,267,168
Total investment income	<u>10,267,168</u>
Expenses:	
Program management fees (Note 2)	1,304,351
Net investment income	<u>8,962,817</u>
Realized and unrealized gain (loss) on investments:	
Net realized gain (loss) on investments	12,775,413
Net change in unrealized appreciation (depreciation) on investments	<u>10,710,358</u>
Net realized and unrealized gain (loss) on investments	<u>23,485,771</u>
Net increase (decrease) in net assets resulting from operations	<u>\$ 32,448,588</u>

New Jersey Better Educational Savings Trust - New Jersey Division of Investments Managed Investment Options

Combined Statement of Changes in Net Assets

	<u>Year Ended June 30, 2007</u>	<u>Year Ended June 30, 2006</u>
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$ 8,962,817	\$ 7,483,004
Net realized gain (loss) on investments	12,775,413	7,679,094
Net change in unrealized appreciation (depreciation) on investments	10,710,358	(8,624,642)
Net increase (decrease) in net assets resulting from operations	<u>32,448,588</u>	<u>6,537,456</u>
Plan share transactions:		
Subscriptions	39,482,936	41,640,681
Redemptions	<u>(29,525,547)</u>	<u>(24,068,261)</u>
Net increase (decrease) in net assets resulting from plan share transactions	<u>9,957,389</u>	<u>17,572,420</u>
Net increase (decrease) in net assets	<u>42,405,977</u>	<u>24,109,876</u>
Net assets:		
Beginning of period	305,993,953	281,884,077
End of year period	<u>\$ 348,399,930</u>	<u>\$ 305,993,953</u>

NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST – New Jersey Division of Investments Managed Investment Options

Notes to Combined Financial Statements for the year ended June 30, 2007

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Better Educational Savings Trust (“NJBEST” or “Trust”) was formed by New Jersey law to help people save on a tax-advantaged basis for qualified higher education expenses of a Beneficiary. The plan is a part of the higher education savings and investment program of the State of New Jersey. The Program is administered by the New Jersey Higher Education Student Assistance Authority (“HESAA”). HESAA has the authority to select a Program Manager, adopt rules and regulations to implement and administer the Program, and establish investment policies for the Program. In 1998, HESAA chose the New Jersey Department of Treasury to be the initial Investment Manager for NJBEST.

The New Jersey Department of the Treasury, Division of Investments serves as investment manager for certain investment options (“Division Investment Options”) that are part of NJBEST but are no longer available to new investors. The Division Investment Options consists of six portfolios and is managed by the New Jersey Division of Investments. The NJ Better Educational Savings Portfolio, the original portfolio, is available only to accounts opened prior to July 1, 2000 and is open to all birth years. For accounts opened after July 1, 2000 and prior to March 14, 2003, there are the NJBEST Portfolios A – E. These are age-based portfolios where contributions are allocated based on the birth year of the Beneficiary as follows:

<u>Portfolio</u>	<u>Birth Year</u>
NJBEST Portfolio A	1985 and prior
NJBEST Portfolio B	1986 - 1989
NJBEST Portfolio C	1990 - 1993
NJBEST Portfolio D	1994 - 1997
NJBEST Portfolio E	1998 - 2003

All common stocks and other investments held by NJBEST and managed by the Division of Investments are maintained in a managed equity account called NJBest Pooled Equity Fund. Each of the six portfolios owns a portion of the NJBEST Pooled Equity Fund. The net assets and related dividend income of the NJBEST Pooled Equity Fund have been allocated among the portfolios. This allows for a high level of diversification and reduces the costs of managing the program.

The attached Supplemental Information includes financial highlights, combining statements of assets and liabilities, operations, and changes in net assets of the portfolios, as well as the statement of investments for each portfolio and the NJBEST Pooled Equity Fund.

In 2003, Franklin Templeton Distributors, Inc. (“FTDI”), a wholly-owned subsidiary of Franklin Resources, Inc., and HESAA entered into a Services Agreement under which FTDI serves as the program manager. FTDI provides, directly, or through affiliated or non-affiliated subcontractors, certain distribution and administrative services relating to the Program. PFPC, Inc., has been retained by FTDI to provide the administrative and record keeping services for which FTDI is responsible under the Services Agreement. An affiliate of FTDI serves as the investment manager to the Plan and manages all accounts opened after March 14, 2003.

For information regarding the Franklin Templeton Managed Investment Options, please see the New Jersey 529 College Savings Plan – Franklin Templeton Managed Investment Options Financial

Statements or refer to the Investor Handbook for either the Franklin Templeton 529 College Savings Plan (for investors who invest through a financial advisor) or the NJBEST 529 College Savings Plan (for New Jersey residents investing without a financial advisor).

The Following summarizes the Trust's significant accounting policies.

a. Security Valuation

Securities listed on a securities exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Over-the-counter securities and listed securities for which there is no reported sale are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Investments in open-end mutual funds are valued at the closing net asset value.

Government securities and corporate debt securities generally trade in the over-the-counter market rather than on a securities exchange. The Trust may utilize independent pricing services, quotations from bond dealers, and information with respect to bond and note transactions, to assist in determining a current market value for each security. The Trust's pricing services may use valuation models or matrix pricing which considers information with respect to comparable bond and note transactions, quotations from bond dealers, or by reference to other securities that are considered comparable in such characteristics as rating, interest rate and maturity date, option adjusted spread models, prepayment projections, interest rate spreads and yield curves, to determine current value.

b. Security Transactions, Investment Income, and Expenses

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income.

c. Income Taxes

No provision for federal income tax has been made. The Program is established to be a qualified tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax, and does not expect to have any unrelated business income subject to tax.

d. Accounting Estimates

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

2. MANAGEMENT AGREEMENTS

The Program pays a total program management fee of 0.40% based on the average daily net assets of each portfolio. Of this fee, 0.15% is paid to FTDI and 0.25% is paid to HESAA.

