
ABSOLUTEStrategies
FUND

ANNUAL REPORT

MARCH 31, 2007

ABSOLUTE
INVESTMENT ADVISERS

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ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS

MARCH 31, 2007

Dear Shareholder,

We are pleased to present the annual report for the Absolute Strategies Fund (the "Fund") for the year ended March 31, 2007. The Fund seeks to achieve long-term capital appreciation with an emphasis on absolute (positive) returns and low correlation (beta) to traditional financial market indices such as the S&P 500 Index. Please see the accompanying table and chart following this commentary for complete return information.

The Fund's emphasis on risk management differs from more traditional investments which achieve returns from general market or beta exposures. The Fund and its sub-advisers do not attempt to track a traditional benchmark or index, such as the S&P 500 Index. Instead, we seek to achieve absolute (positive) returns independent of traditional indices over a complete market cycle (bull and bear markets combined) by using multiple investment strategies. As such, our performance will likely differ from the performance of major market indices during both up and down periods. In addition, the sub-advisers may selectively take risk, hedge risk, or seek to avoid risk in individual securities or industries without being constrained by managing to a benchmark.

Fund performance has been achieved with low net exposure to any single industry group and with low concentration in any individual security. Much of the portfolio is hedged with approximately 10% of net assets exposed to equities. From inception to March 31, 2007, the Fund's daily returns had a beta of 0.2 to the S&P 500 Index demonstrating that Fund returns were largely independent of this market index. The largest up and down days have been +0.69% and (0.58%) respectively. The annualized standard deviation of monthly returns, a measure of portfolio volatility and risk, has been just 2.1% with only 2 negative months since inception.

Market volatility, which has been very low for the past several years, finally returned to the global markets during 1st quarter 2007, and the Fund proved to be well positioned to mitigate the market dislocation. On February 27th, when the major indices were down 3-4%, the Fund was down 0.38%, or about $\frac{1}{10}$ th of the loss of the S&P 500. During the 1st quarter of 2007, the Fund's Institutional Shares had a total return of 1.63% with positive returns each month. For performance data for other share classes please see page 6.

With the addition of two sub-advisers and the deletion of three, our model currently allocates assets to all 12 sub-advisers. Each sub-adviser is viewed as an independent risk/return profile and each maintains a strict discipline for seeking risk-adjusted returns. As expected, the sub-advisers have produced a range of return profiles that combine to form the overall portfolio. All returns and allocations are viewed on a risk-adjusted basis and are weighted to produce an efficient portfolio. As of March 31, 2007, we allocated approximately 99% of the Fund's assets; the remaining 1% was held in cash for future allocations. Of the sub-advisers who received assets, the largest allocation to a single strategy was approximately 15%; the smallest was roughly 2%.

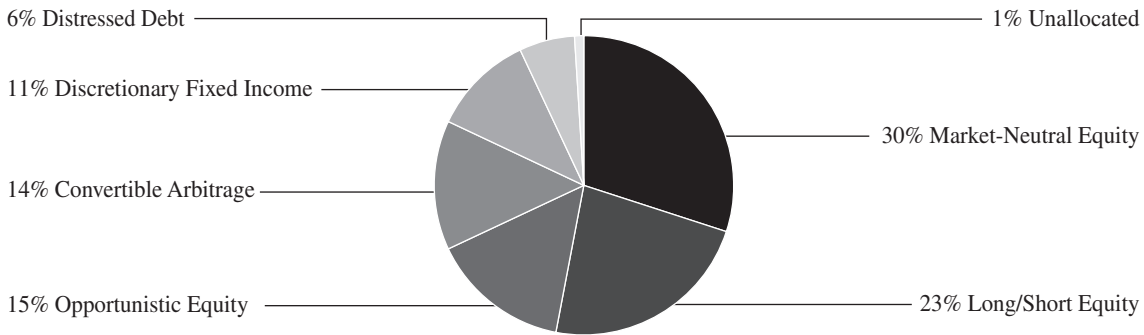
Fund assets are actively managed by sub-advisers within clearly specified mandates and allocations, and the sub-advisers act independently of one another. This provides access to a diverse set of investment opportunities and enables each sub-adviser's performance to be monitored with respect to individual

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS

MARCH 31, 2007

strategies and to overall portfolio objectives. We allocate assets to sub-advisers through a quantitative model that focuses on optimizing manager allocations based on performance, risk, correlation and diversification across multiple asset classes and investment styles. The investment process monitors individual manager exposures and return attribution on an ongoing basis; however, it is not our intent to actively manage portfolio allocations based on any macro-economic analysis or traditional asset allocation strategy. While we view each manager strategy as an independent risk/return profile, the following chart illustrates a summary breakdown of our sub-adviser allocations by style, (each category may represent multiple sub-adviser strategies):



Since inception through March 31, each sub-adviser receiving an allocation had a positive return.

The Fund's allocations and performance can be viewed along multiple dimensions. Overall holdings of the Fund, aggregated across sub-adviser strategies, are diversified across a wide range of industries and asset classes. As such, it is difficult to attribute performance to any small group of securities. As of March 31, 2007, net assets totaled \$246.9 million, an increase of 119% for the period. The Fund held approximately 1,500 securities in over 50 industry groups, including both long and short equities and various fixed income securities. The Fund's long and short equity exposure was approximately \$138 million and \$117 million respectively, including the notional value of options and futures hedges. Due to our long and short equity positions, our largest net industry group exposure was in Diversified Financial Services, which represents approximately 4% of net assets. Our largest single long stock position was in Coca Cola, which represents 1.1% of net assets. Convertible bonds and other fixed income securities totaled approximately 11% and 10% of net assets respectively; these securities are utilized in convertible arbitrage, distressed debt, and discretionary fixed income strategies. Cash held by our sub-advisers was approximately 24% of net assets; much of this cash is held as collateral for options, futures, and short positions.

Performance is driven by risk/return opportunities for our sub-advisers and the Fund's discipline for risk management and diversification. The opportunistic equity, equity long/short and distressed debt strategies contributed significantly to the returns for the period. The fixed-income sub-advisers held relatively defensive and low duration investment positions in high quality securities, resulting in modest returns. Strategies that utilize short positions, particularly equity market neutral, have had returns below expectations largely due to the low volatility environment and investors' continuing preference for low quality equities, as measured by

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS

MARCH 31, 2007

Standard & Poors quality ratings. Continued speculation in low quality securities, both equity and debt, makes it difficult for certain strategies to capture opportunities and inefficiencies that produce high risk-adjusted returns. A return to a normalized environment in terms of volatility may improve risk/reward opportunities.

To get an idea of how remarkable this market is in terms of low volatility, consider that the one-day drop in the Dow Jones Industrial Average on February 27, 2007, broke a streak of 910 trading days without a 2% drop. According to Birinyi Associates, this record streak dates back to at least the year 1900, and was the longest streak since May 1970. Research has shown that volatility tends to be cyclical and that low volatility was somewhat absent throughout the remainder of the 1970s.

Additionally, much of the recent surge in the equity markets seems to be “All About Beta.” Beta is often defined as return which is “explained by the market” or an index as opposed to return explained by skill; however, it appears that any recent beta investment can make an investor appear to be a skilled stock picker (and the higher the beta the better). We have been stressing in our quarterly commentaries that many asset classes with traditionally “low beta” vs. the S&P 500 have been exhibiting relatively high sensitivity over the past few years. Although these asset classes are considered equity market “diversifiers,” they have become highly sensitive to general market volatility. As such, advisors and investors should pay close attention to the “new” betas of their asset classes. For example, the betas of Real Estate Investment Trusts (REITs), Small Cap Value, and Emerging Markets to the S&P 500 have been 1.3, 1.5, and 1.8 respectively over the past 3 years vs. 0.2, 0.6, and 1.0 historically. Even many hedge funds have been riding the “market wave” as indicated by the HFRX Equity Hedge Index which has had a beta of 0.6 over the past 3 years vs. 0.3 historically. Such market sensitivity has been significantly correlated during down markets. It is worth noting that these groups (along with several other trendy assets) had draw-downs of 8-15% during the minor dip in the markets in the 2nd quarter of 2006, and had sizable losses again in the 1st quarter of 2007. This sensitivity could be especially eye-opening and uncomfortable for many investors when average volatility returns to the markets.

The S&P 500 has been in a 4+ year bull market with low volatility and minimal corrections. Yet, as of March 31, it has had a modest annualized return of 6.25% over the past 5 years and just 2.9% annualized over the past 8 years. These less than stellar, longer term returns appear to go overlooked by many investors who instead are focused on today’s perfect fundamental conditions, also referred to as “Goldilocks.” Low interest rates, low inflation and record profit margins have rekindled investors’ animal spirits and have reinforced a willingness to accept very low risk premiums across many risky asset classes. Combining this with loose credit standards, leverage, and a private equity debt bubble could make for an interesting ride when profit margins revert to normal, liquidity moderates, or risk premiums and credit spreads widen. Given the aforementioned observations, and that bull markets tend to begin when conditions are far from perfect, it may not be wise to make a collection of “beta bets” going forward. For advisors and investors who stress diversification and wealth protection, many trendy asset classes may not provide an ideal solution over the next several years, especially when volatility returns.

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS

MARCH 31, 2007

For funds that are patient and maintain a focus on mitigating risk and beta, this current segment of the market cycle can be frustrating. Like other asset classes, we too could have had higher returns, but that would likely mean accepting significant market risk and a greater chance of large losses; we cannot accept replacing the concept of risk-adjusted return with risk-ignored return. Many of these other directional asset classes require today's "perfect" conditions to be sustained, which research and common sense suggests is highly unlikely. As one of our sub-advisers, Aronson+Johnson+Ortiz aptly says, "Don't Confuse Brilliance with a Bull Market." That's an important behavioral reminder in this environment.

As the Fund's adviser, our ultimate goal is to find and combine skill-based strategies and minimize market-risk exposures across the portfolio. This differs from many funds whose returns are largely explained by market exposures, not manager skill. Combining such strategies and focusing on risk controls is a long-term investment approach that evaluates "risk-adjusted returns" over complete market cycles. As such, measuring performance by tracking short-term "returns" relative to the major markets may not be useful. Investment positions are actively managed by our sub-advisers and generally reflect their evaluations of potential risk/return tradeoffs. As different or new opportunities arise, these positions may change.

We are excited about the Fund's prospects over the next several years, especially with the addition of two new sub-advisers, Mohican Financial Management, LLC and Kovitz Investment Group, LLC, during 1st quarter 2007. These new sub-advisers are unique opportunities to gain access to highly skilled managers who we believe will enhance the mix of our strategies and improve the risk/return profile of the Fund. Additionally, many of our managers expect eventual shakeouts where unsustainable conditions exist; this may bring about long-awaited opportunities.

Thank you for your investment in the Absolute Strategies Fund.

Sincerely,



Jay Compson
Portfolio Manager
Absolute Investment Advisers LLC

The views in this report were those of the Fund's adviser as of March 31, 2007 and may not reflect their views on the date this report is first published or any time thereafter. These views are intended to assist shareholders in understanding their investment in the Fund and do not constitute investment advice.

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS

MARCH 31, 2007

Since the Fund utilizes a multi-manager strategy with multiple sub-advisers, it may be exposed to varying forms of risk. These risks include, but are not limited to, general market risk, multi-manager risk, non-diversification risk, small company risk, foreign risk, interest risk, credit risk, prepayment risk, IPO risk, liquidity risk, high turnover risk, leverage risk, pooled investment vehicle risk and derivatives risk. For a complete description of the Fund's principal investment risks please refer to the prospectus.

Beta is a measure of an asset's sensitivity to broad market moves, as measured for instance by the S&P 500 Index. A fund with a realized beta of 0.5 with respect to the S&P 500 Index would have received, on average, about 50% of the index returns when the market was up and about 50% of its losses when the market was down. Standard deviation indicates the volatility of a fund's total returns and is useful because it identifies the spread of a fund's short-term fluctuations. The S&P 500 Index is a broad-based, unmanaged measurement of changes in the stock market conditions based on the average of 500 widely held common stocks. Dow Jones Industrial Average consists of 30 stocks that are considered to be major factors in their industries and that are widely held by individuals and institutional investors. HFRX Equity Hedge Index combines core long holdings of equities with short sales of stock or stock index options. One cannot invest directly in an index or average.

ABSOLUTE STRATEGIES FUND

PERFORMANCE CHART AND ANALYSIS

MARCH 31, 2007

The following chart reflects the change in value, since the Fund's commencement of investment operations, of a hypothetical \$10,000 investment in Institutional, A and C Shares, including (i) sales charges (if applicable) and (ii) the reinvestment of dividends and distributions compared with broad-based securities market indices. The S&P 500 Index is a market-value weighted index representing the performance of 500 widely held, publicly traded large capitalization stocks. The Lehman Brothers U.S. Aggregate Index covers the US dollar-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The total return of each share class includes the maximum 4.50% sales charge (A Shares only) and operating expenses that reduce returns, while the total return of each index does not include sales charges or expenses. The performance of each share class differs due to different sales charge structures and class expenses. During the period, Fund fees were waived or expenses reimbursed, otherwise returns would have been lower. The Fund is professionally managed while the indices are unmanaged and are not available for investment.

Past performance is not predictive of, nor a guarantee of future results. Results of an investment made today may differ substantially from the Fund's historical performance. Investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. As stated in the current prospectus, the Fund's annual operating expense ratios (gross) for the previous fiscal year were 2.14%, 2.45% and 5.40% for Institutional Shares, A Shares and C Shares, respectively. However, the Fund's adviser has agreed to contractually waive a portion of its fees and/or reimburse expenses such that total operating expenses do not exceed 1.95%, 2.25% and 3.00% for Institutional Shares, A Shares and C Shares, respectively, which is in effect until July 31, 2007. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. For the most recent month end performance information, please call (888) 992-2765.

