



Forester Value Fund

ANNUAL REPORT
MARCH 31, 2011

This report is submitted for the general information of shareholders of The Forester Funds. It is not authorized for distribution to prospective investors unless accompanied or preceded by an effective Prospectus for the Funds, which contains more information concerning the Funds' investment policies, as well as fees and expenses and other pertinent information. Read the Prospectus carefully before you invest or send money.

FORESTER VALUE FUND
Letter to Shareholders

Dear Fellow Shareholder:

We are pleased to have had another positive year in 2010 as the Federal Reserve continued to print money and bolster the equity markets. We prefer to see solid markets underpinned by increasing corporate earnings, consumer income growth and strong balance sheets of companies, consumers and governments. For calendar 2010 the Forester Value Fund returned 4.7% versus 15.1% for the S&P 500. For the fiscal year ended March 31, 2011, the Value Fund returned 5.2% versus 15.6% for the S&P 500. Since inception (9/10/99), the Value Fund has returned 5.5% annualized while the S&P 500 has returned 1.7% annualized.

This past year saw economic growth, albeit modest, return to the US. In addition to Federal Reserve printing, the federal government ran a deficit of around 10% to stimulate a soft economy. This was due to a softening economy mid-year and weakening southern Europe, namely Greece. The money printing has caused the US dollar to decline in value. This has caused global commodities that are priced to US dollars to increase, such as oil, copper and gold.

Oil ran from around \$80 per barrel in March, 2010 to almost \$110 by March, 2011.

ConocoPhillips was a prime beneficiary of the oil price increase. Conoco has been adjusting its portfolio to focus more on oil weighted E&P projects and reduce refining exposure. This was a good move over the past year as oil prices outperformed natural gas prices. Additionally, the company exited its underperforming Lukoil investment in Russia and other non core assets, using the proceeds to repurchased shares, reduce debt and increase the dividend. The company received better valuations than expected and increased share repurchases throughout the year, which were positive catalysts for the stock.

United Healthcare (UNH) had a very nice 2010 and returned around 40% for the fiscal year ending March, 2011. UNH is the largest US health insurer. Now that the US healthcare bill is signed into law, much of the uncertainty surrounding the impact on health insurers is gone. Investors have become much more comfortable that UNH can successfully manage that impact and continue to grow earnings. Both UNH's earnings and its multiple have increased and stock turned in a strong performance.

Going forward we are concerned that the government's 10% fiscal deficit and the Fed printing money are not sustainable. To date, the economy has not shown its ability to stand on its own without the stimulus. So we are cautious until it appears that the economy is self sustaining.

Europe is once again showing signs of stress. After bailouts of Greece, Ireland and Portugal, there are concerns that Greece may need more help which may lead to another round Euro weakness.

We will continue buying good stocks with exceptional appreciation potential. We believe that if we are patient, this should lead to outsized investment returns over the longer term. We believe that we are well positioned for this environment.

Thank you for investing with us.

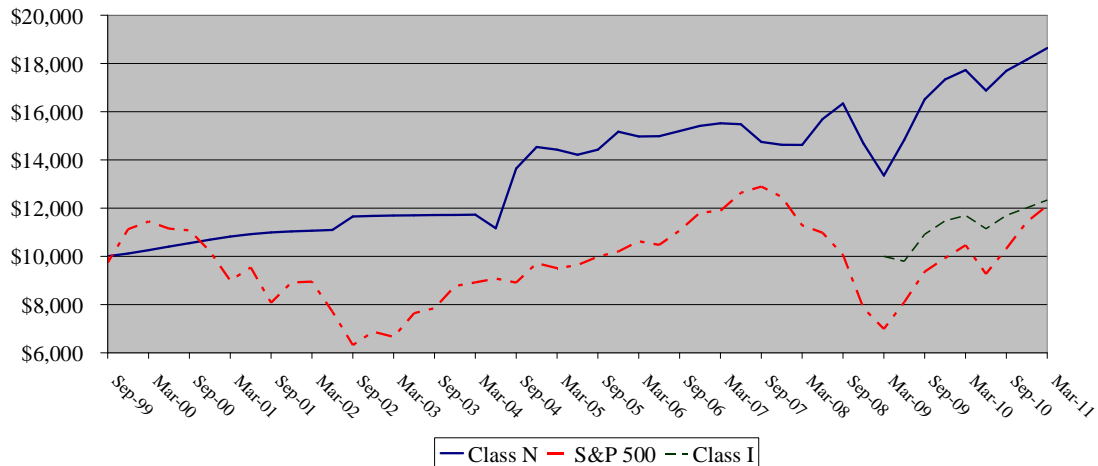
Best wishes,

Thomas H. Forester, President

**FORESTER FUNDS
THE FORESTER VALUE FUND RETURNS
MARCH 31, 2011 (UNAUDITED)**

<u>FUND/INDEX</u>	<u>1-YEAR</u>	<u>5-YEAR</u>	<u>SINCE INCEPTION</u>	<u>VALUE</u>
Forester Value Fund Class N	5.15%	4.48%	5.53%	\$18,640
Forester Value Fund Class I	5.44%	N/A	12.28%	\$12,334
Forester Value Fund Class R	N/A	N/A	2.71%	\$10,271
S&P 500 Stock Index	15.65%	2.63%	1.66%	\$12,102

Growth of \$10,000



The chart assumes an initial gross investment of \$10,000 made on 9/10/99 for Class N and S&P 500 Stock Index (Class N inception). The chart assumes an initial gross investment of \$10,000 made on 6/5/09 for Class I (Class I inception). The chart assumes an initial gross investment of \$10,000 made on 12/29/10 for Class R (Class R inception). Class R is not show in the graph above due to limited data.

Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. All returns reflect reinvested dividends but do not reflect the impact of taxes.

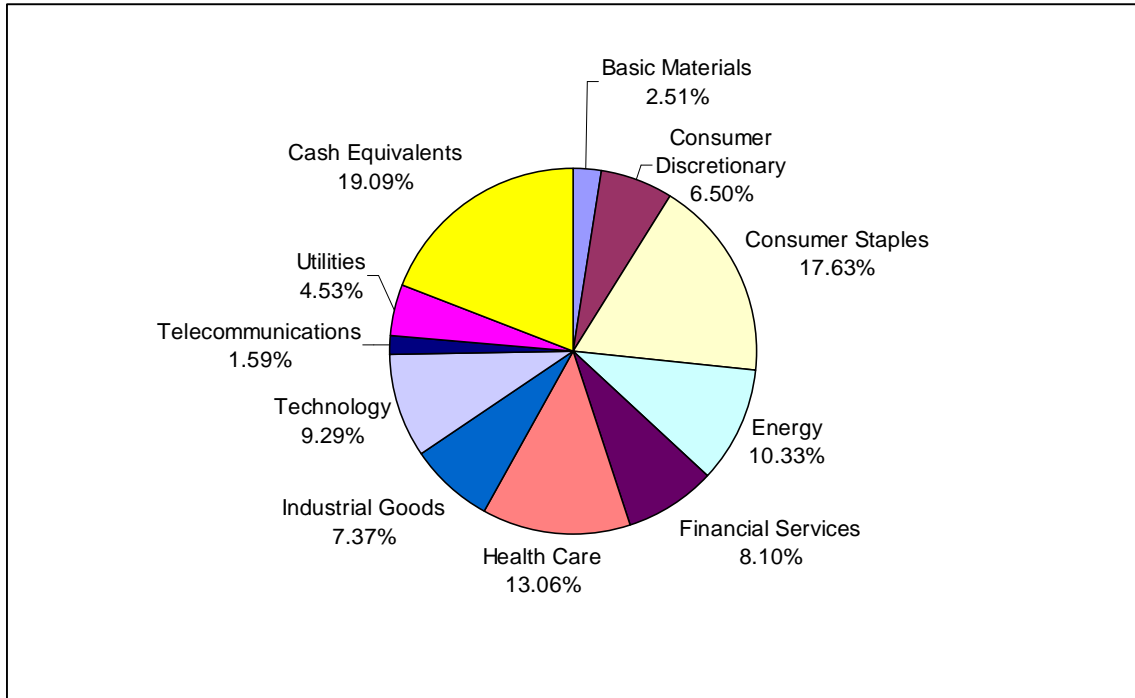
The Standard & Poor's 500 Index (S&P 500) is a market value-weighted index, representing the aggregate market value of the common equity of 500 stocks primarily traded on the New York Stock Exchange. The S&P 500 is a widely recognized, unmanaged index of common stock prices. The figures for the S&P 500 reflect all dividends reinvested but do not reflect any deductions for fees, expenses or taxes.

PERFORMANCE IS HISTORICAL AND DOES NOT GUARANTEE FUTURE RESULTS. AN INVESTMENT IN A MUTUAL FUND CONTAINS RISKS WHICH ARE DISCUSSED IN THE PROSPECTUS. PLEASE READ IT CAREFULLY BEFORE YOU INVEST OR SEND MONEY.

THE FORESTER VALUE FUND

PORTFOLIO ILLUSTRATION
MARCH 31, 2011 (UNAUDITED)

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



Forester Value Fund

Schedule of Investments

March 31, 2011

<u>Shares</u>	<u>Value</u>
COMMON STOCKS - 80.67%	
Basic Material - 2.50%	
24,450 Mosaic Co.	\$ 1,925,437
32,500 Newmont Mining Corp.	<u>1,773,850</u>
	3,699,287
Consumer Discretionary - 6.50%	
69,150 Best Buy Company, Inc.	1,985,988
166,100 Newell Rubbermaid, Inc.	3,177,493
42,900 Target Corp.	2,145,429
23,200 V.F. Corp.	<u>2,285,896</u>
	9,594,806
Consumer Staples - 17.62%	
171,550 Altria Group, Inc.	4,465,447
103,480 CVS Caremark Corp.	3,551,434
45,000 Kimberly Clark Corp.	2,937,150
108,672 Kraft Foods, Inc.	3,407,954
125,700 Kroger Co.	3,013,029
51,000 Molson Coors Brewing Co. Class B	2,391,390
45,200 Ralcorp Holdings, Inc. *	3,093,036
60,900 Wal-Mart Stores, Inc.	3,169,845
	26,029,285
Energy - 10.32%	
45,460 Chevron Corp.	4,886,495
45,820 ConocoPhillips	3,659,185
14,000 Devon Energy Corp.	1,284,780
79,100 Marathon Oil Corp.	4,216,821
15,400 Transocean Ltd. *	1,200,430