3. INVESTMENTS

At June 30, 2007 net unrealized appreciation of portfolio investments was \$20,958,887 consisting of gross unrealized appreciation of \$25,756,123 and gross unrealized depreciation of \$4,797,236.

Purchases and sales of portfolio securities (excluding short term securities) for the year ended June 30, 2007 aggregated \$332,103,385 and \$313,700,557, respectively.

For a list of each portfolio's investments at June 30, 2007 please see the statement of investments for each portfolio in the Supplemental Information.

4. REGULATORY AND LITIGATION MATTERS

As part of various investigations by a number of federal, state, and foreign regulators and governmental entities, including the Securities and Exchange Commission ("SEC"), relating to certain practices in the mutual fund industry, including late trading, market timing and marketing support payments to securities dealers who sell fund shares ("marketing support"), Franklin Resources, Inc. and certain of its subsidiaries (collectively, the "Company"), entered into settlements with certain of those regulators. Specifically, the Company entered into settlements with the SEC, among others, concerning market timing and marketing support.

On June 23, 2006, the SEC approved the proposed plan of distribution for the marketing support settlement, and disbursement of the settlement monies to the designated funds, in accordance with the terms and conditions of that settlement and plan, was completed in September 2006. The Trust did not participate in that settlement.

On June 6, 2007, the SEC posted for public comment the proposed plan of distribution for the marketing timing settlement. Following the public comment period, and once the SEC approves the final plan of distribution, disbursements of settlement monies will be made promptly to individuals who were shareholders of the designated funds during the relevant period, in accordance with the terms and conditions of the settlement plan.

In addition, the Company, as well as most of the mutual funds within Franklin Templeton Investments and certain current or former officers, Company directors, fund directors, and employees, have been named in private lawsuits (styled as shareholder class actions, or as derivative actions on behalf of either the named funds or Franklin Resources, Inc.). The lawsuits relate to the industry practices referenced above, as well as to allegedly excessive commissions and advisory and distribution fees.

The company and fund management believe that the claims made in each of the private lawsuits referenced above are without merit and intend to defend against them vigorously. The Company cannot predict with certainty the eventual outcome of these lawsuits, nor whether they will have material negative impact on the Company. If it is determined that the Company bears responsibility for any unlawful or inappropriate conduct that caused losses to the Trust, it is committed to making the Trust or its shareholders whole, as appropriate.

5. NEW ACCOUNTING PRONOUNCEMENTS

In September 2006, FASB issued FASB Statement No. 157, "Fair Value Measurement" ("SFAS 157"), which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 is effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Fund believes the adoption of SFAS 157 will have no material impact on its financial statements.

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options

Financial Highlights

	NJBEST Portfolio A			
	2007	Year Ended June 30, 2006	2005	2004
SELECTED PER SHARE DATA				
Net asset value, beginning of year	\$ 11.00	\$ 10.58	\$ 10.36	\$ 10.18
Income from investment operations ^a :				
Net investment income ^b	0.42	0.33	0.38	0.37
Net realized and unrealized gain (loss)	0.31	0.09	(0.16)	(0.19)
Total from investment operations	0.73	0.42	0.22	0.18
Net asset value, end of year	\$ 11.73	\$ 11.00	\$ 10.58	\$ 10.36
 TOTAL RETURN ^c	 6.64%	 3.97%	 2.12%	 1.77%
Ratios to average net assets				
Expenses	0.40%	0.40%	0.40%	0.40%
Net investment income	3.69%	3.10%	3.62%	3.64%
Supplemental data				
Net assets, end of period (000's)	\$ 4,203	\$ 6,600	\$ 9,200	\$ 11,578

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchase of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Financial Highlights

NJBEST Portfolio B

	Year Ended June 30,			
	2007	2006	2005	2004
SELECTED PER SHARE DATA				
Net asset value, beginning of year	\$ 10.98	\$ 10.66	\$ 10.32	\$ 10.00
Income from investment operations ^a :				
Net investment income ^b	0.38	0.32	0.29	0.28
Net realized and unrealized gain (loss)	0.35	(0.00) ^d	0.05	0.04
Total from investment operations	0.73	0.32	0.34	0.32
Net asset value, end of year	\$ 11.71	\$ 10.98	\$ 10.66	\$ 10.32
TOTAL RETURN ^c	6.65%	3.00%	3.29%	3.20%
Ratios to average net assets				
Expenses	0.40%	0.40%	0.40%	0.40%
Net investment income	3.34%	2.98%	2.77%	2.72%
Supplemental data				
Net assets, end of period (000's)	\$ 49,310	\$ 52,288	\$ 51,662	\$ 46,535

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchase of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

^dAmounts rounds to less than \$0.01 per share.