Institutional, A and C Shares vs. S&P 500 Index and Lehman Brothers U.S. Aggregate Index

Average Annual Total Return as of 03/31/07

Absolute Strategies Fund — Institutional Shares	5.38%
Absolute Strategies Fund — A Shares (w/sales charge)	0.39%
Absolute Strategies Fund — C Shares*	4.31%
S&P 500 Index	11.83%
Lehman Brothers U.S. Aggregate Index (since 07/31/05)	6.59%

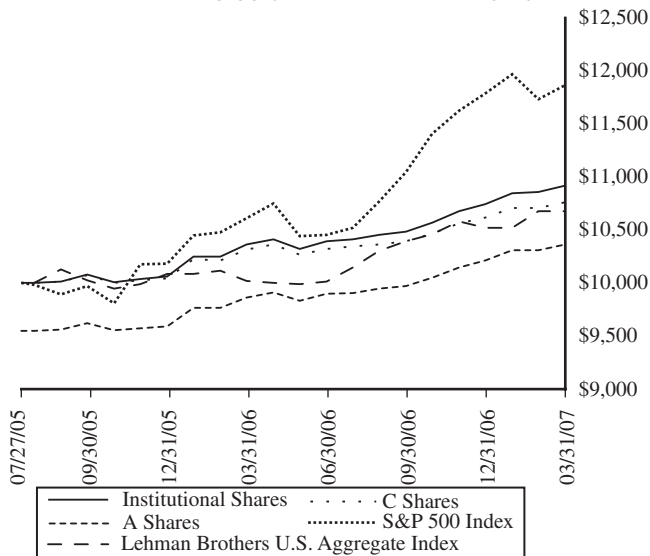
Commencement of Investment Operations 07/27/05

Absolute Strategies Fund — Institutional Shares	5.38%
Absolute Strategies Fund — A Shares (w/sales charge)	2.16%
Absolute Strategies Fund — C Shares*	4.46%
S&P 500 Index	10.72%
Lehman Brothers U.S. Aggregate Index (since 07/31/05)	4.02%

Investment Value as of 03/31/07

Absolute Strategies Fund — Institutional Shares	\$10,918
Absolute Strategies Fund — A Shares	\$10,365
Absolute Strategies Fund — C Shares	\$10,759
S&P 500 Index	\$11,862
Lehman Brothers U.S. Aggregate Index (since 07/31/05)	\$10,679

* C Shares commenced operations on January 13, 2006. The performance of C Shares prior to January 13, 2006 is that of the Institutional Shares as adjusted for the higher expenses applicable to C Shares.



ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2007

<u>Shares</u>	<u>Security Description</u>	<u>Value</u>	<u>Shares</u>	<u>Security Description</u>	<u>Value</u>
Long Positions - 104.4%					
Equity Securities - 56.0%					
Common Stock - 54.4%					
Consumer Discretionary - 10.1%					
1,300	Abercrombie & Fitch Co. (h)	\$ 98,384	10,200	Goodyear Tire & Rubber Co. (d)(h)	\$318,138
4,200	Adidas AG	229,026	4,050	Gymboree Corp. (d)(h)	162,284
3,625	Aeropostale, Inc. (d)(h)	145,834	5,350	Harley-Davidson, Inc. (h)	314,313
10,300	American Eagle Outfitters, Inc. (h)	308,897	11,505	Hasbro, Inc. (h)	329,273
9,100	AMR Corp. (d)(h)	277,095	4,800	Hibbett Sports, Inc. (d)(h)	137,232
4,750	AnnTaylor Stores Corp. (d)(h)	184,205	9,100	Hilton Hotels Corp. (h)	327,236
1,525	Applebees International, Inc. (h)	37,789	4,500	Home Depot, Inc.	165,330
2,900	ArvinMeritor, Inc. (h)	52,925	2,500	Hovnanian Enterprises, Inc., Class A (d)(h)	62,900
2,270	Autoliv, Inc. (h)	129,640	11,550	International Game Technology (h)	466,389
3,000	Bed Bath & Beyond, Inc. (d)(h)	120,510	1,000	ITT Educational Services, Inc. (d)(h)	81,490
6,150	Big Lots, Inc. (d)(h)	192,372	1,800	J Crew Group, Inc. (d)(h)	72,306
2,000	BJ's Wholesale Club, Inc. (d)(h)	67,660	4,775	JC Penney Co., Inc. (h)	392,314
3,750	Brinker International, Inc. (h)	122,625	1,800	Jo-Ann Stores, Inc. (d)(h)	49,050
1,250	Brown Shoe Co., Inc. (h)	52,500	425	Johnson Controls, Inc. (h)	40,213
3,750	Buckle, Inc. (h)	133,875	1,200	Jones Apparel Group, Inc. (h)	36,876
1,400	Buffalo Wild Wings, Inc. (d)(h)	89,180	6,400	K2, Inc. (d)(h)	77,376
11,500	Carmax, Inc. (d)(h)	282,210	1,900	KB Home (h)	81,073
8,200	Carter's, Inc. (d)	207,788	8,950	Kohl's Corp. (d)(h)	685,660
4,250	CDW Corp. (h)	261,077	4,450	Las Vegas Sands Corp. (d)(h)	385,415
4,200	CEC Entertainment, Inc. (d)(h)	174,468	1,200	Lennar Corp., Class A (h)	50,652
2,200	Centex Corp. (h)	91,916	3,000	Liberty Media Corp., Class A (d)	331,770
6,050	Charlotte Russe Holding, Inc. (d)(h)	174,664	31,650	Limited Brands, Inc. (h)	824,798
5,365	Charming Shoppes, Inc. (d)(h)	69,477	5,400	Lowe's Cos., Inc. (h)	170,046
12,150	Cintas Corp.	438,615	5,900	Maidenform Brands, Inc. (d)(h)	136,113
5,400	Circuit City Stores, Inc. (h)	100,062	1,300	Manor Care, Inc. (h)	70,668
1,500	Claire's Stores, Inc. (h)	48,180	3,000	Marvel Entertainment, Inc. (d)(h)	83,250
13,000	Coach, Inc. (d)(h)	650,650	12,850	Mattel, Inc. (h)	354,275
1,100	Columbia Sportswear Co. (h)	68,541	6,630	McGraw-Hill Cos., Inc. (h)	416,894
3,000	Comcast Corp., Class A (d)(h)	77,850	1,800	Methanex Corp. (h)	40,194
7,225	Continental Airlines, Inc., Class B (d)(h)	262,918	1,800	MGM Mirage (d)	125,136
5,950	Costco Wholesale Corp. (h)	320,348	2,920	Newell Rubbermaid, Inc. (h)	90,783
3,300	Deckers Outdoor Corp. (d)(h)	234,366	1,000	Nike, Inc., Class B (h)	106,260
21,750	DIRECTV Group, Inc. (d)(h)	501,773	10,100	Nordstrom, Inc. (h)	534,694
3,000	Dollar Tree Stores, Inc. (d)(h)	114,720	1,324	OfficeMax, Inc. (h)	69,828
3,100	Domino's Pizza, Inc. (h)	100,657	4,550	Paccar, Inc. (h)	333,970
1,200	DR Horton, Inc. (h)	26,400	2,200	Papa John's International, Inc. (d)(h)	64,680
4,000	DreamWorks Animation SKG, Inc. (d)	122,320	2,075	Payless Shoesource, Inc. (d)(h)	68,890
6,195	Dress Barn, Inc. (d)(h)	128,918	2,600	PF Chang's China Bistro, Inc. (d)(h)	108,888
1,200	Ethan Allen Interiors, Inc. (h)	42,408	1,275	Phillips-Van Heusen Corp. (h)	74,970
4,600	ExpressJet Holdings, Inc. (d)(h)	26,864	1,675	Pinnacle Entertainment, Inc. (d)(h)	48,692
5,700	Ezcorp., Inc. (d)(h)	83,961	1,200	Polaris Industries, Inc. (h)	57,576
20,350	Family Dollar Stores, Inc. (h)	602,767	370	Polo Ralph Lauren Corp. (h)	32,615
4,360	Federated Department Stores, Inc. (h)	196,418	3,200	Pulte Homes, Inc. (h)	84,672
4,070	Finish Line, Class A (h)	51,282	5,900	RadioShack Corp. (h)	159,477
2,800	First Cash Financial Services, Inc. (d)(h)	62,384	3,385	Retail Ventures, Inc. (d)(h)	71,254
3,000	Foot Locker, Inc. (h)	70,650	1,966	RH Donnelley Corp.	139,370
16,000	Furniture Brands International, Inc. (h)	252,480	2,700	Ross Stores, Inc. (h)	92,880
12,000	Gap, Inc. (h)	206,520	10,100	Royal Caribbean Cruises, Ltd. (h)	425,816
3,500	General Motors Corp.	107,240	3,400	Ryland Group, Inc. (h)	143,446
200	Getty Images, Inc. (d)	9,726	3,050	Sears Holdings Corp. (d)(h)	549,488
			3,300	Select Comfort Corp. (d)(h)	58,740
			5,500	Shaw Communications, Inc. (h)	203,060
			38,400	Sonic Corp. (d)(h)	855,552
			8,400	Sotheby's (h)	373,632

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2007

Shares	Security Description	Value	Shares	Security Description	Value
27,000	Standard-Pacific Corp.	\$ 563,490	5,400	Kinetic Concepts, Inc. (d)(h)	\$ 273,456
3,825	Steven Madden, Ltd. (h)	111,690	12,450	Koninklijke Ahold NV, ADR (d)	146,163
1,200	Target Corp. (h)	71,112	23,800	Kraft Foods, Inc. (h)	753,508
1,300	Tech Data Corp. (d)(h)	46,553	6,735	Kroger Co. (h)	190,264
6,150	Tempur-Pedic International, Inc. (h)	159,839	2,125	Lincare Holdings, Inc. (d)(h)	77,881
4,000	The Knoll Group, Inc. (h)	95,320	4,450	Loews Corp. — Carolina Group (h)	336,464
4,925	Thor Industries, Inc. (h)	193,996	3,300	McCormick & Co, Inc. (h)	127,116
2,400	TJX Cos., Inc. (h)	64,704	1,490	Medco Health Solutions, Inc. (d)(h)	108,070
2,000	Toll Brothers, Inc. (d)(h)	54,760	2,600	Medicines Co. (d)(h)	65,208
2,500	Toro Co. (h)	128,100	9,100	Medicis Pharmaceutical Corp., Class A (h)	280,462
7,200	Triarc Cos, Inc.	134,856	760	Molson Coors Brewing Co. (h)	71,911
10,000	Viacom, Inc. (d)	411,100	950	Novartis AG, ADR (h)	51,898
29,350	Wal-Mart Stores, Inc. (h)	1,377,984	1,300	Pediatric Medical Group, Inc. (d)(h)	74,178
1,000	Warner Music Group Corp.	17,060	1,900	Pepsi Bottling Group, Inc. (h)	60,591
80	Washington Post Co., Class B	61,080	30,300	PepsiCo., Inc. (h)	1,925,868
6,100	Wendy's International, Inc. (h)	190,930	4,600	Procter & Gamble Co. (h)	290,536
1,600	Winnebago Industries, Inc. (h)	53,808	1,700	Psychiatric Solutions, Inc. (d)(h)	68,527
12,000	WM Wrigley Jr. Co.	611,160	1,400	Ralcorp Holdings, Inc. (d)(h)	90,020
2,800	Wyndham Worldwide Corp. (d)(h)	95,620	4,400	Rollins, Inc. (h)	101,244
4,150	Wynn Resorts, Ltd. (h)	393,669	2,660	Ryanair Holding, ADR (d)	119,141
1,400	Yum! Brands, Inc. (h)	80,864	5,600	Safeway, Inc. (h)	205,184
		<u>24,868,727</u>	1,000	Steiner Leisure, Ltd. (d)(h)	44,980
			4,950	Stryker Corp. (h)	328,284
			4,700	Universal Technical Institute, Inc. (d)(h)	108,476
			2,700	Weight Watchers International (h)	124,443
			1,095	West Pharmaceutical Services, Inc. (h)	50,841
			3,850	Zimmer Holdings, Inc. (d)(h)	328,829
					<u>13,991,666</u>
Consumer Staples - 5.7%			Energy - 3.8%		
10,000	Aaron Rents, Inc.	264,400	7,200	Anadarko Petroleum Corp. (h)	309,456
5,150	Alliance Data Systems Corp. (d)(h)	317,343	6,200	Apache Corp. (h)	438,340
2,000	AmerisourceBergen Corp. (h)	105,500	3,950	Cabot Oil & Gas Corp. (h)	265,914
11,505	Anheuser-Busch Cos., Inc. (h)	580,542	1,100	Cameron International Corp. (d)(h)	69,069
4,400	Apollo Group, Inc. (d)(h)	193,160	4,000	Canadian Natural Resources, Ltd.	220,760
4,100	Arbitron, Inc. (h)	192,495	25,500	Canadian Oil Sands Trust	624,750
7,200	Avon Products, Inc. (h)	268,272	2,175	Carrizo Oil & Gas, Inc. (d)(h)	76,038
3,850	C.R. Bard, Inc. (h)	306,113	4,200	Chevron Corp. (h)	310,632
775	Cephalon, Inc. (d)(h)	55,188	1,800	Core Laboratories NV (d)(h)	150,894
6,900	ChoicePoint, Inc. (d)(h)	258,267	12,250	Coventa Holding Corp. (d)(h)	271,705
5,550	Church & Dwight, Inc. (h)	279,442	2,200	Dawson Geophysical Co. (d)(h)	108,966
1,350	Clorox Corp. (h)	85,981	4,125	Devon Energy Corp. (h)	285,533
55,500	Coca-Cola Co. (h)	2,664,000	875	Diamond Offshore Drilling, Inc. (h)	70,831
1,900	Colgate-Palmolive Co. (h)	126,901	21,850	El Paso Corp. (h)	316,169
4,600	Comdisco Holding Co.	57,270	2,900	EnCana Corp. (h)	146,827
7,225	ConAgra Foods, Inc. (h)	179,975	4,400	ENSCO International, Inc. (h)	239,360
1,300	Consolidated Graphics, Inc. (d)(h)	96,265	7,450	Equitable Resources, Inc. (h)	359,984
3,200	Convergys Corp. (d)(h)	81,312	4,550	FMC Technologies, Inc. (d)(h)	317,408
5,000	Deluxe Corp. (h)	167,650	2,550	Frontier Oil Corp. (h)	83,232
6,600	Ennis, Inc. (h)	176,616	1,050	GlobalSantaFe Corp. (h)	64,764
1,400	Estee Lauder Cos., Inc. (h)	68,390	2,425	GMX Resources, Inc. (d)(h)	74,520
14,250	Gartner, Inc. (d)(h)	341,287	1,625	Grant Prideco, Inc. (d)(h)	80,990
1,210	General Mills, Inc. (h)	70,446	8,500	Halliburton Co. (h)	269,790
2,200	Hillenbrand Industries, Inc. (h)	130,614	11,150	Hercules Offshore, Inc. (d)(h)	292,799
4,185	HJ Heinz Co. (h)	197,197			
1,650	Hospira, Inc. (d)(h)	67,485			
4,900	Invacare Corp.	85,456			
555	Invitrogen Corp. (d)(h)	35,326			
800	JM Smucker Co. (h)	42,656			
1,800	Kellogg Co. (h)	92,574			