52,640	Allstate Corp.	1,672,899
60,330	Aon Corp.	3,195,077
71,170	Travelers Companies, Inc.	4,233,192
96,710	US Bancorp, Inc.	2,556,045
		11,657,213
Health Care - 13.06%		
53,700	Amgen Corp. *	2,870,265
139,700	Bristol Myers Squibb Co.	3,692,271
49,600	Johnson & Johnson, Inc.	2,938,800
51,150	Eli Lilly & Co.	1,798,945
71,391	Merck & Co., Inc.	2,356,617
120,954	Pfizer, Inc.	2,456,576
70,280	Unitedhealth Group, Inc.	3,176,656
		19,290,130
Industrial Goods - 7.37%		
40,470	3M Co.	3,783,945
40,970	General Dynamics Corp.	3,136,663
66,270	Honeywell International, Inc.	<u>3,956,982</u>
		10,877,590
Technology - 9.29%		
74,900	Hewlett-Packard Co.	3,068,653
22,280	International Business Machines Corp.	3,633,200
141,600	Microsoft Corp.	3,595,224
46,890	Oracle Corp.	1,567,650
100,300	Symantec Corp. *	<u>1,859,562</u>
		13,724,289
Telecommunications - 1.59%		
76,900	American Telephone & Telegraph, Inc.	2,353,909
Utilities - 4.53%		
77,660	American Electric Power Co, Inc.	2,728,972
22,860	Sempra Energy	1,223,010
146,000	Teco Energy, Inc.	<u>2,738,960</u>
		<u>6,690,942</u>
TOTAL FOR COMMON STOCKS (Cost \$98,235,587) - 80.67%		<u><u>119,165,162</u></u>

PUT OPTIONS - 0.21%

Underlying Security

Expiration Date/Exercise Price

Shares Subject to Put

60,000	S&P 100 Index * April 2011 Put @ 570.00	102,000
40,000	S&P 100 Index * May 2011 Put @ 560.00	206,000
TOTAL FOR PUT OPTIONS (Premiums Paid \$578,000) - 0.21%		308,000
SHORT TERM INVESTMENTS - 19.08%		
28,185,456	Fidelity Institutional Treasury 0.01% ** (Cost \$28,185,456)	<u>28,185,456</u>
TOTAL INVESTMENTS (Cost \$126,999,043) - 99.96%		147,658,618
ASSETS IN EXCESS OF OTHER LIABILITIES - 0.04%		<u>54,730</u>
NET ASSETS - 100.00%		\$147,713,348

* Non-income producing security during the period.

** Variable rate security; the coupon rate shown represents the yield at March 31, 2011.

The accompanying notes are an integral part of these financial statements.

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 - Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund 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 instrument on an active market, price for similar instruments, interest rates, prepayment speeds, yield curves, default rates and similar data.

Level 3 - Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available. 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 inputs used as of March 31, 2011, in valuing the Fund's investments carried at value:

Investments in Securities	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 119,165,162	\$ -	\$ -	\$ 119,165,162
Put Options	308,000	-	-	308,000
Short-Term Investments:				
Fidelity Institutional Treasury	28,185,456	-	-	28,185,456
	<u>\$ 147,658,618</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 147,658,618</u>

Forester Value Fund
Statement of Assets and Liabilities
March 31, 2011

Assets:	
Investments in Securities, at Value (Cost \$126,999,043)	\$ 147,658,618
Cash	1,000
Receivables:	
Shareholder Subscriptions	89,360
Dividends and Interest	<u>269,204</u>
Total Assets	<u>148,018,182</u>
Liabilities:	
Shareholder Redemptions	152,260
Due to Advisor	109,928
Accrued Administrative Fees	13,515
Accrued Distribution Fees	<u>29,131</u>
Total Liabilities	<u>304,834</u>
Net Assets	<u>\$ 147,713,348</u>

Net Assets Consist of:	
Paid In Capital	\$ 130,608,706
Accumulated Undistributed Net Investment Income	106,927
Accumulated Realized Loss on Investments	(3,661,859)
Unrealized Appreciation in Value of Investments	<u>20,659,574</u>
Net Assets, for 11,892,163 Shares Outstanding	<u>\$ 147,713,348</u>

Class I Shares:	
Net Assets	\$ 8,371,968
Shares outstanding (250,000,000 shares authorized with \$.001 par value)	664,341
Net asset value, offering price, and redemption price per share	\$ 12.60

Class N Shares:

Net Assets	\$	139,012,256
Shares outstanding (250,000,000 shares authorized with \$.001 par value)		11,201,511
Net asset value, offering price, and redemption price per share	\$	12.41

Class R Shares:

Net Assets	\$	329,124
Shares outstanding (250,000,000 shares authorized with \$.001 par value)		26,311
Net asset value, offering price, and redemption price per share	\$	12.51

The accompanying notes are an integral part of these financial statements.

Forester Value Fund
Statement of Operations
For the year ended March 31, 2011

Investment Income:	
Dividends	\$ 2,703,653
Interest	<u>2,711</u>
Total Investment Income	<u>2,706,364</u>
Expenses:	
Advisory Fees (Note 3)	1,112,728
Distribution (12b-1) Fees (Class N - \$301,926; Class R - \$128)	302,054
Administration Fees (Class I - \$4,230; Class N - \$133,091; Class R - \$28)	<u>137,349</u>
Total Expenses	<u>1,552,131</u>
Net Investment Income	<u>1,154,233</u>
Realized and Unrealized Gain (Loss) on Investments and Options:	
Realized Gain (Loss) on:	
Investments	2,806,525
Capital Gain Distribution from Investment Company	966
Options	<u>(5,541,463)</u>
	<u>(2,733,972)</u>
Net Change in Unrealized Appreciation (Depreciation) on:	
Investments	9,481,905
Options	<u>(222,900)</u>
	<u>9,259,005</u>
Net Realized and Unrealized Gain on Investments and Options	<u>6,525,033</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 7,679,266</u>

The accompanying notes are an integral part of these financial statements.