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investments Managed Investment Options

Financial Highlights

	NJBEST Portfolio C			
	Year Ended June 30,			
	2007	2006	2005	2004
SELECTED PER SHARE DATA				
Net asset value, beginning of year	\$ 11.23	\$ 11.03	\$ 10.41	\$ 9.95
Income from investment operations ^a :				
Net investment income ^b	0.39	0.32	0.28	0.26
Net realized and unrealized gain (loss)	0.64	(0.12)	0.34	0.20
Total from investment operations	1.03	0.20	0.62	0.46
Net asset value, end of year	\$ 12.26	\$ 11.23	\$ 11.03	\$ 10.41
TOTAL RETURN ^c	9.17%	1.81%	5.96%	4.62%
Ratios to average net assets				
Expenses	0.40%	0.40%	0.40%	0.40%
Net investment income	3.34%	2.87%	2.57%	2.50%
Supplemental data				
Net assets, end of period (000's)	\$ 95,677	\$ 80,251	\$ 70,880	\$ 57,842

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchase of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investments Managed Investment Options

Financial Highlights

NJBEST Portfolio D

	Year Ended June 30,			
	2007	2006	2005	2004
SELECTED PER SHARE DATA				
Net asset value, beginning of year	\$ 11.22	\$ 11.05	\$ 10.21	\$ 9.62
Income from investment operations ^a :				
Net investment income ^b	0.31	0.27	0.22	0.20
Net realized and unrealized gain (loss)	0.98	(0.10)	0.62	0.39
Total from investment operations	1.29	0.17	0.84	0.59
Net asset value, end of year	\$ 12.51	\$ 11.22	\$ 11.05	\$ 10.21
TOTAL RETURN ^c	11.50%	1.54%	8.23%	6.13%
Ratios to average net assets				
Expenses	0.40%	0.40%	0.40%	0.40%
Net investment income	2.56%	2.43%	2.05%	2.04%
Supplemental data				
Net assets, end of period (000's)	\$ 84,283	\$ 69,364	\$ 62,115	\$ 48,992

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchase of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investments Managed Investment Options

Financial Highlights

NJBEST Portfolio E

	Year Ended June 30,			
	2007	2006	2005	2004
SELECTED PER SHARE DATA				
Net asset value, beginning of year	\$ 10.95	\$ 10.68	\$ 9.81	\$ 8.98
Income from investment operations ^a :				
Net investment income ^b	0.23	0.21	0.15	0.14
Net realized and unrealized gain (loss)	1.28	0.06	0.72	0.69
Total from investment operations	1.51	0.27	0.87	0.83
Net asset value, end of year	\$ 12.46	\$ 10.95	\$ 10.68	\$ 9.81
TOTAL RETURN ^c	13.79%	2.53%	8.87%	9.24%
Ratios to average net assets				
Expenses	0.40%	0.40%	0.40%	0.40%
Net investment income	1.94%	1.88%	1.47%	1.48%
Supplemental data				
Net assets, end of period (000's)	\$ 100,952	\$ 83,757	\$ 74,093	\$ 58,563

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchase of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investments Managed Investment Options

Financial Highlights

NJ Better Educational
Savings Portfolio

Year Ended June 30,

	2007	2006	2005	2004
SELECTED PER SHARE DATA				
Net asset value, beginning of year	\$ 12.19	\$ 11.80	\$ 11.30	\$ 10.67
Income from investment operations ^a :				
Net investment income ^b	0.38	0.36	0.33	0.32
Net realized and unrealized gain (loss)	0.81	0.03	0.17	0.31
Total from investment operations	1.19	0.39	0.50	0.63
Net asset value, end of year	\$ 13.38	\$ 12.19	\$ 11.80	\$ 11.30
TOTAL RETURN ^c	9.76%	3.31%	4.42%	5.90%
Ratios to average net assets				
Expenses	0.40%	0.40%	0.40%	0.40%
Net investment income	3.01%	2.94%	2.87%	2.89%
Supplemental data				
Net assets, end of period (000's)	\$ 13,975	\$ 13,734	\$ 13,933	\$ 14,026

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchase of the Portfolio shares in relation to income earned and/ or fluctuating market value of the investments of the Portfolio.

^bBased on average daily shares outstanding.

^cTotal return does not reflect sales commissions or the contingent deferred sales charge.

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio A

Statement of Investments, June 30, 2007

	SHARES	PRINCIPAL AMOUNT	VALUE
Long Term Investments 61.4%			
Equity 14.9%			
NJBEST Pooled Equity	50,425		\$ 624,552
Total Equity			<u>624,552</u>
Fixed Income 46.5%			
U.S. Treasury Note, 3.125%, 10/15/08		\$ 2,000,000	1,955,158
Total Fixed Income			<u>1,955,158</u>
Total Long Term Investments (Cost \$2,506,791)			<u>2,579,710</u>
Short Term Investment (Cost \$1,609,282) 38.3%			
State of New Jersey Cash Management Fund	1,609,282		<u>1,609,282</u>
Total Investments (Cost \$4,116,073) 99.7%			<u>4,188,992</u>
Other Assets, less Liabilities 0.3%			<u>13,650</u>
Net Assets 100.0%			<u>\$ 4,202,642</u>

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio B

Statement of Investments, June 30, 2007

	SHARES	PRINCIPAL AMOUNT	VALUE
Long Term Investments 94.2%			
Equity 11.4%			
NJBEST Pooled Equity	454,514		\$ 5,629,544
Total Equity			<u>5,629,544</u>
Fixed Income 82.8%			
General Electric Capital Corp., 3.125%, 4/01/09		\$ 1,500,000	1,446,989
U.S. Treasury Notes:			
3.00%, 11/15/07		4,400,000	4,370,440
3.125%, 10/15/08		9,000,000	8,798,211
3.25%, 8/15/07		6,500,000	6,489,340
4.375%, 11/15/08		10,000,000	9,921,100
4.625%, 2/29/08		5,000,000	4,987,895
4.75%, 11/15/08		4,820,000	4,806,070
Total Fixed Income			<u>40,820,045</u>
Total Long Term Investments (Cost \$ 45,832,603)			<u>46,449,589</u>
Short Term Investment (Cost \$2,618,757) 5.3%			
State of New Jersey Cash Management Fund	2,618,757		<u>2,618,757</u>
Total Investments (Cost \$48,451,360) 99.5%			49,068,346
Other Assets, less Liabilities 0.5%			241,994
Net Assets 100.0%			<u>\$ 49,310,340</u>