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2007

<u>Shares</u>	<u>Security Description</u>	<u>Value</u>	<u>Shares</u>	<u>Security Description</u>	<u>Value</u>
Industrials - 6.2%			4,250	Mettler Toledo International, Inc. (d)(h)	\$ 380,673
1,800	Acuity Brands, Inc. (h)	\$ 97,992	2,100	Nordson Corp. (h)	97,566
1,875	Agilent Technologies, Inc. (d)(h)	63,169	1,700	Northrop Grumman Corp. (h)	126,174
4,800	Amphenol Corp., Class A (h)	309,936	6,600	OMI Corp. (h)	177,276
10,475	Applera Corp. (h)	309,746	8,200	Pactiv Corp. (d)(h)	276,668
1,832	Barnes Group, Inc. (h)	42,154	1,700	Pall Corp. (h)	64,600
360,000	Beijing Capital International Airport Co., Ltd.	357,535	1,830	Parker Hannifin Corp. (h)	157,947
1,700	Bemis Co. (h)	56,763	22,000	Pentair, Inc.	685,520
900	Black & Decker Corp. (h)	73,458	4,240	Precision Castparts Corp. (h)	441,172
2,620	Boeing Co. (h)	232,944	11,000	Quanta Services, Inc. (d)	277,420
2,100	Burlington Northern Santa Fe Corp., Class A (h)	168,903	1,400	Raytheon Co. (h)	73,444
2,800	Canadian National Railway Co. (h)	123,592	2,100	Republic Services, Inc. (h)	58,422
1,200	Caterpillar, Inc. (h)	80,436	1,100	Rockwell Collins, Inc. (h)	73,623
1,600	Ceradyne, Inc. (d)	87,584	1,700	Ryder System, Inc. (h)	83,878
2,100	Chicago Bridge & Iron Co. NV	64,575	19,000	Sonoco Products Co.	714,020
1,700	Con-way, Inc. (h)	84,728	1,650	Stericycle, Inc. (d)	134,475
1,650	CSX Corp. (h)	66,082	1,700	Teradyne Technologies, Inc. (d)(h)	63,648
800	Diageo plc, ADR	64,760	2,000	Teleflex, Inc. (h)	136,140
2,700	Dionex Corp. (d)(h)	183,897	4,950	Terex Corp. (d)(h)	355,212
9,200	Dolby Laboratories, Inc., Class A (d)(h)	317,492	2,100	Thermo Fisher Scientific, Inc. (d)(h)	98,175
4,450	Energizer Holdings, Inc. (d)(h)	379,719	11,850	Trimble Navigation, Ltd. (d)(h)	318,054
2,200	EnPro Industries, Inc. (d)(h)	79,310	1,800	Tsakos Energy Navigation, Ltd. (h)	93,600
1,500	Equifax, Inc. (h)	54,675	15,050	Tyco International, Ltd.	474,828
3,000	Frontline, Ltd.	106,500	1,200	United Technologies Corp. (h)	78,000
2,005	Gardner Denver, Inc. (d)(h)	69,874	4,300	USG Corp. (d)(h)	200,724
14,000	GATX Corp.	669,200	1,000	Varian, Inc. (d)(h)	58,260
2,000	General Electric Co. (h)	70,720	1,660	Volvo AB, ADR	139,556
2,000	General Maritime Corp. (h)	57,760	2,100	Vulcan Materials Co. (h)	244,608
6,800	Gentex Corp. (h)	110,500	7,150	Waters Corp. (d)(h)	414,700
2,500	Graco, Inc. (h)	97,900	Information Technology - 4.0%		
4,200	Harsco Corp. (h)	188,412	7,700	Advanced Micro Devices, Inc. (d)(h)	100,562
40,000	Heartland Express, Inc.	635,200	6,250	Akamai Technologies, Inc. (d)(h)	312,000
2,600	Heidrick & Struggles International, Inc. (d)(h)	125,970	2,400	Allscripts Healthcare Solutions, Inc. (d)(h)	64,344
2,000	Hurco Cos, Inc. (d)(h)	85,700	2,000	Amazon.com, Inc. (d)(h)	79,580
2,800	Ingersoll-Rand Co., Ltd. (h)	121,436	1,000	Apple Computer, Inc. (d)(h)	92,910
1,200	ITT Corp.	72,384	12,000	Applied Materials, Inc. (h)	219,840
2,700	JB Hunt Transport Services, Inc. (h)	70,848	1,950	Avid Technology, Inc. (d)(h)	68,016
14,700	Joy Global, Inc.	630,629	11,700	BEA Systems, Inc. (d)(h)	135,603
346	Kansas City Southern (d)(h)	12,311	3,900	Blue Nile, Inc. (d)(h)	158,574
1,900	Kaydon Corp. (h)	80,864	9,400	BMC Software, Inc. (d)(h)	289,426
2,400	Kemet Corp. (d)(h)	18,360	3,800	CACI International, Inc., Class A (d)	178,068
800	L-3 Communications Holdings, Inc. (h)	69,976	6,200	Cadence Design Systems, Inc. (d)(h)	130,572
3,600	Laidlaw International, Inc. (h)	124,560	2,100	Ceridian Corp. (d)(h)	73,164
24,300	Lancaster Colony Corp. (h)	1,073,817	4,200	Check Point Software Technology (d)(h)	93,576
2,400	Landstar System, Inc. (h)	110,016	3,600	Cognizant Technology Solutions, Class A (d)(h)	317,772
5,700	Lennox International, Inc. (h)	203,490	4,000	Dell, Inc. (d)(h)	92,840
1,300	Littelfuse, Inc. (d)(h)	52,780	2,150	DSP Group, Inc. (d)(h)	40,850
1,260	Lockheed Martin Corp. (h)	122,245	4,100	Dun & Bradstreet Corp. (h)	373,920
4,800	Manitowoc Co., Inc. (h)	304,944	8,000	eBay, Inc. (d)(h)	265,200
800	Martin Marietta Materials, Inc. (h)	108,160	2,800	Expedia, Inc. (d)(h)	64,904
5,900	Masco Corp. (h)	161,660	4,450	Factset Research Systems, Inc. (h)	279,682
					15,354,049

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND
SCHEDULE OF INVESTMENTS
MARCH 31, 2007

<u>Shares</u>	<u>Security Description</u>	<u>Value</u>	<u>Shares</u>	<u>Security Description</u>	<u>Rate</u>	<u>Value</u>
19,000	Atmos Energy Corp.	\$ 594,320				
30,580	Centerpoint Energy, Inc.	548,605				
4,200	CMS Energy Corp. (h)	74,760				
450	Constellation Energy Group, Inc. (h)	39,127				
20,000	Dynegy, Inc., Class A (d)	185,200				
200	Edison International	9,826				
7,200	El Paso Electric Co. (d)(h)	189,720				
1,700	Engen Energy Corp. (h)	86,513				
6,000	Energy East Corp. (h)	146,160	59	Terra Industries, Inc., Series A (h)	4.25	110,920
700	Entergy Corp. (h)	73,444				
900	FirstEnergy Corp. (h)	59,616				
10,215	Korea Electric Power Corp., ADR	204,300				
10,453	Mirant Corp. (d)(h)	422,928				
3,075	NRG Energy, Inc. (d)(h)	221,523				
4,125	PG&E Corp.	199,114				
1,100	Pinnacle West Capital Corp. (h)	53,075				
3,500	PPL Corp. (h)	143,150				
76,550	Reliant Energy, Inc. (d)(h)	1,555,496				
1,050	Sempra Energy (h)	64,060				
51,825	Sierra Pacific Resources (d)	900,718				
2,000	Wisconsin Energy Corp. (h)	97,040				
		<u>7,607,413</u>				
	Total Common Stock (Cost \$121,808,992)	<u>134,308,958</u>				
				Industrials - 0.1%		
			187	Kansas City Southern (h)	5.13%	\$ 258,527
				Materials - 0.2%		
			4,000	Freeport-McMoran Copper & Gold (d)(h)	6.75	427,640
			59	Terra Industries, Inc., Series A (h)	4.25	110,920
						<u>538,560</u>
				Telecommunications - 0.3%		
			173	Interpublic Group of Cos. (h)(i)	5.25	195,490
			500	Motient Corp. (h)	5.25	401,250
						<u>596,740</u>
				Total Convertible Preferred Stock (Cost \$3,583,860)		<u>3,915,775</u>
				Total Equity Securities (Cost \$125,392,852)		<u>138,224,733</u>

<u>Shares</u>	<u>Security Description</u>	<u>Rate</u>	<u>Value</u>	<u>Principal</u>	<u>Maturity Date</u>	<u>Value</u>	
	Convertible Preferred Stock - 1.6%						
	Consumer Discretionary - 0.4%						
128	Blockbuster, Inc. (h)	7.50%	191,264				
2,196	Bunge, Ltd. (h)	4.88	252,815				
3,488	Ford Motor Company Capital Trust II (h)	6.50	124,731				
4,563	General Motors Corp. (h)	6.25	104,949				
70	HealthSouth Corp. (h)(i)	6.50	76,676				
7,345	Six Flags, Inc. (h)	7.25	173,526				
98	Universal Corp. (h)	6.75	142,602				
			<u>1,066,563</u>				
	Energy - 0.5%						
2,261	Chesapeake Energy Corp. (i)	5.00	246,449				
135	Chesapeake Energy Corp. (h)	5.00	14,715				
14,597	Edge Petroleum Corp. (h)	5.75	734,229				
2,327	Goodrich Petroleum Corp. (h)	5.38	152,128				
			<u>1,147,521</u>				
	Financials - 0.1%						
4,351	Affiliated Managers Group (h)	5.10	238,761				
1,389	Sovereign Cap Trust IV (h)	4.38	69,103				
			<u>307,864</u>				
				Fixed-Income Securities - 21.1%			
				Asset Backed Obligations - 2.6%			
			\$270,564	ARMT Series 2005-8 4A11 (e)	5.44	11/25/35	268,071
			230,000	Banc of America, Series 2005-4 A3	4.89	07/10/45	227,374
			110,000	Bayview Financial Acquisition, Series 2005-D-AF3 (e)	5.50	12/28/35	110,103
			330,000	Bear Stearns Commercial Mortgage, Series 2003-PWR2-A4	5.19	05/11/39	329,174
			207,742	Chase Mortgage Finance Corp., Series 2005-A1-1A1 (e)	5.41	12/25/35	205,697
			125,000	Chase Mortgage Finance Corp., Series 2005-A1-2A3 (e)	5.24	12/25/35	124,139
			48,833	Citigroup Mortgage Loan Trust, Series 2005-WF1 A2 (e)	4.49	02/25/35	48,341
			280,000	COMM Series 2005-C6 A3	5.14	06/10/44	279,044
			55,000	Continental Airlines, Inc., Series 2002-1 G2	6.56	02/15/12	58,334

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND
SCHEDULE OF INVESTMENTS
MARCH 31, 2007

<u>Principal</u>	<u>Security Description</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Value</u>	<u>Principal</u>	<u>Security Description</u>	<u>Rate</u>	<u>Maturity Date</u>	<u>Value</u>
\$108,369	Countrywide Alternative Loan Trust, Series 2004-J10-4CB1	6.50%	10/25/34	\$109,972	\$ 330,000	LB-UBS Commercial Mortgage Trust, Series 2003-C8 A4 (e)	5.12%	11/15/32	\$ 328,187
61,474	Countrywide Alternative Loan Trust, Series 2005-43-4A1 (e)	5.73	10/25/35	61,296	135,898	Master Seasoned Securities Trust, Series 2004-1 4A1 (e)	5.29	10/25/32	137,271
757,369	Countrywide Alternative Loan Trust, Series 2006-0A2 X1P	0.00	05/20/46	33,033	113,532	Morgan Stanley Dean Witter Cap, 2000-LIFE A2	7.57	11/15/36	119,317
375,000	Credit Suisse First Boston Mortgage Securities, Series 2002-CKS4-A2	5.18	11/15/36	374,885	140,577	Northwest Airlines, Inc., Series 1A-1 (f)	7.04	04/01/22	140,841
77,508	Credit Suisse First Boston Mortgage Securities, Series 2003-AR24-2A4 (e)	4.02	10/25/33	76,134	350,000	Salomon Brothers Series 2002-KEY2-A3	4.87	03/18/36	345,810
200,000	Credit Suisse First Boston Mortgage Securities, Series 2005-C5 A3 (e)	5.10	08/15/38	198,845	330,000	Wachovia Bank Commercial Mortgage, Series 2003-C6 A4	5.13	08/15/35	329,201
200,000	Credit Suisse First Boston Mortgage Securities, Series 2006-C1 A3 (e)	5.71	02/15/39	203,788	128,526	Washington Mutual, Series 2002-AR18 A (e)	4.11	01/25/33	128,288
158,535	Equity One Abs, Inc. Series 2002-4 M1	5.22	02/25/33	156,626	115,000	Washington Mutual, Series 2005-AR16-1A4A (e)	5.11	12/25/35	114,771
220,364	FHASI, Series 2003-10 2A1	4.75	01/25/19	214,296	5,910,000	Washington Mutual, Series 2006-AR5-X (a)	0.00	06/25/46	50,235
200,000	GE Capital CMC 2006-C1 A3 (e)	5.52	03/10/44	201,690	Total Asset Backed Obligations (Cost \$6,306,888)				6,339,271
300,000	GMACC Series 2002-C2 A3	5.71	10/15/38	307,352	Corporate Convertible Bonds - 10.7%				
210,000	GMACC Series 2004-C3 A4	4.55	12/10/41	205,041	Consumer Discretionary - 1.9%				
225,000	GMACM Series 2006-HLTV1 A5 (g)	6.01	10/25/29	226,018	1,000,000	Ambassadors International, Inc. (i)	3.75	04/15/27	1,031,200
51,906	Harborview Mortgage Loan Trust Series 2004-8 2A4A (e)	5.72	11/19/34	52,089	350,000	ArvinMeritor, Inc. (g)(h)(i)	4.00	02/15/27	338,187
842,747	Harborview Mortgage Loan Trust Series 2006-1 X1 - (IO) (e)	1.88	03/19/37	37,529	84,000	Citadel Broadcasting Corp. (h)	1.88	02/15/11	71,610
225,000	JP Morgan Mortgage Loan Trust, Series 2004-C3-A4	4.66	01/15/42	219,745	300,000	Collegiate Pacific, Inc. (h)	5.75	12/01/09	280,500
120,000	JP Morgan Mortgage Loan Trust, Series 2005-A3-11A2 (e)	4.49	06/25/35	114,335	200,000	deCODE genetics, Inc. (h)	3.50	04/15/11	138,000
200,000	JP Morgan Mortgage Loan Trust, Series 2006-A2-2A2 (e)	5.76	04/25/36	202,399	200,000	Frontier Airlines Holdings, Inc. (h)	5.00	12/15/25	179,750
					64,000	Group 1 Automotive, Inc. (g)(h)(i)	2.25	06/15/36	55,840
					109,000	Group 1 Automotive, Inc. (g)(h)	2.25	06/15/36	95,102
					111,000	JetBlue Airways Corp. (h)	3.75	03/15/35	110,861
					300,000	K2 Corp. (h)	5.00	06/15/10	324,375
					265,000	Kellwood Co. (g)(h)	3.50	06/15/34	243,800
					225,000	Macrovision Corp. (h)	2.63	08/15/11	253,125
					193,000	Mesa Air Group, Inc. (g)(h)	2.48	06/16/23	80,095