Forester Value Fund

Statements of Changes in Net Assets

	Years Ended	
	<u>3/31/2011</u>	<u>3/31/2010</u>
Increase (Decrease) in Net Assets From Operations:		
Net Investment Income	\$1,154,233	\$1,064,409
Net Realized Gain (Loss) on Investments and Options	(2,733,972)	1,526,479
Unrealized Appreciation on Investments	<u>9,259,005</u>	<u>19,929,984</u>
Net Increase in Net Assets Resulting from Operations	<u>7,679,266</u>	<u>22,520,872</u>
Distributions to Shareholders: (Note 7)		
Net Investment Income:		
Class I Shares	(28,700)	(4,313)
Class N Shares	(1,025,001)	(1,109,116)
Class R Shares	<u>-</u>	<u>-</u>
Total Distributions Paid to Shareholders	<u>(1,053,701)</u>	<u>(1,113,429)</u>
Capital Share Transactions (Note 6)	<u>40,121,034</u>	<u>17,579,697</u>
Total Increase	46,746,599	38,987,140
Net Assets:		
Beginning of Period	<u>100,966,749</u>	<u>61,979,609</u>
End of Period (Including Undistributed Net Investment Income of \$106,927 and \$352,195, respectively)	<u>\$ 147,713,348</u>	<u>\$100,966,749</u>

The accompanying notes are an integral part of these financial statements.

Forester Value Fund - Class I

Financial Highlights

Selected data for a share outstanding throughout the period.

	Year Ended 3/31/2011	Period Ended 3/31/2010*
Net Asset Value, at Beginning of Period	\$ <u>12.00</u>	\$ <u>10.31</u>
Income From Investment Operations:		
Net Investment Income **	0.15	0.14
Net Gain (Loss) on Securities (Realized and Unrealized)	<u>0.50</u>	<u>1.61</u>
Total from Investment Operations	0.65	1.75
Distributions:		
Net Investment Income	(0.05)	(0.06)
Realized Gains	<u>-</u>	<u>-</u>
Total from Distributions	(0.05)	(0.06)
Net Asset Value, at End of Year	\$ <u>12.60</u>	\$ <u>12.00</u>
Total Return ***	5.44%	16.98%
Ratios/Supplemental Data:		
Net Assets at End of Period (Thousands)	\$ 8,372	\$ 1,178
Ratio of Expenses to Average Net Assets****	0.99%	0.98%
Ratio of Net Investment Income to Average Net Assets****	1.20%	1.52%
Portfolio Turnover	28.99%	36.90%

* For the Period June 5, 2009 (commencement of investment operations) through March 31, 2010.

** Per share net investment income has been determined on the basis of average shares outstanding during the period.

*** Assumes reinvestment of dividends.

**** Annualized for period less than one year.

The accompanying notes are an integral part of these financial statements.

Forester Value Fund - Class N
Financial Highlights
Selected data for a share outstanding throughout the period.

	Years Ended				
	<u>3/31/2011</u>	<u>3/31/2010</u>	<u>3/31/2009</u>	<u>3/31/2008</u>	<u>3/31/2007</u>
Net Asset Value, at Beginning of Period	\$ 11.89	\$ 9.07	\$ 10.67	\$ 11.60	\$ 11.26
Income From Investment Operations:					
Net Investment Income *	0.11	0.13	0.20	0.15	0.16
Net Gain (Loss) on Securities (Realized and Unrealized)	<u>0.50</u>	<u>2.82</u>	<u>(1.09)</u>	<u>(0.82)</u>	<u>0.25</u>
Total from Investment Operations	0.61	2.95	(0.89)	(0.67)	0.41
Distributions:					
Net Investment Income	(0.09)	(0.13)	(0.04)	(0.26)	(0.07)
Realized Gains	<u>-</u>	<u>-</u>	<u>(0.67)</u>	<u>-</u>	<u>-</u>
Total from Distributions	(0.09)	(0.13)	(0.71)	(0.26)	(0.07)
Net Asset Value, at End of Year	<u>\$ 12.41</u>	<u>\$ 11.89</u>	<u>\$ 9.07</u>	<u>\$ 10.67</u>	<u>\$ 11.60</u>
Total Return **	5.15%	32.58%	(8.67)%	(5.77)%	3.65%
Ratios/Supplemental Data:					
Net Assets at End of Period (Thousands)	\$ 139,012	\$ 99,789	\$ 61,980	\$ 1,927	\$ 3,657
Ratio of Expenses to Average Net Assets	1.25%	1.27%	1.35%	1.35%	1.35%
Ratio of Net Investment Income to Average Net Assets	0.91%	1.23%	2.02%	1.34%	1.43%
Portfolio Turnover	28.99%	36.90%	269.29%	78.22%	64.98%

* Per share net investment income has been determined on the basis of average shares outstanding during the period.