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio C

Statement of Investments, June 30, 2007

	SHARES	PRINCIPAL AMOUNT	VALUE
Long Term Investments 93.5%			
Equity 12.5%			
NJBEST Pooled Equity	970,911		\$ 12,025,547
Total Equity			<u>12,025,547</u>
Fixed Income 81.0%			
General Electric Capital Corp., 3.125%, 4/01/09		\$ 3,500,000	3,376,306
U.S Treasury Bonds:			
3.875%, 2/15/13		6,000,000	5,700,474
4.875%, 2/15/12		6,000,000	5,994,378
U.S. Treasury Notes:			
3.00%, 11/15/07		3,000,000	2,979,846
4.25%, 8/15/13		6,000,000	5,795,160
4.25%, 11/15/13		24,000,000	23,113,128
4.375%, 8/15/12		1,100,000	1,075,509
5.00%, 2/15/11		3,400,000	3,416,470
5.00%, 8/15/11		11,740,000	11,795,037
5.50%, 5/15/09		2,400,000	2,426,251
5.625%, 5/15/08		800,000	804,250
5.75%, 8/15/10		5,700,000	5,841,611
6.00%, 8/15/09		790,000	807,344
6.50%, 2/15/10		3,735,000	3,880,609
Inflation Index, 4.25%, 1/15/10		444,870	461,866
Total Fixed Income			<u>77,468,239</u>
Total Long Term Investments (Cost \$89,641,862)			<u>89,493,786</u>
Short Term Investment (Cost \$5,180,669) 5.5%			
State of New Jersey Cash Management Fund	5,180,669		<u>5,180,669</u>
Total Investments (Cost \$94,822,531) 99.0%			94,674,455
Other Assets, less Liabilities 1.0%			1,002,750
Net Assets 100.0%			<u>\$ 95,677,205</u>

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio D

Statement of Investments, June 30, 2007

	SHARES	PRINCIPAL AMOUNT	VALUE
Long Term Investments 95.9%			
Equity 39.9%			
NJBEST Pooled Equity	2,715,239		\$ 33,630,529
Total Equity			<u>33,630,529</u>
Fixed Income 56.0%			
General Electric Capital Corp., 3.125%, 4/01/09		\$ 2,500,000	2,411,648
U.S. Treasury Bonds:			
4.875%, 2/15/12		2,000,000	1,998,126
6.25%, 8/15/23		600,000	666,422
7.25%, 5/15/16		690,000	797,651
7.25%, 8/15/22		500,000	605,430
7.50%, 11/15/16		3,712,000	4,378,712
U.S. Treasury Notes:			
4.00%, 11/15/12		6,500,000	6,233,403
4.00%, 2/15/14		3,000,000	2,840,862
4.25%, 8/15/13		10,000,000	9,658,600
4.25%, 8/15/14		2,500,000	2,392,190
4.375%, 8/15/12		2,200,000	2,151,017
4.50%, 11/15/15		5,000,000	4,824,220
4.75%, 5/15/14		5,000,000	4,939,065
5.00%, 2/15/11		2,000,000	2,009,688
5.50%, 5/15/09		99,000	100,083
5.625%, 5/15/08		500,000	502,657
Inflation Index, 4.25%, 1/15/10		648,769	673,554
Total Fixed Income			<u>47,183,328</u>
Total Long Term Investments (Cost \$73,316,477)			<u>80,813,857</u>
Short Term Investment (Cost \$2,933,763) 3.5%			
State of New Jersey Cash Management Fund	2,933,763		2,933,763
Total Investments (Cost \$76,250,240) 99.4%			83,747,620
Other Assets, less Liabilities 0.6%			535,831
Net Assets 100.0%			<u>\$ 84,283,451</u>

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJBEST Portfolio E

Statement of Investments, June 30, 2007

	SHARES	PRINCIPAL AMOUNT	VALUE
Long Term Investments 96.5%			
Equity 56.6%			
NJBEST Pooled Equity	4,609,904		\$ 57,097,545
Total Equity			<u>57,097,545</u>
Fixed Income 39.9%			
General Electric Capital Corp., 3.125%, 4/01/09		\$ 2,000,000	1,929,318
U.S. Treasury Bonds:			
3.875%, 2/15/13		1,500,000	1,425,119
4.875%, 2/15/12		600,000	599,438
6.00%, 2/15/26		1,000,000	1,091,876
6.25%, 8/15/23		500,000	555,352
7.25%, 5/15/16		395,000	456,626
7.25%, 8/15/22		735,000	889,982
7.50%, 11/15/16		6,159,000	7,265,218
U.S. Treasury Notes:			
4.00%, 11/15/12		1,500,000	1,438,478
4.00%, 2/15/14		4,000,000	3,787,816
4.125%, 5/15/15		14,000,000	13,198,290
4.25%, 8/15/14		4,500,000	4,305,942
4.50%, 11/15/15		3,000,000	2,894,532
Inflation Index, 4.25%, 1/15/10		432,513	449,036
Total Fixed Income			<u>40,287,023</u>
Total Long Term Investments (Cost \$85,381,824)			<u>97,384,568</u>
Short Term Investment (Cost \$3,189,171) 3.1%			
State of New Jersey Cash Management Fund	3,189,171		<u>3,189,171</u>
Total Investments (Cost \$88,570,995) 99.6%			100,573,739
Other Assets, less Liabilities 0.4%			377,881
Net Assets 100.0%			<u>\$ 100,951,620</u>