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2007

Principal	Security Description	Rate	Maturity Date	Value	Principal	Security Description	Rate	Maturity Date	Value
Corporate Non-Convertible Bonds - 3.2%					\$ 56,000	Lehman Brothers Holdings, Inc. (e)	8.92%	02/16/17	\$ 58,178
Consumer Discretionary - 0.6%					31,000	Lehman Brothers Holdings, Inc. (e)	0.00	11/30/10	30,185
\$ 6,460	Continental Airlines, Inc.	6.41%	04/15/07	\$ 6,464	151,000	Lehman Brothers Holdings, Inc. (e)	0.00	06/20/16	166,840
135,460	Continental Airlines, Inc.	7.46	04/01/15	141,471	225,000	Metlife, Inc.	6.40	12/15/36	220,407
105,766	Continental Airlines, Inc.	6.90	01/02/18	111,860	60,000	New Plan Excel Realty Trust	5.13	09/15/12	59,314
400,000	Dana Corp. (f)	0.00	08/15/11	306,000	160,000	Reckson Operating Partnership	6.00	03/31/16	157,543
400,000	Dana Corp. (f)	0.00	01/15/15	300,000	100,000	Residential Capital LLC (e)	5.84	06/09/08	99,026
220,000	Delta Airlines	7.11	09/18/11	226,737	49,000	Shurgard Storage Centers, Inc.	5.88	03/15/13	50,543
120,000	General Motors	8.38	07/15/33	108,300	100,000	Shurgard Storage Centers, Inc.	7.75	02/22/11	107,687
350,000	WMG Holdings Corp. (g)	0.00	12/15/14	269,500	180,000	Simon Property Group, LP	5.75	05/01/12	184,237
				<u>1,470,332</u>	32,000	Washington Real Estate Investment Trust	5.35	05/01/15	31,654
Financials - 1.7%					175,000	Washington Real Estate Investment Trust	5.95	06/15/11	178,640
155,000	Allied World Assurance	7.50	08/01/16	167,392	170,000	Weingarten Realty Investors	4.99	09/03/13	166,868
60,000	BankBoston Capital Trust II, Series B	7.75	12/15/26	62,461					<u>4,197,402</u>
183,000	Bear Sterns Co., Inc.	5.55	01/22/17	179,824	Industrials - 0.1%				
57,000	BNP Paribas SA (e)	8.25	11/28/21	56,629	300,000	Delphi Corp. (f)	0.00	08/15/13	327,750
225,000	Camden Property Trust	4.38	01/15/10	220,606	Materials - 0.1%				
275,000	Capital One Financial Co.	5.70	09/15/11	278,058	110,000	Barrick Gold Financial Co.	5.80	11/15/34	101,739
75,000	Developers Diversified Realty Corp.	4.63	08/01/10	73,593	Utilities - 0.7%				
100,000	Fairfax Financial Holdings	7.75	04/26/12	100,000	350,000	Aquila, Inc.	14.88	07/01/12	457,625
1,650,000	Finova Group, Inc. (d)(f)	7.50	11/15/09	462,000	500,000	Calpine Corp. (f)	2.01	05/15/06	570,000
170,000	Ford Motor Credit Co.	7.00	10/01/13	158,230	10,000	Calpine Corp. (f)	7.88	04/01/08	10,975
100,000	Ford Motor Credit Co. (e)	9.81	04/15/12	106,146	140,000	Southern Union Co. (e)	7.20	11/01/66	141,829
180,000	General Motors Acceptance Corp. (e)	7.56	12/01/14	182,364	55,000	Swepeco Capital Trust, Inc. (e)	5.25	10/01/43	54,705
20,000	General Motors Acceptance Corp.	8.00	11/01/31	21,503	500,000	Utilicorp United (Aquila, Inc.)	7.63	11/15/09	528,750
120,000	Goldman Sachs Group, Inc. (h)	5.35	01/15/16	117,875					<u>1,763,884</u>
232,000	Health Care Property Investors, Inc. MTN	5.63	05/01/17	224,485	Total Corporate Non-Convertible Bonds (Cost \$7,395,278)				
100,000	Highwoods Realty, LP	7.50	04/15/18	112,517					7,861,107
50,000	JPMorgan Chase Bank NA (e)(j)	7.59	03/28/22	47,745	US Government and Agency Obligations - 4.6%				
111,000	Lehman Brothers Holdings, Inc. (e)	11.00	11/07/16	114,852	Discount Note - 0.1%				
					250,000	FHLB Discount Note (a)	5.38	04/11/07	249,681

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2007

Contracts	Security Description	Strike Price	Expiration Date	Value	Contracts	Security Description	Strike Price	Expiration Date	Value	
Put Options Purchased - 0.2%					18	Morgan Stanley	50.00	01/21/09	\$ 2,610	
30	Advanced Micro Devices	20.00	01/21/09	\$21,825	15	Nike, Inc.	40.00	01/21/09	2,700	
30	Amazon.com	30.00	01/21/09	6,075	18	Proctor & Gamble, Co.	50.00	01/21/09	1,845	
18	Amgen, Inc.	60.00	01/21/09	13,860	47	Pulte Homes, Inc.	25.00	01/21/09	17,155	
18	Amgen, Inc.	70.00	01/21/09	26,100	16	Ryland Group, Inc.	60.00	01/23/08	29,040	
30	Anadarko Petroleum Corp.	40.00	01/21/09	10,800	18	Ryland Group, Inc.	40.00	01/21/09	11,610	
18	Apache Corp.	60.00	01/21/09	5,940	14	Ryland Group, Inc.	30.00	01/21/09	4,130	
15	Apple Computer, Inc.	50.00	01/21/09	2,062	15	Schlumberger, Inc.	60.00	01/21/09	7,590	
60	Applied Materials, Inc.	15.00	01/21/09	6,000	18	Target Corp.	40.00	01/21/09	2,025	
18	Bank of America Corp.	40.00	01/21/09	2,835	28	Toll Brothers, Inc.	30.00	01/23/08	12,460	
15	Bear Stearns Cos, Inc.	130.00	01/21/09	15,675	18	United Technologies Corp.	50.00	01/21/09	2,745	
45	Bed Bath & Beyond, Inc.	30.00	01/21/09	5,288	30	Yahoo!, Inc.	30.00	01/23/08	6,900	
18	Caterpillar, Inc.	60.00	01/21/09	8,325	Total Put Options Purchased (Premiums Paid \$494,526)					461,342
14	Centex Corp.	50.00	01/23/08	13,510	Call Options Purchased - 0.4%					
18	Centex Corp.	40.00	01/21/09	10,260	92	American International Group	60.00	01/17/09	124,476	
30	Circuit City Stores, Inc.	30.00	01/21/09	34,350	71	Amgen Inc.	50.00	01/23/08	70,290	
60	Cisco Systems, Inc.	15.00	01/21/09	2,100	211	Bed Bath & Beyond	30.00	01/21/09	291,180	
30	Comcast Corp.	30.00	01/21/09	3,937	64	ConocoPhillips	60.00	01/21/09	94,720	
30	Countrywide Financial Corp.	30.00	01/21/09	13,350	232	Dell, Inc.	20.00	01/23/08	107,648	
30	Countrywide Financial Corp.	25.00	01/21/09	8,625	220	Home Depot, Inc.	30.00	01/17/09	206,800	
24	Dell, Inc.	20.00	01/23/08	1,992	103	Johnson & Johnson	50.00	01/23/08	117,420	
36	Dell, Inc.	30.00	01/23/08	24,480	228	Warner Music Group	25.00	01/21/09	22,800	
16	DR Horton, Inc.	30.00	01/23/08	13,280	Total Call Options Purchased (Premiums Paid \$1,100,294)					1,035,334
28	eBay, Inc.	35.00	01/23/08	11,760	Total Long Positions - 104.4% (Cost \$243,778,769) *					257,748,791
28	General Electric Co.	30.00	01/23/08	1,260	Total Short Positions - (36.2)% (Cost \$(88,048,252))					(89,352,173)
6	Google, Inc., Class A	240.00	01/23/08	450	Total Call Options Written - (0.4)% (Premiums Received \$(990,246))					(899,900)
30	Halliburton Co.	30.00	01/21/09	9,600	Other Assets & Liabilities, Net - 32.2%					79,401,446
30	Hovnanian Enterprises, Inc., Class A	35.00	01/23/08	30,600	Net Assets - 100.0%					\$246,898,164
7	Hovnanian Enterprises, Inc., Class A	50.00	01/23/08	17,360						
18	Kohl's Corp. (h)	50.00	01/21/09	2,115						
16	Lennar Corp., Class A	50.00	01/23/08	14,720						
45	Lowe's Cos, Inc.	25.00	01/21/09	6,413						
36	Lowe's Cos, Inc.	30.00	01/21/09	10,530						
18	Merrill Lynch & Co.	55.00	01/21/09	3,330						
30	Microsoft Corp.	20.00	01/21/09	1,725						

ABSOLUTE STRATEGIES FUND**SCHEDULE OF SECURITIES SOLD SHORT**

MARCH 31, 2007

Shares	Security Description	Value	Shares	Security Description	Value
Securities Sold Short - (36.2)%					
Common Stock - (33.1)%					
Consumer Discretionary - (7.0)%					
(675)	Abercrombie & Fitch Co.	\$ (51,084)	(3,000)	JOS A. Bank Clothiers, Inc.	\$(106,050)
(3,400)	A.C. Moore Arts & Crafts, Inc.	(72,556)	(100)	KB Home	(4,267)
(8,800)	Advance Auto Parts, Inc.	(339,240)	(1,958)	Kellwood Co.	(57,428)
(4,300)	Airtran Holdings, Inc.	(44,161)	(1,000)	Kelly Services, Inc., Class A	(32,200)
(7,800)	Ambassadors International, Inc.	(359,892)	(3,100)	Landry's Restaurants, Inc.	(91,760)
(1,590)	American Axle & Manufacturing Holdings, Inc.	(43,486)	(2,600)	Las Vegas Sands Corp.	(225,186)
(7,350)	Apollo Group, Inc., Class A	(322,665)	(1,300)	Lennar Corp., Class A	(54,873)
(9,402)	ArvinMeritor, Inc.	(171,586)	(5,000)	Lithia Motors, Inc.	(137,050)
(3,200)	Autonation, Inc.	(67,968)	(3,100)	LKQ Corp.	(67,766)
(3,300)	Beazer Homes USA, Inc.	(95,799)	(3,600)	Lowe's Cos., Inc.	(113,364)
(1,400)	Best Buy Co., Inc.	(68,208)	(3,700)	Ltd Brands, Inc.	(96,422)
(21,124)	Blockbuster, Inc.	(136,039)	(5,447)	Macrovision Corp.	(136,447)
(11,300)	Borders Group, Inc.	(230,746)	(1,600)	Manpower, Inc.	(118,032)
(800)	BorgWarner, Inc.	(60,336)	(5,700)	MarineMax, Inc.	(132,126)
(2,500)	Carmax, Inc.	(61,350)	(900)	MDC Holdings, Inc.	(43,263)
(3,650)	Carnival Corp.	(171,039)	(4,218)	Mesa Air Group, Inc.	(31,761)
(3,700)	Carter's, Inc.	(93,758)	(750)	MGM Mirage	(52,140)
(1,950)	Casey's General Stores, Inc.	(48,770)	(750)	Mohawk Industries, Inc.	(61,537)
(100)	Centex Corp.	(4,178)	(8,600)	New York Times Co., Class A	(202,186)
(11,200)	Champion Enterprises, Inc.	(98,560)	(7,350)	O'Reilly Automotive, Inc.	(243,285)
(2,900)	Cheesecake Factory	(77,285)	(3,100)	Orient-Express Hotels, Ltd.	(185,442)
(13,925)	Chico's FAS, Inc.	(340,188)	(1,900)	Owens & Minor, Inc.	(69,787)
(6,950)	Choice Hotels International, Inc.	(246,238)	(1,300)	Oxford Industries, Inc.	(64,272)
(1,500)	Cintas Corp.	(54,150)	(6,785)	Panera Bread Co., Class A	(400,722)
(661)	Citadel Broadcasting Corp.	(6,286)	(14,460)	Pantry, Inc.	(653,881)
(1,200)	Citi Trends, Inc.	(51,288)	(6,300)	Payless Shoesource, Inc.	(209,160)
(18,650)	Coldwater Creek, Inc.	(378,222)	(900)	PEP Boys-Manny Moe & Jack	(17,181)
(5,157)	Collegiate Pacific, Inc.	(40,225)	(2,470)	PF Chang's China Bistro, Inc.	(103,444)
(3,400)	Cooper Tire and Rubber Co.	(62,186)	(3,100)	Phillips-Van Heusen Corp.	(182,280)
(4,500)	Cost Plus, Inc.	(45,000)	(12,200)	Pier 1 Imports, Inc.	(84,302)
(3,400)	CVS/Caremark Corp.	(116,076)	(4,302)	Playboy Enterprises, Inc., Class B	(44,268)
(11,900)	Dow Jones & Co., Inc.	(410,193)	(12,150)	Pool Corp.	(434,970)
(4,000)	DR Horton, Inc.	(88,000)	(20,000)	Progressive Gaming International Corp.	(90,000)
(11,925)	Fastenal Co.	(417,971)	(12,900)	Pulte Homes, Inc.	(341,334)
(38,271)	Ford Motor Co.	(301,958)	(15,300)	Quiksilver, Inc.	(177,480)
(10,924)	Frontier Airlines Holdings, Inc.	(65,653)	(1,200)	Red Robin Gourmet Burgers, Inc.	(46,584)
(4,965)	Gaylord Entertainment Co.	(262,500)	(1,800)	Regis Corp.	(72,666)
(1,713)	General Motors Corp.	(52,486)	(3,550)	Ross Stores, Inc.	(122,120)
(2,200)	Genuine Parts Co.	(107,800)	(1,700)	Royal Caribbean Cruises, Ltd.	(71,672)
(1,300)	Gildan Activewear, Inc.	(76,505)	(3,125)	Ruths Chris Steakhouse, Inc.	(63,625)
(2,800)	Goodyear Tire & Rubber Co.	(87,332)	(600)	Ryland Group, Inc.	(25,314)
(2,326)	Group 1 Automotive, Inc.	(92,505)	(1,700)	Scholastic Corp.	(52,870)
(5,330)	Guitar Center, Inc.	(240,490)	(3,341)	School Specialty, Inc.	(120,643)
(3,200)	Herman Miller, Inc.	(107,168)	(16,950)	Scientific Games Corp.	(556,468)
(2,050)	Hibbett Sports, Inc.	(58,610)	(1,320)	Six Flags, Inc.	(7,933)
(6,450)	HNI Corp.	(296,248)	(3,700)	Sonic Automotive, Inc.	(105,450)
(3,500)	Hovnanian Enterprises, Inc., Class A	(88,060)	(200)	Standard-Pacific Corp.	(4,174)
(3,275)	Iconix Brand Group, Inc.	(66,810)	(2,000)	Staples, Inc.	(51,680)
(21,800)	Interpublic Group of Cos., Inc.	(268,358)	(2,950)	Stein Mart, Inc.	(48,144)
(4,800)	Iron Mountain, Inc.	(125,424)	(2,350)	Talbots, Inc.	(55,507)
(13,523)	JetBlue Airways Corp.	(155,650)	(2,300)	Target Corp.	(136,298)
			(11,525)	Texas Roadhouse, Inc.	(164,231)
			(6,650)	Thor Industries, Inc.	(261,943)
			(2,050)	Tiffany & Co.	(93,234)