** Assumes reinvestment of dividends.

The accompanying notes are an integral part of these financial statements.

Forester Value Fund - Class R

Financial Highlights

Selected data for a share outstanding throughout the period.

	Period Ended 3/31/2011*
Net Asset Value, at Beginning of Period	\$ <u>12.18</u>
Income From Investment Operations:	
Net Investment Income **	0.04
Net Gain (Loss) on Securities (Realized and Unrealized)	<u>0.29</u>
Total from Investment Operations	0.33
Distributions:	
Net Investment Income	-
Realized Gains	<u>-</u>
Total from Distributions	-
Net Asset Value, at End of Year	\$ <u>12.51</u>
Total Return ***	2.71%
Ratios/Supplemental Data:	
Net Assets at End of Period (Thousands)	\$ 329
Ratio of Expenses to Average Net Assets****	1.45%
Ratio of Net Investment Income to Average Net Assets****	1.14%
Portfolio Turnover	28.99%

* For the Period December 29, 2010 (commencement of investment operations) through March 31, 2011.

** Per share net investment income has been determined on the basis of average shares outstanding during the period.

*** Assumes reinvestment of dividends.

**** Annualized

The accompanying notes are an integral part of these financial statements.

The Forester Value Fund

Notes to Financial Statements March 31, 2011

1.) ORGANIZATION

The Forester Funds, Inc. (the "Company") is an open-end diversified investment company currently offering two series of shares: The Forester Value Fund and The Forester Discovery Fund. The Forester Value Fund currently offers three classes of shares, Class I shares, Class N shares and Class R shares. The Company was incorporated as a Maryland corporation on April 7, 1999. The accompanying financial statements are those of the Forester Value Fund (the "Fund"). The Fund commenced operations on September 10, 1999.

The objective of the Fund is to seek long-term growth of capital.

2.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America.

Security Valuation - Portfolio securities that are listed on national securities exchanges or the NASDAQ National Market System are valued at the last sale price as of 4:00 p.m. Eastern time, or in the absence of recorded sales, at the readily available closing bid price on such exchanges or such System. Unlisted securities that are not included in such System are valued at the quoted bid price in the over-the-counter-market. Securities and other assets for which market quotations are not readily available are valued at fair value as determined in good faith by the Advisor under procedures established by and under the general supervision and responsibility of the Fund's Board of Directors. Short-term investments are valued at amortized cost, if their original maturity was 60 days or less, or by amortizing the values as of the 61st day prior to maturity, if their original term to maturity exceeded 60 days.

Fair Value Pricing - The Board of Directors has delegated to Forester Capital Management, Inc. (the "Advisor") the responsibility for determining the value of Fund portfolio securities under certain circumstances. Under such circumstances, the Advisor will use its best efforts to arrive at the fair value of a security held by the Fund under all reasonably ascertainable facts and circumstances. The Advisor must prepare a report for the Board not less than quarterly containing a complete listing of any securities for which fair value pricing was employed and detailing the specific reasons for such fair value pricing. The Fund has adopted written policies and procedures to guide the Advisor with respect to the circumstances under which, and the methods to be used, in fair valuing securities.

The Fund invests the vast majority of its assets in frequently traded exchange listed securities of domestic issuers with relatively liquid markets and calculate its NAV as of the time those exchanges close. The Fund typically does not invest in securities on foreign exchanges or in illiquid or restricted securities. Accordingly, there may be very limited circumstances under which the Fund would ever hold a security that would need to be fair value priced. Examples of when it would be likely that a portfolio security would require fair value pricing include but are not limited to: if the exchange on which a portfolio security traded were to close early; if trading in a particular security were to be halted on an exchange and did not resume trading prior to calculation of NAV; if a significant event that materially affected the value of a security were to occur after the securities' exchange had closed but before the Fund's NAV had been

calculated; and if a security that had a significant exposure to foreign operations was subject to a material event or occurrence in a foreign jurisdiction in which the company had significant operations.

When a security is fair value priced, it means that the Advisor is calculating the value of that security on a day and under circumstances where reliable pricing information from normal sources is not available. Accordingly, there is always the possibility that the Advisor's calculations concerning security value could be wrong, and as a result, the Fund's NAV on that day could be higher or lower, depending on how the security was valued, than would otherwise be the case.

Federal Income Taxes - The Fund intends to comply with the requirements of the Internal Revenue Code necessary to qualify as a regulated investment company and as such will not be subject to federal income taxes on otherwise taxable income (including net realized capital gains) which are distributed to shareholders.

In addition, Generally Accepted Accounting Principles (GAAP) requires management of the Fund to analyze all open tax years, fiscal years 2008-2011, as defined by IRS statute of limitations for all major industries, including federal tax authorities and certain state tax authorities. As of and during the period ended March 31, 2011, the Fund did not have a liability for any unrecognized tax benefits. The Fund has no examination in progress and is not aware of any tax positions for which it is reasonably possible that the total tax amounts of unrecognized tax benefits will significantly change in the next twelve months.

Security Transactions, Investment Income and Distributions to Shareholders - As is common in the industry, security transactions are accounted for on the trade date (the date the securities are purchased or sold). Interest income is recorded on the accrual basis. Bond premiums and discounts are amortized in accordance with Federal income tax regulations. Dividend income and distributions to shareholders are recorded on the ex-dividend date.