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

NJ Better Educational Savings Portfolio
Statement of Investments, June 30, 2007

	SHARES	PRINCIPAL AMOUNT	Value
Long Term Investments 94.0%			
Equity 33.7%			
NJBEST Pooled Equity	380,060		\$ 4,707,367
Total Equity			<u>4,707,367</u>
Fixed Income 60.3%			
General Electric Capital Corp., 3.125%, 4/01/09		\$ 500,000	482,330
U.S. Treasury Notes:			
2.625%, 5/15/08		500,000	490,001
3.125%, 10/15/08		500,000	488,790
4.375%, 11/15/08		3,000,000	2,976,330
4.625%, 2/29/08		1,000,000	997,578
5.00%, 8/15/11		200,000	200,938
5.50%, 5/15/09		100,000	101,094
5.625%, 5/15/08		600,000	603,188
5.75%, 8/15/10		300,000	307,453
6.00%, 8/15/09		300,000	306,586
6.125%, 8/15/07		300,000	300,492
6.50%, 2/15/10		1,125,000	1,168,858
Total Fixed Income			<u>8,423,638</u>
Total Long Term Investments (Cost \$12,214,071)			<u>13,131,005</u>
Short Term Investment (Cost \$791,537) 5.6%			
State of New Jersey Cash Management Fund	791,537		<u>791,537</u>
Total Investments (Cost \$13,005,608) 99.6%			<u>13,922,542</u>
Other Assets, less Liabilities 0.4%			52,130
Total Net Assets 100.0%			<u>\$ 13,974,672</u>

Supplemental Information
New Jersey Better Educational Savings Trust-
New Jersey Division of Investments Managed Investment Options

Combining Statements of Assets and Liabilities
 June 30, 2007

	NJBEST Portfolio A	NJBEST Portfolio B	NJBEST Portfolio C	NJBEST Portfolio D	NJBEST Portfolio E	NJ Better Educational Savings Portfolio	Total
Assets:							
Investments in securities:							
Cost	\$ 4,116,073	\$ 48,451,380	\$ 94,822,531	\$ 76,250,240	\$ 88,570,385	\$ 13,005,608	\$ 325,216,807
Value	\$ 4,188,992	\$ 49,066,346	\$ 94,674,455	\$ 83,747,820	\$ 100,573,739	\$ 13,922,542	\$ 346,175,694
Receivables:							
Plan shares sold	2,064	11,748	24,463	18,214	14,619	3,322	74,430
Interest	12,979	325,242	1,018,164	547,441	398,654	96,266	2,396,746
Total assets	\$ 4,204,035	\$ 49,405,336	\$ 95,717,082	\$ 84,313,275	\$ 100,987,012	\$ 14,022,130	\$ 348,646,870
Liabilities:							
Payables:							
Plan shares redeemed	-	78,701	8,635	2,270	2,317	42,825	134,748
Accrued expenses	1,393	16,295	31,242	27,554	33,075	4,653	114,192
Total liabilities	\$ 1,393	\$ 94,996	\$ 39,877	\$ 29,824	\$ 35,392	\$ 47,458	\$ 246,940
Net assets, at value	\$ 4,202,642	\$ 49,310,340	\$ 95,677,205	\$ 84,283,451	\$ 100,951,620	\$ 13,974,672	\$ 348,399,930
Direct Sold Class:							
Net assets, at value	\$ 4,202,642	\$ 49,310,340	\$ 95,677,205	\$ 84,283,451	\$ 100,951,620	\$ 13,974,672	\$ 348,399,930
Shares outstanding	358,253	4,210,700	7,805,956	6,735,028	8,102,001	1,044,710	24,236,648
Net asset value per share	\$ 11.73	\$ 11.71	\$ 12.26	\$ 12.51	\$ 12.46	\$ 13.38	\$ 14.17

Supplemental Information
New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options

Combining Statements of Operations
for the year ended June 30, 2007

	NJBEST Portfolio A	NJBEST Portfolio B	NJBEST Portfolio C	NJBEST Portfolio D	NJBEST Portfolio E	NU Better Educational Saving Portfolio	Total
Investment income:							
Interest	\$ 204,522	\$ 1,848,407	\$ 3,294,628	\$ 2,285,327	\$ 2,166,302	\$ 467,982	\$ 10,267,168
Total investment income	204,522	1,848,407	3,294,628	2,285,327	2,166,302	467,982	10,267,168
Expenses:							
Program Management fees	20,004	157,888	352,397	308,511	370,584	54,967	1,304,351
Net investment income	184,518	1,650,519	2,942,231	1,976,816	1,795,718	413,015	8,962,817
Realized and unrealized gain (losses):							
Net realized gain (loss) from investments	85,731	663,057	6,334,003	1,902,516	3,583,559	206,547	12,775,413
Net change in unrealized appreciation (depreciation) on investments	46,457	852,387	(1,652,889)	4,401,150	6,414,632	648,721	10,770,358
Net realized and unrealized gain (loss)	132,188	1,515,444	4,681,114	6,303,666	9,998,191	855,268	23,485,771
Net increase (decrease) in net assets resulting from operations	\$ 316,706	\$ 3,165,963	\$ 7,623,245	\$ 8,280,482	\$ 11,793,909	\$ 1,268,283	\$ 32,448,566