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND**SCHEDULE OF SECURITIES SOLD SHORT**

MARCH 31, 2007

Shares	Security Description	Value	Shares	Security Description	Value
(13,600)	Timberland Co.	\$ (354,008)	(3,520)	Fortune Brands, Inc.	\$ (277,446)
(200)	Toll Brothers, Inc.	(5,476)	(2,845)	Fossil, Inc.	(75,307)
(8,935)	Tractor Supply Co.	(460,152)	(4,702)	FTI Consulting, Inc.	(157,940)
(2,750)	Tuesday Morning Corp.	(40,810)	(800)	Great Atlantic & Pacific Tea Corp.	(26,544)
(1,800)	Tween Brands, Inc.	(64,296)	(2,100)	Hain Celestial Group, Inc.	(63,147)
(650)	Under Armour, Inc.	(33,345)	(5,925)	Hansen Natural Corp.	(224,439)
(2,800)	United Auto Group, Inc.	(56,840)	(1,879)	HealthSouth Corp.	(39,478)
(2,875)	Urban Outfitters, Inc.	(76,216)	(4,000)	Heartland Payment Systems, Inc.	(94,560)
(1,400)	Vail Resorts, Inc.	(76,062)	(7,300)	Hershey Co.	(399,018)
(12,700)	Valassis Communications, Inc.	(218,313)	(7,350)	Hospira, Inc.	(300,615)
(2,700)	Walgreen Co.	(123,903)	(1,100)	Humana, Inc.	(63,822)
(3,900)	Wal-Mart Stores, Inc.	(183,105)	(7,422)	Illumina, Inc.	(217,465)
(5,000)	Walt Disney Co.	(172,150)	(14,249)	Incyte Corp.	(93,901)
(13,950)	Warner Music Group Corp.	(237,987)	(308)	Invacare Corp.	(5,372)
(9,000)	WCI Communities, Inc.	(192,060)	(4,660)	Isis Pharmaceuticals, Inc.	(43,198)
(10,250)	Williams-Sonoma, Inc.	(363,465)	(1,565)	Johnson & Johnson	(94,307)
(1,375)	Wynn Resorts, Ltd.	(130,432)	(13,400)	K2, Inc.	(162,006)
(390)	XM Satellite Holdings, Inc., Class A	(5,039)	(3,600)	Kenexa Corp.	(112,068)
(2,850)	Zale Corp.	(75,183)	(13,500)	Kraft Foods, Inc.	(427,410)
		<u>(17,323,350)</u>			
	Consumer Staples - (4.2)%				
(3,500)	Abbott Laboratories	(195,300)	(4,617)	Millennium Pharmaceuticals, Inc.	(52,449)
(10,200)	Adolor Corp.	(89,250)	(7,450)	MSC Industrial Direct Co.	(347,766)
(2,800)	Advance Magnetic, Inc.	(168,756)	(7,000)	Neurocrine Biosciences, Inc.	(87,500)
(1,040)	Allergan, Inc.	(115,253)	(8,738)	Oscient Pharmaceuticals Corp.	(45,962)
(425)	Alliance Data Systems Corp.	(26,188)	(12,100)	Pharmaceutical Product Development, Inc.	(407,649)
(4,320)	Alpharma, Inc., Class A	(104,026)	(1,250)	Pilgrim's Pride Corp.	(41,488)
(529)	Archer-Daniels-Midland Co.	(19,414)	(9,000)	Prestige Brands Holdings, Inc.	(106,650)
(1,800)	Avon Products, Inc.	(67,068)	(3,100)	Providence Service Corp.	(73,532)
(580)	ATS Medical, Inc.	(1,195)	(1,310)	Quest Diagnostics, Inc.	(65,330)
(1,500)	Bare Escentuals, Inc.	(53,805)	(5,020)	Sciele Pharma, Inc.	(118,874)
(5,650)	Barr Pharmaceuticals, Inc.	(261,878)	(1,100)	Scotts Miracle-Grow Co., Class A	(48,433)
(2,500)	Baxter International, Inc.	(131,675)	(2,375)	Smithfield Foods, Inc.	(71,131)
(5,100)	Brown-Forman Corp., Class B	(334,356)	(5,400)	Sotheby's	(240,192)
(2,796)	Bunge, Ltd.	(229,887)	(9,300)	Stereotaxis, Inc.	(110,670)
(2,700)	Campbell Soup Co.	(105,165)	(600)	Strayer Education, Inc.	(75,000)
(25,900)	CBIZ, Inc.	(183,890)	(1,300)	Stryker Corp.	(86,216)
(30,200)	Cell Genesys, Inc.	(126,840)	(19,950)	Tenet Healthcare Corp.	(128,279)
(4,230)	Central Garden and Pet Co., Class A	(62,181)	(1,400)	Teva Pharmaceutical Industries Ltd., ADR	(52,402)
(1,200)	Chattam, Inc.	(70,728)			
(3,675)	Chiquita Brands International	(51,524)	(5,600)	Tyson Foods, Inc., Class A	(108,696)
(1,600)	Colgate-Palmolive Co.	(106,864)	(1,500)	United Natural Foods, Inc.	(45,960)
(2,800)	Community Health Systems, Inc.	(98,700)	(1,443)	Universal Corp.	(88,528)
(914)	Conceptus, Inc.	(18,280)	(3,300)	VCA Antech, Inc.	(119,823)
(2,900)	Cooper Cos., Inc.	(140,998)	(1,580)	Ventana Medical Systems, Inc.	(66,202)
(4,000)	Corporate Executive Board Co.	(303,840)	(1,658)	Viropharma, Inc.	(23,792)
(3,700)	Coventry Health Care, Inc.	(207,385)	(2,250)	VistaPrint, Ltd.	(86,175)
(4,120)	Decode Genetics, Inc.	(15,038)	(4,200)	Volt Information Sciences, Inc.	(109,998)
(1,550)	Digene Corp.	(65,736)	(4,025)	Watson Pharmaceuticals, Inc.	(106,381)
(10,126)	Enzon Pharmaceuticals, Inc.	(82,527)	(7,150)	Whole Foods Market, Inc.	(320,678)
(6,086)	Five Star Quality Care, Inc.	(62,564)	(7,125)	WM Wrigley Jr. Co.	(362,876)
(1,200)	Forest Laboratories, Inc.	(61,728)			
					<u>(10,422,886)</u>

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND**SCHEDULE OF SECURITIES SOLD SHORT**

MARCH 31, 2007

Shares	Security Description	Value	Shares	Security Description	Value
Energy - (3.8)%					
(3,750)	Apache Corp.	\$ (265,125)	(1,700)	American Campus Communities, Inc.	\$ (51,493)
(15,250)	Arch Coal, Inc.	(468,023)	(1,700)	American Capital Strategies, Ltd.	(75,327)
(1,200)	Atwood Oceanics, Inc.	(70,428)	(10,800)	American Equity Investment Life Holding Co.	(141,804)
(1,500)	Baker Hughes, Inc.	(99,195)	(2,803)	AmeriCredit Corp.	(64,077)
(1,600)	Berry Petroleum Co.	(49,056)	(800)	Apartment Investment & Management Co.	(46,152)
(880)	Cabot Oil & Gas Corp.	(59,242)	(2,125)	Associated Banc-Corp.	(71,400)
(2,200)	Cameron International Corp.	(138,138)	(4,700)	Astoria Financial Corp.	(124,973)
(1,800)	Carrizo Oil & Gas, Inc.	(62,928)	(5,600)	Bank of America Corp.	(285,712)
(15,750)	Cheniere Energy, Inc.	(490,613)	(5,750)	Bank of Hawaii Corp.	(304,923)
(6,497)	Chesapeake Energy Corp.	(200,627)	(16,100)	BankAtlantic Bancorp, Inc., Class A	(176,456)
(1,525)	Chevron Corp.	(112,789)	(1,100)	Bear Stearns Cos., Inc.	(165,385)
(1,400)	Comstock Resources, Inc.	(38,332)	(1,800)	Brookfield Properties Corp.	(72,540)
(9,100)	Consol Energy, Inc.	(356,083)	(9,750)	Brown & Brown, Inc.	(263,445)
(5,600)	Covanta Holding Corp.	(124,208)	(7,000)	Capitol Federal Financial	(264,670)
(1,800)	Crosstex Energy, Inc.	(51,750)	(1,575)	Cathay General Bancorp	(53,519)
(5,600)	Delta Petroleum Corp.	(128,576)	(90)	Chicago Mercantile Exchange Holdings, Inc.	(47,921)
(3,800)	Denbury Resources, Inc.	(113,202)	(2,200)	Chittenden Corp.	(66,418)
(1,300)	Diamond Offshore Drilling, Inc.	(105,235)	(3,400)	Cincinnati Financial Corp.	(144,160)
(33,045)	Edge Petroleum Corp.	(413,723)	(2,800)	CNA Financial Corp.	(120,652)
(7,400)	Enbridge, Inc.	(241,610)	(5,400)	Commerce Bancorp., Inc.	(180,252)
(4,300)	Encore Acquisition Co.	(104,017)	(3,022)	CompuCredit Corp.	(94,347)
(8,000)	EOG Resources, Inc.	(570,720)	(1,727)	Conseco, Inc.	(29,877)
(6,600)	Evergreen Solar, Inc.	(64,350)	(2,225)	Constellation Brands, Inc.	(47,126)
(1,450)	Exxon Mobil Corp.	(109,403)	(5,200)	Cullen/Frost Bankers, Inc.	(272,116)
(9,750)	Foundation Coal Holdings, Inc.	(334,815)	(1,275)	East West Bancorp, Inc.	(46,882)
(6,500)	Gasco Energy, Inc.	(15,860)	(2,600)	Endurance Specialty Holdings, Ltd.	(92,924)
(2,400)	GMX Resources, Inc.	(73,752)	(1,900)	Equity One, Inc.	(50,350)
(1,582)	Goodrich Petroleum Corp.	(53,203)	(3,833)	Euronet Worldwide, Inc.	(102,954)
(2,150)	Halliburton Co.	(68,241)	(2,795)	Extra Space Storage, Inc.	(52,937)
(455)	Hornbeck Offshore Services, Inc.	(13,036)	(1,325)	Fannie Mae	(72,319)
(17,175)	Massey Energy Co.	(412,028)	(9,000)	Federated Investors, Inc.	(330,480)
(4,100)	Noble Corp.	(322,588)	(2,125)	FelCor Lodging Trust, Inc.	(55,186)
(4,000)	Parallel Petroleum Corp.	(91,800)	(2,075)	Fifth Third Bancorp	(80,282)
(14,725)	Patterson-UTI Energy, Inc.	(330,429)	(2,700)	First Horizon National Corp.	(112,131)
(14,016)	Peabody Energy Corp.	(564,004)	(6,325)	First Midwest Bancorp, Inc.	(232,444)
(3,250)	Questar Corp.	(289,933)	(5,500)	First Niagara Financial Group, Inc.	(76,505)
(4,000)	Quicksilver Resources, Inc.	(159,080)	(7,550)	First Potomac Realty Trust	(215,704)
(5,000)	Range Resources Corp.	(167,000)	(2,700)	FirstFed Financial Corp.	(153,441)
(5,400)	Rowan Cos., Inc.	(175,338)	(3,675)	Firstmerit Corp.	(77,579)
(2,850)	Schlumberger, Ltd.	(196,935)	(2,423)	Forest City Enterprises, Inc.	(160,354)
(1,800)	Smith International, Inc.	(86,490)	(1,825)	Glimcher Realty Trust	(49,311)
(3,800)	Southwestern Energy Co.	(155,724)	(1,150)	Greenhill & Co., Inc.	(70,599)
(5,050)	Sunoco, Inc.	(355,722)	(22,800)	H&R Block, Inc.	(479,712)
(6,944)	Suntech Power Holdings Co., Ltd. ADR	(240,332)	(1,900)	Hancock Holding Co.	(83,562)
(3,900)	Tetra Technologies, Inc.	(96,369)	(2,900)	Harleysville Group, Inc.	(94,221)
(3,800)	TransCanada Corp.	(126,464)	(2,300)	Hartford Financial Services Group, Inc.	(219,834)
(4,260)	Transocean, Inc.	(348,042)	(1,050)	Health Care REIT, Inc.	(46,095)
(15,800)	Warren Resources, Inc.	(205,874)	(1,150)	Healthcare Realty Trust	(42,895)
		(9,320,432)	(1,518)	Hospitality Properties Trust	(71,042)
			(1,701)	Host Hotels & Resorts, Inc.	(44,753)
			(11,200)	Housevalues, Inc.	(56,672)
			(6,575)	Hudson City Bancorp, Inc.	(89,946)
			(6,850)	Investment Technology Group, Inc.	(268,520)
			(3,450)	Janus Capital Group, Inc.	(72,139)
Financials - (5.7)%					
(241)	Affiliated Managers Group, Inc.	(26,112)			
(3,500)	Allianz SE ADR	(71,925)			