Use of Estimates in Financial Statements - The preparation of financial statements in conformity with generally accepted accounting principles 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 increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates and assumptions.

Short Sales - The Fund may sell a security it does not own in anticipation of a decline in the fair value of that security. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which it made the short sale. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, will be recognized upon the termination of a short sale.

Option Writing - When the Fund writes an option, an amount equal to the premium received by the Fund is recorded as a liability and is subsequently adjusted to the current fair value of the option written. Premiums received from writing options that expire unexercised are treated by the Fund on the expiration date as realized gains from investments. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or, if the premium is less than the amount paid for the closing transaction, as a realized loss. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security or currency in determining whether the Fund has realized a gain or loss. If a put option is exercised, the premium reduces the cost basis of the securities purchased by the Fund. The Fund as a writer of an option bears the market risk of an unfavorable change in the price of the security underlying the written option.

Derivatives - The Fund adopted FASB Accounting Standards Codification guidance regarding "Disclosures about Derivative Instruments and Hedging Activities" effective

January 1, 2009. This guidance requires enhanced disclosures about the Fund's derivative and hedging activities, including how such activities are accounted for and their effect on the Fund's financial position, performance and cash flows. See Note 5 for additional disclosures on derivative investments at March 31, 2011.

Subsequent Event - Management has evaluated the impact of all subsequent events on the Fund through the issuance of these financial statements and has noted no such events requiring disclosure.

3.) TRANSACTIONS WITH AFFILIATES

Investment Advisory Agreement - For the year ended March 31, 2011, Forester Capital Management, Ltd. (the "Advisor") provided the Fund with investment management services under an Investment Advisory Agreement. The Advisor furnished all investment advice, office space and certain administrative services, and personnel needed by the Fund. The Advisor received a management fee of 0.89% of the Fund's average daily net assets for Class I, Class N and Class R. Class R commenced investment operations December 29, 2010. For the year ended March 31, 2011, the Fund paid the Advisor a management fee of \$37,644 for Class I, \$1,074,857 for Class N, and \$227 for Class R for the period December 29, 2010 through March 31, 2011. The Fund owes the Advisor \$109,928 for management fees as of March 31, 2011.

The Fund pays the Advisor a fee for all other normal operating expenses of 0.10% for Class I, 0.11% for Class N, and 0.11% for Class R. For the year ended March 31, 2011, the Fund paid the Advisor a fee of \$4,230 for Class I, \$133,091 for Class N and \$28 for Class R for the period December 29, 2010 through March 31, 2011. The Fund owed the Advisor \$13,515 at March 31, 2011, for administrative fees.

Distribution Agreement and Plan - The Fund has adopted a Distribution Plan pursuant to which the Fund paid broker-dealers for distributing Class N and Class R shares of the Fund. This expense is limited to 0.25% of Class N average net assets and 0.50% of Class R average net assets. For the year ended March 31, 2011, the Fund paid \$301,926 for Class N and \$128 for Class R for the period December 29, 2010 through March 31, 2011.

Thomas Forester is the control person of the Advisor and also serves as a trustee and officer of the Trust. Mr. Forester receives benefits from the Advisor resulting from management fees paid to the Advisor by the Fund.

4.) INVESTMENT TRANSACTIONS

For the year ended March 31, 2011, purchases and sales of investment securities other than short-term investments aggregated \$53,311,963 and \$28,520,812, respectively. Purchases and sales of options aggregated \$24,161,559 and \$18,118,996, respectively.

5.) PUT & CALL OPTIONS PURCHASED

As of March 31, 2011, the Fund had put options valued at \$308,000.

Transactions in call and put options purchased during the year ended March 31, 2011, were as follows:

	Number of Contracts	Premiums Paid
Options outstanding at March 31, 2010	200	\$76,900
Options purchased	28,920	24,161,559
Options written	-	-
Options exercised	-	-
Options expired	(1,770)	(464,174)
Options terminated in closing purchase transaction	<u>(26,350)</u>	<u>(23,196,285)</u>
Options outstanding at March 31, 2011	<u>1,000</u>	<u>\$578,000</u>

Realized and unrealized gains and losses on derivatives contracts entered into during the year ended March 31, 2011 by the Fund are recorded in the following locations in the Statement of Operations:

	<u>Location</u>	<u>Realized (Loss)</u>	<u>Location</u>	<u>Unrealized Appreciation</u>
<i>Put Options Purchased</i>	Realized Loss on Options	(\$5,541,463)	Net Change in Unrealized Depreciation on Options	(\$222,900)

6.) CAPITAL SHARE TRANSACTIONS

As of March 31, 2011, there were 250,000,000 shares of capital stock with a par value of \$.001 authorized. The total par value and paid in capital totaled \$130,608,706. Transactions in capital stock were as follows:

CLASS N SHARES	<u>Year Ended March 31, 2011</u>		<u>Year ended March 31, 2010</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares sold	7,110,191	\$84,653,890	6,219,763	\$67,444,503
Shares issued in reinvestment of dividends	79,856	965,455	86,403	1,004,001
Shares redeemed	<u>(4,381,338)</u>	<u>(52,662,419)</u>	<u>(4,744,009)</u>	<u>(51,976,087)</u>
Net increase	<u>2,808,709</u>	<u>\$32,956,926</u>	<u>1,562,157</u>	<u>\$16,472,417</u>