Supplemental Information
New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options

Combining Statements of Changes in Net Assets

	NJBEST Portfolio A		NJBEST Portfolio B		NJBEST Portfolio C	
	Year Ended June 30,		Year Ended June 30,		Year Ended June 30,	
	2007	2006	2007	2006	2007	2006
Increase (decrease) in net assets:						
Operations:						
Net investment income	\$ 184,518	\$ 231,478	\$ 1,650,519	\$ 1,544,895	\$ 2,942,231	\$ 2,178,832
Net realized gain (loss) from investments	85,731	(156,327)	663,057	1,336,156	6,334,003	1,645,281
Net change in unrealized appreciation (depreciation) on investments	46,457	209,973	852,387	(1,311,634)	(1,652,989)	(2,506,132)
Net increase (decrease) in net assets resulting from operations	<u>316,706</u>	<u>285,124</u>	<u>3,165,963</u>	<u>1,569,417</u>	<u>7,623,245</u>	<u>1,317,981</u>
Plan share transactions:						
Subscriptions	631,587	984,617	5,571,460	6,914,352	11,054,144	11,086,190
Redemptions	(3,345,493)	(3,870,294)	(11,714,955)	(7,857,744)	(3,251,306)	(3,033,467)
Net increase (decrease) in net assets resulting from plan share transactions	<u>(2,713,906)</u>	<u>(2,885,677)</u>	<u>(6,143,495)</u>	<u>(943,392)</u>	<u>7,802,838</u>	<u>8,052,723</u>
Net increase (decrease) in net assets	<u>(2,397,200)</u>	<u>(2,600,553)</u>	<u>(2,977,532)</u>	<u>626,025</u>	<u>15,426,083</u>	<u>9,370,704</u>
Net assets:						
Beginning of year	<u>6,599,842</u>	<u>9,200,395</u>	<u>52,287,872</u>	<u>51,661,847</u>	<u>80,251,122</u>	<u>70,880,418</u>
End of year	<u>\$ 4,202,642</u>	<u>\$ 6,599,842</u>	<u>\$ 49,310,340</u>	<u>\$ 52,287,872</u>	<u>\$ 95,677,205</u>	<u>\$ 80,251,122</u>

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Combining Statements of Changes in Net Assets (continued)

	NJBEST Portfolio D		NJBEST Portfolio E		NJ Better Educational Savings Portfolio	
	Year Ended June 30,		Year Ended June 30,		Year Ended June 30,	
	2007	2006	2007	2006	2007	2006
Increase (decrease) in net assets:						
Operations:						
Net investment income	\$ 1,976,816	\$ 1,616,401	\$ 1,795,718	\$ 1,504,321	\$ 413,015	\$ 407,077
Net realized gain (loss) from investments	1,902,516	1,959,038	3,683,559	2,688,817	206,547	206,129
Net change in unrealized appreciation (depreciation) on investments	4,401,150	(2,598,978)	6,414,632	(2,256,328)	648,721	(161,543)
Net increase (decrease) in net assets resulting from operations	8,280,482	976,461	11,793,909	1,936,810	1,268,283	451,663
Plan share transactions:						
Subscriptions	10,159,079	9,723,537	11,048,051	11,973,811	1,018,615	958,174
Redemptions	(3,519,837)	(3,451,378)	(5,647,784)	(4,246,218)	(2,046,172)	(1,609,160)
Net increase (decrease) in net assets resulting from plan share transactions	6,639,242	6,272,159	5,400,267	7,727,593	(1,027,557)	(650,986)
Net increase (decrease) in net assets	14,919,724	7,248,620	17,194,176	9,664,403	240,726	(199,323)
Net assets:						
Beginning of year	69,363,727	62,115,107	83,757,444	74,093,041	13,733,946	13,933,269
End of year	\$ 84,283,451	\$ 69,363,727	\$ 100,951,620	\$ 83,757,444	\$ 13,974,672	\$ 13,733,946

Supplemental Information
**New Jersey Better Educational Savings Trust -
New Jersey Division of Investments Managed Investment Options**

Combining Statements of Changes in Net Assets (continued)

	<u>Total</u>	
	Year Ended June 30,	
	2007	2006
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$ 8,962,817	\$ 7,483,004
Net realized gain (loss) from investments	12,775,413	7,679,094
Net change in unrealized appreciation (depreciation) on investments	10,710,358	(8,624,642)
Net increase (decrease) in net assets resulting from operations	<u>32,448,588</u>	<u>6,537,456</u>
Plan share transactions:		
Subscriptions	39,482,936	41,640,681
Redemptions	(29,525,547)	(24,068,261)
Net increase (decrease) in net assets resulting from plan share transactions	<u>9,957,389</u>	<u>17,572,420</u>
Net increase (decrease) in net assets	42,405,977	24,109,876
Net assets:		
Beginning of year	<u>305,993,953</u>	<u>281,884,077</u>
End of year	<u>\$ 348,399,930</u>	<u>\$ 305,993,953</u>