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND**SCHEDULE OF SECURITIES SOLD SHORT**

MARCH 31, 2007

Shares	Security Description	Value	Shares	Security Description	Value
(4,600)	Jefferies Group, Inc.	\$ (133,170)	Health Care - (2.0)%		
(1,520)	Kilroy Realty Corp.	(112,100)	(12,500)	Abraxis BioScience, Inc.	\$ (333,875)
(8,200)	LaBranche & Co, Inc.	(66,912)	(10,555)	Advanced Medical Optics, Inc.	(392,646)
(1,200)	Legg Mason, Inc.	(113,052)	(2,200)	Affymetrix, Inc.	(66,154)
(2,425)	Leucadia National Corp.	(71,344)	(600)	Alcon, Inc.	(79,092)
(3,400)	Lexington Realty Trust	(71,842)	(8,328)	American Medical Systems Holdings, Inc.	(176,304)
(900)	Maguire Properties, Inc.	(32,004)	(21,930)	Boston Scientific Corp.	(318,862)
(4,400)	MBIA, Inc.	(288,156)	(5,000)	Bristol-Myers Squibb Co.	(138,800)
(6,300)	Montpelier Re Holdings, Ltd.	(109,242)	(1,425)	Charles River Laboratories	(65,921)
(2,000)	National City Corp.	(74,500)	(1,644)	Conmed Corp.	(48,054)
(2,500)	National Financial Partners Corp.	(117,275)	(6,713)	Cubist Pharmaceuticals, Inc.	(148,156)
(9,225)	New York Community Bancorp, Inc.	(162,268)	(2,150)	CV Therapeutics, Inc.	(16,921)
(2,500)	Nuveen Investments, Inc., Class A	(118,250)	(1,400)	Cyberonics, Inc.	(26,292)
(1,700)	Pacific Capital Bancorp	(54,604)	(2,100)	Eli Lilly & Co.	(112,791)
(1,175)	Parkway Properties, Inc.	(61,394)	(775)	Genentech, Inc.	(63,643)
(1,400)	PartnerRe, Ltd.	(95,956)	(6,395)	Health Management Associates, Class A	(69,514)
(6,500)	People's Bank	(288,600)	(1,100)	Healthways, Inc.	(51,425)
(1,000)	Pennsylvania Real Estate Investment Trust	(44,330)	(6,029)	Human Genome Sciences, Inc.	(64,028)
(3,500)	Phoenix Cos, Inc.	(48,580)	(8,800)	ImClone Systems, Inc.	(358,776)
(2,700)	Popular, Inc.	(44,712)	(1,056)	LifePoint Hospitals, Inc.	(40,360)
(950)	Post Properties, Inc.	(43,443)	(2,900)	Medtronic, Inc.	(142,274)
(3,867)	PrivateBancorp, Inc.	(141,377)	(941)	Millipore Corp.	(68,194)
(13,800)	Progressive Corp.	(301,116)	(4,444)	Nektar Therapeutics	(58,039)
(2,800)	Prologis	(181,804)	(5,173)	Omnicare, Inc.	(205,730)
(1,950)	Provident Bankshares Corp.	(64,077)	(4,400)	Option Care, Inc.	(58,520)
(2,800)	Raymond James Financial, Inc.	(83,328)	(6,900)	OraSure Technologies, Inc.	(50,715)
(8,850)	Rayonier, Inc.	(380,550)	(3,175)	Patterson Cos., Inc.	(112,681)
(2,475)	Signature Bank	(80,537)	(17,300)	PDL BioPharma, Inc.	(375,410)
(15,280)	SLM Corp.	(624,952)	(4,800)	Qiagen NV	(82,464)
(1,248)	Sovereign Bancorp, Inc.	(31,749)	(3,300)	Resmed, Inc.	(166,221)
(750)	Sovran Self Storage, Inc.	(41,558)	(6,250)	Sepracor, Inc.	(291,438)
(4,600)	Sterling Bancshares, Inc.	(51,428)	(8,400)	St. Jude Medical, Inc.	(315,924)
(1,125)	Stewart Information Services Corp.	(47,014)	(1,300)	Sunrise Senior Living, Inc.	(51,376)
(1,100)	Student Loan Corp.	(204,512)	(1,400)	UnitedHealth Group, Inc.	(74,158)
(1,710)	Strategic Hotels & Resorts, Inc.	(39,108)	(18,400)	Valeant Pharmaceuticals International	(318,136)
(1,500)	Sun Life Financial, Inc.	(68,100)			
(14,350)	TCF Financial Corp.	(378,266)			(4,942,894)
(20,400)	TD Ameritrade Holding Corp.	(303,552)	Industrials - (3.8)%		
(11,300)	UCBH Holdings, Inc.	(210,406)	(2,000)	Alexander & Baldwin, Inc.	(100,880)
(2,100)	UMB Financial Corp.	(79,296)	(8,459)	Allied Waste Industries, Inc.	(106,499)
(2,975)	Umpqua Holdings Corp.	(79,641)	(1,950)	Ametek, Inc.	(67,353)
(1,500)	United Bankshares, Inc.	(52,545)	(1,000)	Amphenol Corp., Class A	(64,570)
(2,400)	Unum Group	(55,272)	(1,600)	Ball Corp.	(73,360)
(2,300)	U-Store-It Trust	(46,276)	(5,780)	Barnes Group, Inc.	(132,998)
(10,400)	Valley National Bancorp	(262,600)	(4,800)	Brady Corp., Class A	(149,760)
(6,350)	Walter Industries, Inc.	(157,162)	(12,980)	C&D Technologies, Inc.	(65,289)
(2,300)	Washington Federal, Inc.	(53,958)	(4,465)	Ceradyne, Inc.	(244,414)
(2,275)	Wells Fargo & Co.	(78,328)	(7,750)	CH Robinson Worldwide, Inc.	(370,062)
(11,585)	Westamerica Bancorporation	(558,049)	(2,300)	Cogent, Inc.	(30,935)
(3,900)	Wintrust Financial Corp.	(173,979)	(6,250)	Con-Way, Inc.	(311,500)
(1,111)	World Acceptance Corp	(44,384)	(8,050)	Crane Co.	(325,381)
(2,600)	XL Capital, Ltd., Class A	(181,896)	(1,400)	Danaher Corp.	(100,030)
		(14,073,109)	(4,600)	Eastman Kodak Co.	(103,776)
			(6,194)	EDO Corp.	(162,283)

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND**SCHEDULE OF SECURITIES SOLD SHORT**

MARCH 31, 2007

Shares	Security Description	Value	Shares	Security Description	Value
(8,250)	Energy Conversion Devices, Inc.	\$ (288,255)	(1,200)	Cerner Corp.	\$ (65,340)
(8,000)	ENGlobal Corp.	(44,400)	(3,138)	Ciber, Inc.	(24,696)
(1,550)	Expeditors International Washington, Inc.	(64,046)	(10,350)	Citrix Systems, Inc.	(331,510)
(1,876)	FEI Co.	(67,648)	(4,300)	Concur Technologies, Inc.	(75,078)
(2,100)	Flir Systems, Inc.	(74,907)	(17,208)	Conexant Systems, Inc.	(28,393)
(2,900)	Florida East Coast Industries, Inc.	(181,801)	(825)	Ctrip.com International, Ltd. ADR	(55,263)
(7,500)	Flowserve Corp.	(428,925)	(13,060)	Cypress Semiconductor Corp.	(242,263)
(6,900)	Fluor Corp.	(619,068)	(1,300)	Diodes, Inc.	(45,305)
(1,550)	Garmin, Ltd.	(83,933)	(8,575)	Earthlink, Inc.	(63,026)
(1,300)	GATX Corp.	(62,140)	(3,300)	Electronics for Imaging	(77,385)
(5,286)	GenCorp, Inc.	(73,158)	(3,700)	eFunds Corp.	(98,642)
(2,400)	General Dynamics Corp.	(183,360)	(5,700)	EMC Corp.	(78,945)
(4,700)	General Electric Co.	(166,192)	(7,520)	Emcore Corp.	(37,600)
(1,950)	Genesee & Wyoming, Inc.	(51,889)	(8,529)	Emdeon Corp.	(129,044)
(1,296)	Greatbatch, Inc.	(33,048)	(1,200)	Equinix, Inc.	(102,756)
(475)	Greenbrier Companies, Inc.	(12,683)	(3,080)	Fair Isaac Corp.	(119,134)
(1,200)	Gulfmark Offshore, Inc.	(52,380)	(12,030)	Global Payments	(409,742)
(18,990)	Hexcel Corp.	(376,952)	(400)	Google, Inc., Class A	(183,264)
(2,200)	IDEX Corp.	(111,936)	(2,834)	Hutchinson Technology, Inc.	(66,174)
(4,600)	Insituform Technologies, Inc.	(95,634)	(2,500)	International Rectifier Corp.	(95,525)
(2,475)	Intermec, Inc.	(55,291)	(3,200)	Jupitermedia Corp.	(21,184)
(7,650)	Joy Global, Inc.	(328,185)	(9,750)	Linear Technology Corp.	(308,002)
(5,609)	Kansas City Southern	(199,568)	(8,300)	Maxim Integrated Products, Inc.	(244,020)
(10,758)	Kemet Corp.	(82,299)	(7,387)	Mentor Graphics Corp.	(120,703)
(2,900)	Knight Transportation, Inc.	(51,678)	(2,500)	MicroSemi Corp.	(52,025)
(18,867)	LeCroy Corp.	(157,539)	(5,100)	Microsoft Corp.	(142,137)
(4,000)	Lindsay Manufacturing Co.	(127,160)	(7,500)	Micron Technology, Inc.	(90,600)
(560)	Martin Marietta Materials, Inc.	(75,712)	(12,600)	National Semiconductor Corp.	(304,164)
(1,200)	Mine Safety Appliances Co.	(50,472)	(10,900)	NAVTEQ Corp.	(376,050)
(8,900)	Newport Corp.	(145,693)	(38,164)	ON Semiconductor	(340,423)
(4,000)	Norfolk Southern Corp.	(202,400)	(10,200)	Openwave Systems, Inc.	(83,130)
(12,250)	Plexus Corp.	(210,088)	(10,250)	Paychex, Inc.	(388,167)
(11,700)	Republic Services, Inc.	(325,494)	(6,564)	PMC-Sierra, Inc.	(46,014)
(5,300)	Rockwell Automation, Inc.	(317,311)	(5,451)	Quantum Corp.	(14,718)
(2,140)	Shaw Group, Inc.	(66,918)	(6,400)	Rackable Systems, Inc.	(108,608)
(1,800)	Snap-On, Inc.	(86,580)	(13,300)	Red Hat, Inc.	(304,969)
(1,300)	Stanley Works	(71,968)	(735)	Research In Motion, Ltd.	(100,320)
(1,900)	Stericycle, Inc.	(154,850)	(3,900)	Salesforce.com, Inc.	(166,998)
(13,990)	Trinity Industries, Inc.	(586,461)	(9,467)	SanDisk Corp.	(414,655)
(5,400)	Watts Water Technologies, Inc., Class A	(205,362)	(8,600)	Silicon Laboratories, Inc.	(257,312)
(2,800)	Werner Enterprises, Inc.	(50,876)	(3,300)	SIRF Technology Holdings, Inc.	(91,608)
(1,350)	USG Corp.	(63,018)	(1,845)	Skyworks Solutions, Inc.	(10,609)
(11,375)	UTI Worldwide, Inc.	(279,598)	(1,340)	SPSS, Inc.	(48,374)
		<u>(9,375,966)</u>	(10,500)	Sun Microsystems, Inc.	(63,105)
			(3,100)	Teradyne, Inc.	(51,274)
			(2,100)	Texas Instruments, Inc.	(63,210)
			(3,100)	Ultimate Software Group, Inc.	(81,189)
			(9,900)	Unisys Corp.	(83,457)
			(1,400)	Verint Systems, Inc.	(45,017)
			(8,300)	Wind River Systems, Inc.	(82,502)
			(2,539)	Xilinx, Inc.	(65,328)
					<u>(8,092,452)</u>
Information Technology - (3.3)%					
(8,600)	Activision, Inc.	(162,884)			
(8,301)	Amkor Tech, Inc.	(103,596)			
(9,100)	Analog Devices, Inc.	(313,859)			
(1,000)	Apple Computer, Inc.	(92,910)			
(2,800)	aQuantive, Inc.	(78,148)			
(3,300)	Blackboard, Inc.	(110,979)			
(52,998)	Borland Software Corp.	(279,299)			
(2,000)	CA, Inc.	(51,820)			

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND
SCHEDULE OF CALL OPTIONS WRITTEN
MARCH 31, 2007