CLASS I SHARES	<u>Year Ended March 31, 2011</u>		<u>Year ended March 31, 2010</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Shares sold	685,177	\$8,321,037	98,041	\$1,106,354
Shares issued in reinvestment of dividends	2,337	28,654	368	4,313
Shares redeemed	<u>(121,294)</u>	<u>(1,511,996)</u>	<u>(288)</u>	<u>(3,387)</u>
Net increase	<u>566,220</u>	<u>\$6,837,695</u>	<u>98,121</u>	<u>\$1,107,280</u>

**December 29, 2010
through
March 31, 2011**

CLASS R SHARES	<u>Shares</u>	<u>Amount</u>
Shares sold	26,315	\$326,461
Shares issued in reinvestment of dividends	-	-
Shares redeemed	<u>(4)</u>	<u>(48)</u>
Net increase	<u>26,311</u>	<u>\$326,413</u>

7.) TAX MATTERS

Income and long-term capital gain distributions are determined in accordance with Federal income tax regulations, which may differ from accounting principles generally accepted in the United States. As of March 31, 2011 the tax basis components of distributable earnings, unrealized appreciation (depreciation) and tax cost of investment securities, including short-term investments, were as follows:

Undistributed ordinary income	<u>\$ 1,154,233</u>
Capital loss carry forwards +	
Expiring 3/31/2018	\$ 731,668
Expiring 3/31/2019	<u>932,573</u>
Total Capital Loss Carry Forwards	<u>\$ 1,664,241</u>
Post-October capital loss deferrals between 11/110 ó 3/31/11 *	<u>\$ 2,071,399</u>
Gross unrealized appreciation on investment securities	\$ 22,687,326
Gross unrealized depreciation on investment securities	<u>(1,953,965)</u>
Net unrealized appreciation on investment securities	<u>\$ 20,733,361</u>
Tax cost of investment securities, including short-term investments **	<u>\$126,617,258</u>

+The capital loss carry forward will be used to offset any capital gains realized by the Funds in future years through the expiration date. The Fund will not make distributions from capital gains while a capital loss carry forward remains

* These deferrals are considered incurred in subsequent year.

**The difference between the book cost and tax cost of investments represents disallowed wash sales for tax purposes.

The tax character of distributions paid during the years ended March 31, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Ordinary income:		
Class N Shares	\$1,025,001	\$1,109,116
Class I Shares	28,700	4,313

On December 30, 2010 distributions of \$.0904 and \$.0512 per share were paid to Class N shareholders and Class I shareholders, respectively, aggregating \$1,053,701 paid to shareholders of record on the same date, from net investment income.

8.) CONTROL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the Investment Company Act of 1940, as amended. As of March 31, 2011, National Financial Service LLC, in omnibus accounts, in aggregate, owned approximately 35.50% of the Fund and may be deemed to control the Fund. As of March 31, 2011, Charles Schwab & Company, Inc., in omnibus accounts, in aggregate, owned approximately 43.92% of the Fund and may be deemed to control the Fund.

9.) NEW ACCOUNTING PRONOUNCEMENT

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-06 Improving Disclosures about Fair Value Measurements. ASU No. 2010-06 amends FASB Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures, to require additional disclosures regarding fair value measurements. Certain disclosures required by ASU No. 2010-06 are effective for interim and annual reporting periods beginning after December 31, 2009 and others for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. Management is currently evaluating the impact ASU No. 2010-06 will have on the Fund's financial statement disclosures. The implementation of the ASC did not have a material effect on the Fund's financial disclosures contained in this report.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and
Board of Directors
The Forester Funds, Inc.

We have audited the accompanying statement of assets and liabilities of The Forester Value Fund, (the "Fund"), a series of The Forester Funds, Inc., including the schedule of investments, as of March 31, 2011 and the related statement of operations for the year then ended, and the statements of changes in net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities and cash owned as of March 31, 2011, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of The Forester Value Fund, a series of The Forester Funds, Inc., as of March 31, 2011, 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.

Abington, Pennsylvania



May 25, 2011

Forester Value Fund

Expense Illustration

March 31, 2011 (Unaudited)

Expense Example

As a shareholder of the Forester Value Fund, you incur ongoing costs which typically consist of management 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, October 1, 2010 through March 31, 2011.

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. 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 this 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.

	Forester Value Fund - Class N		
	Beginning Account Value	Ending Account Value	Expenses Paid During the Period *
	<u>October 1, 2010</u>	<u>March 31, 2011</u>	<u>October 1, 2010 through March 31, 2011</u>
Actual	\$1,000.00	\$1,053.31	\$6.40
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,018.70	\$6.29

* Expenses are equal to the Fund's annualized expense ratio of 1.25%, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period).

Forester Value Fund - Class I

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period *
	<u>October 1, 2010</u>	<u>March 31, 2011</u>	<u>October 1, 2010 through March 31, 2011</u>
Actual	\$1,000.00	\$1,054.38	\$5.07
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,020.00	\$4.99

* Expenses are equal to the Fund's annualized expense ratio of 0.99%, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period).

Forester Value Fund - Class R

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period *
	<u>October 1, 2010</u>	<u>March 31, 2011</u>	<u>October 1, 2010 through March 31, 2011</u>
Actual	\$1,000.00	\$1,027.09	\$7.33
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,017.70	\$7.29

* Expenses are equal to the Fund's annualized expense ratio of 1.45%, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period).