Supplemental Information

**New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options**

 NJBEST Pooled Equity Fund
 Statement of Investments, June 30, 2007

	Shares	Value
Common Stocks 99.0%		
Aerospace & Defense 1.9%		
The Boeing Co.	9,000	\$ 865,440
General Dynamics Corp.	10,000	782,200
▪ LMI Aerospace Inc.	22,000	534,380
		<u>2,182,020</u>
Air Freight & Logistics 1.1%		
FedEx Corp.	11,000	1,220,670
		<u>1,220,670</u>
Airlines 0.9%		
▪ MAIR Holdings Inc.	72,000	475,200
▪ U.S. Airways Group Inc.	18,000	544,860
		<u>1,020,060</u>
Auto Components 0.4%		
▪ Quantum Fuel Systems Technologies Worldwide Inc.	290,000	452,400
		<u>452,400</u>
Beverages 1.6%		
Molson Coors Brewing Co., B	12,000	1,109,520
PepsiCo Inc.	10,000	648,500
		<u>1,758,020</u>
Biotechnology 1.4%		
▪ Affymax Inc.	17,000	458,320
▪ Alkermes Inc.	30,000	438,000
▪ Amgen Inc.	12,000	663,480
		<u>1,559,800</u>
Building Products 0.5%		
▪ Owens Corning Inc.	17,000	571,710
		<u>571,710</u>
Capital Markets 2.8%		
▪ Affiliated Managers Group Inc.	9,000	1,158,840
The Goldman Sachs Group Inc.	4,000	867,000
Morgan Stanley	14,000	1,174,320
		<u>3,200,160</u>
Chemicals 1.9%		
The Dow Chemical Co.	17,000	751,740
PPG Industries Inc.	11,000	837,210
Rohm and Haas Co.	10,000	546,800
		<u>2,135,750</u>
Commercial Banks 0.8%		
Parke Bancorp Inc.	19,000	323,760
SunTrust Banks Inc.	7,000	600,180
		<u>923,940</u>
Commercial Services & Supplies 0.3%		
▪ Hill International Inc.	52,000	383,760
		<u>383,760</u>
Communications Equipment 5.2%		
▪ Airspan Networks Inc.	170,000	617,100
▪ Arris Group Inc.	40,000	703,600
▪ C-COR Inc.	30,000	421,800
▪ Cisco Systems Inc.	84,000	2,339,400
▪ CommScope Inc.	11,000	641,850
▪ Harmonic Inc.	70,000	620,900
▪ Terabeam Inc.	260,000	572,000
		<u>5,916,650</u>
Computers & Peripherals 4.1%		
▪ Apple Inc.	13,000	1,586,520
▪ Dell Inc.	20,000	571,000
International Business Machines Corp.	14,000	1,473,500
▪ Novatel Wireless Inc.	20,000	520,400
▪ STEC Inc.	80,000	514,400
		<u>4,665,820</u>

Supplemental Information

**New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options**

 NJBest Pooled Equity Fund
 Statement of Investments, June 30, 2007

	Shares	Value
Common Stocks (continued)		
Containers & Packaging 0.6%		
Greif Inc., B	13,000	\$ 730,340
Diversified Consumer Services 0.5%		
▪ Home Solutions America Inc.	95,000	568,100
Diversified Financial Services 5.7%		
Bank of America Corp.	44,000	2,151,160
Citigroup Inc.	60,000	3,077,400
JPMorgan Chase & Co.	27,000	1,308,150
		<u>6,536,710</u>
Diversified Telecommunication Services 2.3%		
AT&T Inc.	63,000	2,614,500
Electric Utilities 0.7%		
Exelon Corp.	11,000	798,600
Electrical Equipment 0.9%		
▪ Alpine Group Inc.	200,000	562,000
▪ Energy Conversion Devices Inc.	16,000	493,120
		<u>1,055,120</u>
Electronic Equipment & Instruments 1.8%		
▪ Anixter International Inc.	12,000	902,520
▪ Universal Display Corp.	30,000	471,300
▪ Vishay Intertechnology Inc.	40,000	632,800
		<u>2,006,620</u>
Energy Equipment & Services 2.2%		
▪ Allis-Chalmers Energy Inc.	50,000	1,149,500
▪ Transocean Inc.	13,000	1,377,740
		<u>2,527,240</u>
Food & Staples Retailing 1.5%		
United Natural Foods Inc.	26,000	691,080
Wal-Mart Stores Inc.	21,000	1,010,310
		<u>1,701,390</u>
Food Products 2.0%		
Archer-Daniels-Midland Co.	25,000	827,250
J & J SNACK FOODS CORP	24,000	905,760
Tasty Baking Co.	55,000	575,300
		<u>2,308,310</u>
Gas Utilities 0.7%		
The Laclede Group Inc.	25,000	797,000
Health Care Equipment & Supplies 1.1%		
▪ Boston Scientific Corp.	42,000	644,280
▪ St. Jude Medical Inc.	15,000	622,350
		<u>1,266,630</u>
Health Care Providers & Services 1.3%		
▪ Laboratory Corp. of America Holdings	12,000	939,120
UnitedHealth Group Inc.	11,000	562,540
		<u>1,501,660</u>
Household Durables 1.2%		
▪ Champion Enterprises Inc.	60,000	589,800
▪ Jarden Corp.	17,000	731,170
		<u>1,320,970</u>
Household Products 2.3%		
The Procter & Gamble Co.	36,000	2,202,840
▪ Spectrum Brands Inc.	60,000	406,200
		<u>2,609,040</u>
Industrial Conglomerates 1.2%		
General Electric Co.	36,000	1,378,080