Number of Contracts	Security Description	Strike Price	Expiration Date	Value	Number of Contracts	Security Description	Strike Price	Expiration Date	Value												
Call Options Written - (0.4)%					(12)	United Technologies Corp.	50.00	01/21/09	(22,380)												
(20)	Advanced Micro	20.00	01/21/09	\$ (2,900)	(20)	Yahoo! Inc.	30.00	01/23/08	(9,400)												
(20)	Amazon.com	30.00	01/21/09	(28,500)	Total Call Options Written - (0.4)%																
(12)	Amgen, Inc.	60.00	01/21/09	(9,480)	(Premiums Received \$(990,246))																
(12)	Amgen, Inc.	70.00	01/21/09	(5,040)	<u>\$ (899,900)</u>																
(20)	Anadarko Petroleum Corp.	40.00	01/21/09	(18,300)	ADR American Depositary Receipt																
(12)	Apache Corp.	60.00	01/21/09	(21,420)	FHLMC Federal Home Loan Mortgage Corporation																
(10)	Apple Computer, Inc.	50.00	01/21/09	(48,450)	FNMA Federal National Mortgage Association																
(40)	Applied Materials, Inc.	15.00	01/21/09	(20,600)	IO Interest Only																
(12)	Bank of America Corp.	40.00	01/21/09	(15,000)	MTN Medium-term Note																
(10)	Bear Stearns Cos, Inc.	130.00	01/21/09	(38,750)	plc Public Limited Company																
(30)	Bed Bath & Beyond, Inc.	30.00	01/21/09	(41,400)	PO Principal Only																
(12)	Caterpillar, Inc.	60.00	01/21/09	(16,920)	REIT Real Estate Investment Trust																
(10)	Centex Corp.	50.00	01/23/08	(2,800)	REMIC Real Estate Mortgage Investment Conduit																
(12)	Centex Corp.	40.00	01/21/09	(12,300)	(a) Zero coupon bond. Interest rate presented is yield to maturity.																
(20)	Circuit City Corp.	30.00	01/21/09	(1,300)	(b) When issued security.																
(40)	Cisco Systems, Inc.	15.00	01/21/09	(47,400)	(c) Affiliated company due to Loomis, Sayles & Company, L.P. being a sub-adviser of the Fund.																
(20)	Comcast Corp.	30.00	01/21/09	(25,050)	Transactions during the period with Loomis Sayles Investment Grade Fixed Income Fund which is an affiliate is as follows:																
(20)	Countrywide Financial	25.00	01/21/09	(24,600)	<table border="1"> <thead> <tr> <th>Shares held as of beginning of period</th> <th>Gross Additions</th> <th>Gross Reductions</th> <th>Shares held as of end of period</th> <th>Value, March 31, 2007</th> <th>Investment Income</th> </tr> </thead> <tbody> <tr> <td>246,768</td> <td>\$226,426</td> <td>\$0</td> <td>264,898</td> <td>\$3,329,767</td> <td>\$226,426</td> </tr> </tbody> </table>					Shares held as of beginning of period	Gross Additions	Gross Reductions	Shares held as of end of period	Value, March 31, 2007	Investment Income	246,768	\$226,426	\$0	264,898	\$3,329,767	\$226,426
Shares held as of beginning of period	Gross Additions	Gross Reductions	Shares held as of end of period	Value, March 31, 2007	Investment Income																
246,768	\$226,426	\$0	264,898	\$3,329,767	\$226,426																
(20)	Countrywide Financial	30.00	01/21/09	(18,800)	(d) Non-income producing security.																
(16)	Dell, Inc.	20.00	01/23/08	(7,680)	(e) Variable rate security.																
(24)	Dell, Inc.	30.00	01/23/08	(1,320)	(f) Security is currently in default on scheduled interest or principal payments.																
(12)	DR Horton, Inc.	30.00	01/23/08	(900)	(g) Debt obligation initially issued at one coupon rate which converts to a higher coupon rate at a specified date. The rate shown is the rate at period end.																
(20)	eBay, Inc.	35.00	01/23/08	(6,800)	(h) All or a portion of this security is held as collateral for securities sold short.																
(20)	General Electric Co.	30.00	01/23/08	(12,650)	(i) Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$10,102,694 or 4.1% of net assets.																
(4)	Google, Inc.	240.00	01/23/08	(91,440)	(j) Security fair valued in accordance with procedures adopted by the Board of Trustees.																
(20)	Halliburton Co.	30.00	01/21/09	(12,800)																	
(20)	Hovnanian Enterprises, Inc.	35.00	01/23/08	(2,400)																	
(5)	Hovnanian Enterprises, Inc.	50.00	01/23/08	(50)																	
(12)	Kohl's Corp.	50.00	01/21/09	(38,280)																	
(12)	Lennar Corp.	50.00	01/23/08	(3,000)																	
(30)	Lowe's Corp.	25.00	01/21/09	(28,350)																	
(24)	Lowe's Corp.	30.00	01/21/09	(14,880)																	
(12)	Merrill Lynch & Co.	55.00	01/21/09	(36,540)																	
(20)	Microsoft	20.00	01/21/09	(18,650)																	
(12)	Morgan Stanley Dean Witter Cap.	50.00	01/21/09	(38,640)																	
(10)	Nike, Inc.	40.00	01/21/09	(32,150)																	
(12)	Proctor & Gamble	50.00	01/21/09	(19,200)																	
(32)	Pulte Homes, Inc.	25.00	01/21/09	(21,440)																	
(12)	Ryland Group, Inc.	60.00	01/23/08	(1,620)																	
(10)	Ryland Group, Inc.	30.00	01/21/09	(16,500)																	
(12)	Ryland Group, Inc.	40.00	01/21/09	(12,780)																	
(10)	Schlumberger, Ltd.	60.00	01/21/09	(18,100)																	
(12)	Target Corp.	40.00	01/21/09	(27,240)																	
(20)	Toll Brothers, Inc.	30.00	01/23/08	\$ (5,700)																	

ABSOLUTE STRATEGIES FUND

SCHEDULE OF CALL OPTIONS WRITTEN

MARCH 31, 2007

(k) Holders of Comdisco Holding Co., Inc. were issued contingent equity distribution rights pursuant to the Comdisco, Inc. First Amended Joint Plan of Reorganization. Accordingly, there is no associated strike price or expiration date.

At March 31, 2007, the Fund held the following futures contracts:

<u>Contracts</u>	<u>Type</u>	<u>Expiration Date</u>	<u>Notional Contract Value</u>	<u>Depreciation</u>
(325)	Short S&P 500 E-Mini Future	06/15/07	\$23,257,000	\$(345,750)

* Cost for Federal income tax purposes is \$156,782,808 and unrealized appreciation (depreciation) consists of:

Gross Unrealized Appreciation	\$19,340,494
Gross Unrealized Depreciation	(8,626,584)
Net Unrealized Appreciation (Depreciation)	<u>\$10,713,910</u>

ABSOLUTE STRATEGIES FUND

PORTFOLIO HOLDINGS SUMMARY

MARCH 31, 2007

Portfolio Breakdown (% of Net Assets)	
Long Positions	
Equity Securities	56.0%
Asset Backed Obligations	2.6%
Corporate Convertible Bonds	10.7%
Corporate Non-Convertible Bonds	3.2%
US Government and Agency Obligations	4.6%
Options	0.6%
Mutual Fund	1.3%
Short-Term Investments	25.4%
Short Positions	
Equity Securities	-36.2%
Options	-0.4%
Other Assets less Liabilities*	32.2%
	100.0%

* Consists of deposits with the custodian for securities sold short, foreign currency, prepaid expenses, receivables, payables, and accrued liabilities. Deposits with the custodian for securities sold short represents 33.0% of net assets. See Note 2.

Sector Breakdown	% of Equity Holdings	
	Long	Short
Consumer Discretionary	18.8%	21.2%
Consumer Staples	10.2%	12.8%
Energy	7.6%	11.4%
Financials	27.4%	17.2%
Health Care	4.0%	6.0%
Industrials	11.3%	11.5%
Information Technology	7.2%	9.9%
Materials	3.6%	3.4%
Telecommunications	4.4%	4.5%
Utilities	5.5%	2.1%
	100.0%	100.0%

ABSOLUTE STRATEGIES FUND

STATEMENT OF ASSETS AND LIABILITIES

MARCH 31, 2007

ASSETS

Investments, at value (Cost \$240,346,444)	\$254,419,024
Investments in affiliates, at value (Cost \$3,432,325)	3,329,767
Deposits with custodian for securities sold short	81,504,154
Receivables:	
Investment securities sold	5,702,492
Fund shares sold	2,556,324
Interest and dividends	927,994
From investment adviser	6,845
Variation margin	4,875
Prepaid expenses	12,005
Total Assets	<u>348,463,480</u>

LIABILITIES

Payables:	
Due to custodian	1,570,597
Securities sold short, at value (Cost \$88,048,252)	89,352,173
Call options written, at value (Premiums received \$990,246)	899,900
Investment securities purchased	9,043,260
Fund shares redeemed	181,352
Accrued liabilities:	
Investment adviser fees	314,517
Compliance services fees	3,642
Trustees' fees and expenses	168
Other expenses	199,707
Total Liabilities	<u>101,565,316</u>

NET ASSETS\$246,898,164**COMPONENTS OF NET ASSETS**

Paid-in capital	\$238,263,711
Accumulated undistributed (distributions in excess of) net investment income	1,148,834
Net realized gain (loss)	(4,925,784)
Net unrealized appreciation (depreciation)	12,411,403

NET ASSETS\$246,898,164**SHARES OF BENEFICIAL INTEREST (UNLIMITED SHARES AUTHORIZED)**

Institutional Shares	18,510,411
A Shares	3,444,145
C Shares	1,293,143

NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE

Institutional Shares (based on net assets of \$196,601,970)	\$ 10.62
A Shares (based on net assets of \$36,612,711)	\$ 10.63
A Shares Maximum Public Offering Price Per Share (net asset value per share / 95.50%)	\$ 11.13
C Shares (based on net assets of \$13,683,483)	\$ 10.58

ABSOLUTE STRATEGIES FUNDSTATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2007

INVESTMENT INCOME

Interest income	\$ 6,208,585
Dividend income (net foreign withholding taxes of \$9,380)	1,467,887
Dividend income from affiliated investment	226,426
Total Investment Income	<u>7,902,898</u>

EXPENSES

Investment adviser fees	2,626,863
Administrator fees	197,016
Distribution fees:	
A Shares	100,080
C Shares	86,600
Transfer agency fees:	
Institutional Shares	42,228
A Shares	36,441
C Shares	8,405
Custodian fees	52,161
Registration fees	47,237
Professional fees	75,886
Trustees' fees and expenses	8,434
Compliance services fees	96,049
Offering costs	28,929
Dividend expenses on securities sold short	689,935
Miscellaneous expenses	146,667
Total Expenses	<u>4,242,931</u>
Fees waived and expenses reimbursed	(140,476)
Net Expenses	<u>4,102,455</u>

NET INVESTMENT INCOME (LOSS)3,800,443**NET REALIZED AND UNREALIZED GAIN (LOSS)**

Net realized gain (loss) on:	
Investments	3,632,212
Foreign currency transactions	(12,978)
Futures	(757,563)
Securities sold short	<u>(6,616,285)</u>
Net realized gain (loss)	<u>(3,754,614)</u>
Net unrealized gain (loss) on:	
Investments	9,358,825
Foreign currency translations	214
Futures	(345,750)
Securities sold short	(151,972)
Written options	74,889
Net change in unrealized appreciation (depreciation)	<u>8,936,206</u>

NET REALIZED AND UNREALIZED GAIN (LOSS)5,181,592**INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS**\$ 8,982,035

ABSOLUTE STRATEGIES FUND

STATEMENT OF CHANGES IN NET ASSETS

	Year Ended March 31, 2007	Period from July 11, 2005 (a) through March 31, 2006
OPERATIONS		
Net investment income (loss)	\$ 3,800,443	\$ 838,004
Net realized gain (loss)	(3,754,614)	(1,209,745)
Net change in unrealized appreciation (depreciation)	8,936,206	3,475,197
Increase (Decrease) in Net Assets from Operations	<u>8,982,035</u>	<u>3,103,456</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net investment income:		
Institutional Shares	(2,358,385)	(232,526)
A Shares	(652,150)	(158,963)
C Shares	(109,781)	-
Net realized gain on investments sold:		
Institutional Shares	(1,951)	(17,471)
A Shares	(577)	(15,917)
C Shares	(158)	-
Total Distributions to Shareholders	<u>(3,123,002)</u>	<u>(424,877)</u>
CAPITAL SHARE TRANSACTIONS		
Sale of shares:		
Institutional Shares	145,536,577	68,382,326
A Shares	9,428,066	46,435,196
C Shares	10,781,208	3,016,613
Reinvestment of distributions:		
Institutional Shares	2,014,942	234,280
A Shares	525,469	153,848
C Shares	107,949	-
Redemption of shares:		
Institutional Shares	(22,151,545)	(3,197,326)
A Shares	(17,342,242)	(5,023,827)
C Shares	(566,599)	(1,139)
Redemption fees	14,735	12,021
Increase (Decrease) from Capital Share Transactions	<u>128,348,560</u>	<u>110,011,992</u>
Increase (Decrease) in Net Assets	<u>134,207,593</u>	<u>112,690,571</u>
NET ASSETS		
Beginning of period	112,690,571	-
End of period (b)	<u>\$246,898,164</u>	<u>\$112,690,571</u>
SHARE TRANSACTIONS		
Sale of shares:		
Institutional Shares	13,935,995	6,795,910
A Shares	906,997	4,638,041
C Shares	1,040,068	296,912
Reinvestment of distributions:		
Institutional Shares	194,374	23,430
A Shares	50,643	15,351
C Shares	10,417	-
Redemption of shares:		
Institutional Shares	(2,122,612)	(316,686)
A Shares	(1,671,433)	(495,454)
C Shares	(54,142)	(112)
Increase (Decrease) in Shares	<u>12,290,307</u>	<u>10,957,392</u>
(a) Commencement of operations.	\$ 1,148,834	\$ 519,605
(b) Accumulated undistributed (distributions in excess of) net investment income.	<u>\$ 1,148,834</u>	<u>\$ 519,605</u>

ABSOLUTE STRATEGIES FUNDFINANCIAL HIGHLIGHTS

These financial highlights reflect selected data for a share outstanding throughout each period.