Forester Value Fund - Class R

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period *
	<u>December 29, 2010</u>	<u>March 31, 2011</u>	<u>December 29, 2010 through March 31, 2011</u>
Actual	\$1,000.00	\$1,027.09	\$3.74
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,009.05	\$3.71

* Expenses are equal to the Fund's annualized expense ratio of 1.45%, multiplied by the average account value over the period, multiplied by 93/365 (to reflect the one-half year period).

THE FORESTER VALUE FUND

DIRECTORS AND OFFICERS MARCH 31, 2011 (UNAUDITED)

The following table provides information regarding each Director who is not an interested person of the Company, as defined in the Investment Company Act of 1940.

<u>Name, Address, Age</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios Overseen</u>	<u>Principal Occupation During Past Five Years and Current Directorships</u>
Michael B. Kelley 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 51	Director	Indefinite; Since Inception	2	Mr. Kelley has been a National Account Executive for Concept Amenities since March, 2009. Prior to that he was a National Account Executive for American Hotel Supply for more than five years
Stanley Simpson 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 53	Director	Indefinite; Since March 2007	2	Stanley Simpson has been a commodities trader on the Chicago Mercantile Exchange for more than five years.
Barry Meyer 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 52	Director	Indefinite; Since March 2007	2	Barry Meyer has been President of Arcspec, a distributor of commercial construction materials for more than five years.

The following table provides information regarding each Director who is an interested person of the Company, as defined in the Investment Company Act of 1940, and each officer of the Trust.

<u>Name, Address, Age</u>	<u>Position(s) Held with the Fund</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios Overseen</u>	<u>Principal Occupation During Past Five Years and Current Directorships</u>
Thomas H. Forester ¹ 100 Field Dr., Ste 330 Lake Forest, IL 60045 Age: 52	Director; President; Treasurer	Indefinite; Since Inception	2	Mr. Forester has been the President of the Advisor since 2/99, Officer and Portfolio Manager with Dreman Value Advisors from 5/97 - 1/99.

¹ Mr. Forester is considered "Interested Director of the Fund as defined in the Investment Company Act of 1940, as amended, because he is affiliated with the Adviser.

Each Director, except Mr. Forester, was paid a total fee of \$5,000 for the year ended March 31, 2011.

THE FORESTER VALUE FUND

ADDITIONAL INFORMATION MARCH 31, 2011 (UNAUDITED)

Portfolio Holdings - The Fund files a complete schedule of investments with the SEC for the first and third quarter of each fiscal year on Form N-Q. The Fund's first and third fiscal quarters end on June 30 and December 31. The Form N-Q filing must be made within 60 days of the end of the quarter, and the Fund's first Form N-Q was filed with the SEC on February 25, 2005. The Fund's Forms N-Q are available on the SEC's website at <http://sec.gov>, or they may be reviewed and copied at the SEC's Public Reference Room in Washington, DC (call 1-800-732-0330 for information on the operation of the Public Reference Room). You may also obtain copies by calling the Fund at 1-800-388-0365, free of charge.

Proxy Voting - A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted proxies during the 12-month period ended June 30, are available without charge upon request by (1) calling the Fund at 1-800-388-0365 and (2) from Fund documents filed with the Securities and Exchange Commission ("SEC") on the SEC's website at www.sec.gov. A review of how the Fund voted on company proxies can be obtained at our transfer agent's website, www.mutualss.com.

Additional Information - The Fund's Statement of Additional Information ("SAI") includes additional information about the trustees and is available, without charge, upon request. You may call toll-free 1-800-388-0365 to request a copy of the SAI or to make shareholder inquiries.

Advisory Renewal Agreement - At a board meeting held on March 10, 2011 the Board of Directors, including a majority of independent Directors, determined whether to renew the Advisory Agreement. The 1940 Act requires that the Board request and evaluate, and that the Advisor provide, such information as may be reasonably necessary to evaluate the terms of the Advisory Agreement.

A discussion was held about approving the continuation of the investment management agreement, the Board considered:

- the nature, extent and quality of the services provided by the Adviser
- the investment performance of the Fund
- the costs of the services to be provided and profits to be realized by the Adviser and its affiliates from the relationship with the Funds
- the extent to which economies of scale would be realized as the mutual fund grows and whether fee levels reflect these economies of scale for the benefit of mutual fund investors
- the expense ratios of the Fund

In considering the nature, extent and quality of the services provided by the Adviser, the Board considered an oral presentation by the Adviser describing the portfolio management, shareholder communication, and regulatory compliance services provided by the Adviser to the Fund. The Directors concluded that the Adviser was providing essential services to the Fund.

The Directors compared the performance of the Fund to benchmark indices over various periods of time and concluded that the performance of the Fund warranted the continuation of the advisory agreement. The Directors noted that in addition to the absolute performance of the Fund, they also noted that the Fund adhered to their investment style.

In concluding that the advisory fees payable by the Fund were reasonable, the Directors reviewed reports comparing the expense ratios and advisory fees paid by the Fund to those paid by other comparable mutual funds and concluded that the advisory fees paid by the Fund and the expense ratio of the Fund was in the range of comparable mutual funds (1.25% Fund expense ratio versus a median of 1.28% for 1,360 funds in the Morningstar Large Value Category). After discussion, Forester Capital Management, Ltd. was reappointed as the investment adviser to the Forester Value Fund, and that the investment advisory agreement is approved and extended for another year.