Supplemental Information

**New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options**

 NJBest Pooled Equity Fund
 Statement of Investments, June 30, 2007

	Shares	Value
Common Stocks (continued)		
Insurance 3.2%		
American International Group Inc.	14,000	\$ 980,420
Everest Re Group Ltd.	9,000	977,760
Lincoln National Corp.	14,000	993,300
W. R. Berkley Corp.	22,000	715,880
		<u>3,667,360</u>
Internet & Catalog Retail 1.0%		
▪ Baby Universe Inc.	52,000	481,000
▪ InterActiveCorp	20,000	692,200
		<u>1,173,200</u>
Internet Software & Services 3.0%		
▪ CMGI Inc.	440,000	858,000
▪ Google Inc., A	1,800	942,084
▪ The Knot Inc.	42,000	847,980
▪ Yahoo! Inc.	30,000	813,900
		<u>3,461,964</u>
Leisure Equipment & Products 0.6%		
Hasbro Inc.	20,000	628,200
		<u>628,200</u>
Machinery 1.0%		
Danaher Corp.	15,000	1,132,500
		<u>1,132,500</u>
Media 7.4%		
▪ Charter Communications Inc., A	220,000	891,000
▪ Cinemark Holdings, Inc.	30,000	536,700
Clear Channel Communications Inc.	20,000	756,400
Entercom Communications Corp.	26,000	647,140
▪ Genius Products Inc.	210,000	588,000
News Corp., A	60,000	1,272,600
▪ Outdoor Channel Holdings Inc.	54,000	608,580
Time Warner Inc.	40,000	841,600
▪ TiVo Inc.	100,000	579,000
The Walt Disney Co.	27,000	921,780
▪ XM Satellite Radio Holdings Inc., A	62,000	729,740
		<u>8,372,540</u>
Multiline Retail 0.6%		
Macy's Inc.	16,000	636,480
		<u>636,480</u>
Multi-Utilities 0.9%		
Puget Energy Inc.	40,000	967,200
		<u>967,200</u>
Oil, Gas & Consumable Fuels 5.5%		
Chesapeake Energy Corp.	20,000	692,000
Devon Energy Corp.	10,000	782,900
Exxon Mobil Corp.	48,000	4,026,240
Sunoco Inc.	10,000	796,800
		<u>6,297,940</u>
Paper & Forest Products 1.4%		
Louisiana-Pacific Corp.	30,000	567,600
Weyerhaeuser Co.	13,000	1,026,090
		<u>1,593,690</u>
Personal Products 0.7%		
Avon Products Inc.	22,000	808,500
		<u>808,500</u>
Pharmaceuticals 5.2%		
Johnson & Johnson	45,000	2,772,900
Mylan Laboratories Inc.	32,000	582,080
Pfizer Inc.	102,000	2,608,140
		<u>5,963,120</u>

Supplemental Information

**New Jersey Better Educational Savings Trust-
New Jersey Division of Investment Managed Investment Options**

 NJBest Pooled Equity Fund
 Statement of Investments, June 30, 2007

	Shares	Value
Common Stocks (continued)		
Real Estate Investment Trusts 1.1%		
Entertainment Properties Trust	15,000	\$ 806,700
Pennsylvania REIT	10,000	443,300
		<u>1,250,000</u>
Road & Rail 3.9%		
^a Celadon Group Inc.	54,000	858,600
Florida East Coast Industries Inc.	14,000	1,161,720
^a Kansas City Southern	38,000	1,426,520
Norfolk Southern Corp.	18,000	946,260
		<u>4,393,100</u>
Semiconductors & Semiconductor Equipment 6.1%		
^a Atheros Communication	17,000	524,280
^a Atmel Corp.	60,000	333,600
^a Cavium Networks Inc.	14,000	316,680
^a Conexant Systems Inc.	358,000	494,040
^a EMCORE Corp.	120,000	654,000
^a Integrated Device Technology Inc.	36,000	549,720
Intel Corp.	48,000	1,140,480
^a MEMC Electronic Materials Inc.	11,000	672,320
Microchip Technology Inc.	16,000	592,640
^a NVIDIA Corp.	10,000	413,100
^a ON Semiconductor Corp.	54,000	578,880
^a Ultra Clean Holdings Inc.	50,000	699,000
		<u>6,968,740</u>
Software 4.2%		
^a Aspen Technology Inc.	42,000	588,000
Microsoft Corp.	76,000	2,239,720
^a MSC Software Corp.	50,000	676,000
Oracle Corp.	27,000	532,170
^a Radiant Systems Inc.	47,000	622,280
^a The SCO Group Inc.	50,000	66,500
		<u>4,724,670</u>
Specialty Retail 1.1%		
^a Children's Place Retail Stores Inc.	11,000	568,040
Ross Stores Inc.	21,000	646,800
		<u>1,214,840</u>
Thriffs & Mortgage Finance 0.5%		
Freddie Mac	10,000	607,000
Tobacco 1.0%		
Reynolds American Inc.	18,000	1,173,600
Transportation Infrastructure 0.6%		
Macquarie Infrastructure Co. LL	17,000	705,160
Wireless Telecommunication Services 1.1%		
^a American Tower Corp., A	16,000	672,000
^a Clearwire Corp., A	22,000	537,460
		<u>1,209,460</u>
Total Common Stocks (Cost \$105,682,198)		<u>112,660,334</u>
Short Term Investments (Cost \$62,427) 0.1%		
State of New Jersey Cash Management Fund	62,427	62,427
Total Investments (Cost \$105,744,625) 99.1%		<u>112,722,761</u>
Other Assets Less Liabilities 0.9%		992,323
Total Net Assets 100.0%		<u>\$ 113,715,084</u>

^a Non-income producing for the twelve months ended June 30, 2007.