	For the Year Ended March 31, 2007	July 11, 2005 (a) through March 31, 2006
INSTITUTIONAL SHARES		
NET ASSET VALUE, Beginning of Period	\$ 10.29	\$ 10.00
INVESTMENT OPERATIONS		
Net investment income (loss) (b)	0.26	0.14
Net realized and unrealized gain (loss)	0.29	0.22
Total from Investment Operations	<u>0.55</u>	<u>0.36</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net investment income	(0.22)	(0.07)
Net realized investment gains	<u>- (c)</u>	<u>- (c)</u>
Total Distributions to Shareholders	<u>(0.22)</u>	<u>(0.07)</u>
REDEMPTION FEES (b)	<u>- (c)</u>	<u>- (c)</u>
NET ASSET VALUE, End of Period	<u>\$ 10.62</u>	<u>\$ 10.29</u>
TOTAL RETURN	5.38%	3.60%(d)
RATIOS/SUPPLEMENTARY DATA		
Net Assets at End of Period (000's omitted)	\$196,602	\$66,888
Ratios to Average Net Assets:		
Net investment income (loss)	2.46%	1.91%(f)
Net expense	1.95%	1.95%(f)
Dividend expense	0.43%	0.38%(f)
Gross expense (g)	2.44%	2.59%(f)
PORTFOLIO TURNOVER RATE	424%	405%(d)(h)

ABSOLUTE STRATEGIES FUNDFINANCIAL HIGHLIGHTS

	For the Year Ended March 31, 2007	July 11, 2005 (a) through March 31, 2006
A SHARES		
NET ASSET VALUE, Beginning of Period	<u>\$ 10.28</u>	<u>\$ 10.00</u>
INVESTMENT OPERATIONS		
Net investment income (loss) (b)	0.22	0.10
Net realized and unrealized gain (loss)	<u>0.30</u>	<u>0.22</u>
Total from Investment Operations	<u>0.52</u>	<u>0.32</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net investment income	(0.17)	(0.04)
Net realized investment gains	<u>- (c)</u>	<u>- (c)</u>
Total Distributions to Shareholders	<u>(0.17)</u>	<u>(0.04)</u>
REDEMPTION FEES (b)	<u>- (c)</u>	<u>- (c)</u>
NET ASSET VALUE, End of Period	<u>\$ 10.63</u>	<u>\$ 10.28</u>
TOTAL RETURN (e)	5.12%	3.24%(d)
RATIOS/SUPPLEMENTARY DATA		
Net Assets at End of Period (000's omitted)	\$36,613	\$42,755
Ratios to Average Net Assets:		
Net investment income (loss)	2.07%	1.42%(f)
Net expense	2.25%	2.24%(f)
Dividend expense	0.41%	0.35%(f)
Gross expense (g)	2.78%	3.07%(f)
PORTFOLIO TURNOVER RATE	424%	405%(d)(h)

ABSOLUTE STRATEGIES FUNDFINANCIAL HIGHLIGHTS

	For the Year Ended March 31, 2007	January 13, 2006 (a) through March 31, 2006
C SHARES		
NET ASSET VALUE, Beginning of Period	\$ <u>10.27</u>	<u>\$10.08</u>
INVESTMENT OPERATIONS		
Net investment income (loss) (b)	0.15	0.02
Net realized and unrealized gain (loss)	<u>0.29</u>	<u>0.17</u>
Total from Investment Operations	<u>0.44</u>	<u>0.19</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net investment income	(0.13)	-
Net realized investment gains	<u>- (c)</u>	<u>-</u>
Total Distributions to Shareholders	<u>(0.13)</u>	<u>-</u>
REDEMPTION FEES (b)	<u>- (c)</u>	<u>- (c)</u>
NET ASSET VALUE, End of Period	<u>\$ 10.58</u>	<u>\$10.27</u>
TOTAL RETURN	4.31%	1.88%(d)
RATIOS/SUPPLEMENTARY DATA		
Net Assets at End of Period (000's omitted)	\$13,683	\$3,048
Ratios to Average Net Assets:		
Net investment income (loss)	1.43%	0.90%(f)
Net expense	3.00%	3.00%(f)
Dividend expense	0.42%	0.46%(f)
Gross expense (g)	3.65%	5.86%(f)
PORTFOLIO TURNOVER RATE	424%	405%(d)(h)

(a) Commencement of operations.

(b) Calculated based on average shares outstanding during the period.

(c) Less than \$0.01 per share.

(d) Not annualized.

(e) Total return excludes the effect of the applicable sales load.

(f) Annualized.

(g) Reflects the expense ratio excluding any waivers and/or reimbursements.

(h) As revised, to reflect a computational error. Such amount was previously reported as 95%.

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

Note 1. Organization

The Absolute Strategies Fund (the “Fund”), is a non-diversified series of Forum Funds (the “Trust”). The Trust is a Delaware statutory trust that is registered as an open-end, management investment company under the Investment Company Act of 1940, as amended. The Trust currently has twenty-seven investment portfolios. Under its Trust Instrument, the Trust is authorized to issue an unlimited number of the Fund’s shares of beneficial interest without par value. The Fund currently offers three classes of shares: Institutional Shares, A Shares and C Shares. Institutional and A Shares commenced operations on July 11, 2005. C Shares commenced operations on January 13, 2006. The Fund seeks to achieve long-term capital appreciation with an emphasis on absolute (positive) returns and low correlation to traditional financial market indices.

Note 2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“generally accepted accounting principles”), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of increase and decrease in net assets from operations during the fiscal period. Actual amounts could differ from those estimates. The following summarizes the significant accounting policies of the Fund.

Security Valuation – Exchange traded securities and over-the-counter securities are valued using the last sale or official closing price, provided by independent pricing services as of the close of trading on the market or exchange for which they are primarily traded, on each Fund business day. In the absence of a sale, such securities are valued at the mean of the last bid and asked price. Non-exchange traded securities for which quotations are available are generally valued at the mean of the current bid and asked prices provided by independent pricing services. Debt securities may be valued at prices supplied by a Fund’s pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics, such as rating, interest rate and maturity. Exchange-traded options for which there was no sales reported that day are generally valued at the last sale or official closing price as reported by an independent pricing service on the exchange on which they are primarily traded. Options not traded on an exchange are generally valued at broker-dealer bid quotation. Shares of open-end mutual funds are valued at net asset value. Futures contracts listed for trading on a securities exchange or board of trade shall be valued at the last quoted sales price or in the absence of a sale at the mean of the last bid and asked prices. Any short-term investments that mature in sixty days or less may be valued at amortized cost.

The Fund values its investments at fair value pursuant to procedures adopted by the Trust’s Board of Trustees (the “Board”) if (1) market quotations are insufficient or not readily available or (2) the Adviser believes that the values available are unreliable. Fair valuation is based on subjective factors and as a result, the fair value price of an investment may differ from the security’s market price and may not be the price at which the asset may be sold. Fair valuation could result in a different net asset value (“NAV”) than a NAV determined by using market quotes.

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

Security Transactions, Investment Income and Realized Gain and Loss – Investment transactions are accounted for on trade date. Dividend income is recorded on the ex-dividend date. Foreign dividend income is recorded on the ex-dividend date or as soon as practical after the Fund determines the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded on an accrual basis. All premium and discount are amortized and accreted in accordance with generally accepted accounting principles. Identified cost of investments sold is used to determine the gain and loss for both financial statement and Federal income tax purposes. The Fund estimates components of distribution from real estate investment trusts (“REITs”). Distributions received in excess of income are recorded as a reduction of the cost of the related investments.

Foreign Currency – Foreign currency amounts are translated into US dollars as follows: (i) assets and liabilities at the rate of exchange at the end of the respective period; and (ii) purchases and sales of securities and income and expenses at the rate of exchange prevailing on the dates of such transactions. The portion of the results of operations arising from changes in the exchange rates and the portion due to fluctuations arising from changes in the market prices of securities are not isolated. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

The Fund may enter into transactions to purchase or sell foreign currencies to protect the U.S. dollar value of its underlying portfolio securities against the effect of possible adverse movements in foreign exchange rates. Principal risks associated with such transactions include the movement in value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. Fluctuations in the value of such forward currency transactions are recorded daily as unrealized gain or loss; realized gain or loss includes net gain or loss on transactions that have terminated by settlement or by the Fund entering into offsetting commitments. These instruments involve market risk, credit risk, or both kinds of risks, in excess of the amount recognized in the Statement of Assets and Liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates.

Futures Contracts – The Fund may purchase future contracts to gain exposure to market changes, which may be more efficient or cost effective than actually buying the securities. A futures contract is an agreement between parties to buy or sell a security at a set price on a future date. Upon entering into such a contract, the Fund is required to pledge to the broker an amount of cash, U.S. Government obligations or other high-quality debt securities equal to the minimum “initial margin” requirements of the exchange on which the futures contract is traded. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in the value of the contract. Such receipts or payments are known as “variation margin” and are recorded by the Fund as unrealized gains or losses. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and value at the time it was closed. Risks of entering into futures contracts include the possibility that there may be an illiquid market and that a change in the value of the contract may not correlate with changes in the value of the underlying securities.

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

Securities Sold Short – The Fund may sell a security short to increase investment returns. The Fund may also sell a security short in anticipation of a decline in the market value of a security. A short sale is a transaction in which the Fund sells a security that it does not own. To complete the transaction, the Fund must borrow the security in order to deliver it to the buyer. The Fund must replace the borrowed security by purchasing it at market price at the time of replacement, which price may be higher or lower than the price at which the Fund sold the security. The Fund incurs a loss from a short sale if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security. The Fund realizes a profit if the price of the security declines between those dates.

Until the Fund replaces the borrowed security, the Fund will maintain a segregated account with the custodian, in cash and long securities to sufficiently cover its short position on a daily basis. The collateral for the securities sold short includes the Deposits with custodian for securities sold short as shown on the Statement of Assets and Liabilities and the securities held long as shown on the Schedule of Investments. Dividends paid on securities sold short are recorded as an expense on the Fund's Income Statement.

Options – 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 value of the option written. Premiums received from writing options that expire unexercised are treated by the Fund on the expiration date as realized gain 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 purchase 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 writer of an option, bears the market risk of an unfavorable change in the price of the security underlying the written option.

When the Fund purchases an option, an amount equal to the premium paid by the Fund is recorded as an investment and is subsequently adjusted to the current value of the option purchased. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If a call option is exercised, the cost of the security acquired is increased by the premium paid for the call. If a put option is exercised, a gain or loss is realized from the sale of the underlying security, and the proceeds from such sale are decreased by the premium originally paid. Written and purchased options are non-income producing securities.

Restricted Securities – The Fund may invest in securities that are subject to legal or contractual restrictions on resale (“restricted securities”). Restricted securities may be resold in transactions that are exempt from registration under the Federal securities laws or if the securities are registered to the public. The sale or other disposition of these securities may involve additional expenses and the prompt sale of these securities at an acceptable price may be difficult. Information regarding restricted securities held by the Fund is included in the Schedule of Investments.

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

When-Issued Transactions – The Fund may purchase securities on a forward commitment or ‘when-issued’ basis. The Fund records a when-issued transaction on the trade date and will segregate with the custodian qualifying assets that have a value sufficient to make payment for the securities purchased. Securities purchased on a when-issued basis are marked-to-market daily and the Fund begins earning interest on the settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

Distributions to Shareholders – Distributions to shareholders of net investment income if any are declared and paid at least semi-annually. Distributions to shareholders of capital gains if any are declared and paid at least annually. Distributions are based on amounts calculated in accordance with applicable Federal income tax regulations, which may differ from generally accepted accounting principles. These differences are due primarily to differing treatments of income and gain on various investment securities held by the Fund, timing differences and differing characterizations of distributions made by the Fund.

Federal Taxes – The Fund intends to qualify each year as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute all its taxable income. In addition, by distributing in each calendar year substantially all its net investment income and capital gains, if any, the Fund will not be subject to a Federal excise tax. Therefore, no Federal income or excise tax provision is required.

Income and Expense Allocation – The Trust accounts separately for the assets, liabilities and operations of each of its series. Expenses that are directly attributable to more than one series are allocated among the respective series in an equitable manner.

The Fund’s class specific expenses are charged to the operations of that class of shares. Income and expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on the class’ respective net assets to the total net assets of the Fund.

Offering Costs – Offering costs for the Fund of \$103,519 consist of fees related to the mailing and printing of the initial prospectus, certain startup legal costs, and initial registration filings. Such costs are amortized over a twelve-month period beginning with the commencement of operations of the Fund. Offering costs expensed for the year ended March 31, 2007 were \$28,929.

Redemption Fees – For the period from April 1, 2006 through January 18, 2007, a shareholder who redeemed or exchanged shares within 60 days of purchase incurred a redemption fee of 1.50% of the current net asset value of shares redeemed or exchanged, subject to certain limitations. The fee was charged for the benefit of the remaining shareholders and was paid to the Fund to help offset transaction costs. The fee was accounted for as an addition to paid-in capital. The Fund reserved the right to modify the terms of or terminate the fee at any time. There were limited exceptions to the imposition of the redemption fee. Effective January 19, 2007, the Fund no longer imposes a redemption fee on redemptions of Fund shares and the Fund no longer imposes an exchange fee on exchanges of Fund shares.

New Accounting Pronouncements – In June 2006, the Financial Accounting Standards Board (“FASB”) issued FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes—an interpretation of FAS 109*

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

(“FIN 48”) which is effective for fiscal years beginning after December 15, 2006, and is to be applied to all open tax years no later than June 30, 2007. FIN 48 prescribes a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return, and requires certain expanded disclosures. Management of the Fund does not anticipate any material impact to the Fund as a result of the adoption of FIN 48.

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157 *Fair Value Measurements* (“SFAS 157”), which is effective for fiscal years beginning after November 15, 2007 and for interim periods within those fiscal years. SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. Management has recently begun to evaluate the application of SFAS 157, and has not at this time determined the impact, if any, resulting from the adoption on the Fund’s financial statements.

Note 3. Advisory Fees, Servicing Fees and Other Transactions

Investment Adviser – Absolute Investment Advisers LLC, (the “Adviser”) is the investment adviser to the Fund. Pursuant to an investment advisory agreement, the Adviser receives an advisory fee from the Fund at an annual rate of 1.60% of the Fund’s average daily net assets.

The sub-advisory fees, calculated as a percentage of the Fund’s average daily net assets, is paid by the Adviser.

Distribution – Foreside Fund Services, LLC serves as the Fund’s distributor (the “Distributor”). The Distributor is not affiliated with the Adviser, Citigroup or its affiliated companies. The Fund has adopted a distribution plan for A Shares and C Shares of the Fund in accordance with Rule 12b-1 of the 1940 Act. The Fund pays the Distributor and any other entity as authorized by the Board a fee at an annual rate of up to 0.25% and up to 1.00% of the average daily net assets of A Shares and C Shares, respectively. The Distributor has no role in determining the investment policies or which securities are to be purchased or sold by the Trust or its funds.

For the year ended March 31, 2007, the Distributor employed \$11,532 of the front-end sales charges assessed on the sale of A Shares. The Distributor did not retain any commissions from contingent deferred sales charges assessed on purchases of \$1 million or more of A Shares that are liquidated in whole or in part within one year of purchase. The Distributor did not retain any commissions from the contingent deferred sales charges assessed on A Shares, purchased and redeemed during the period beginning in the thirteenth month and ending in the twenty-fourth month of purchase on purchase amounts greater than \$5 million.

Other Service Providers – Citigroup Fund Services, LLC (“Citigroup”) provides administration, portfolio accounting and transfer agency services to the Fund. Certain employees of Citigroup are also officers of the Trust.

Foreside Compliance Services, LLC (“FCS”), an affiliate of the Distributor, provides a Principal Executive Officer, Principal Financial Officer, Chief Compliance Officer, and Anti-Money Laundering Officer as well as

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

certain additional compliance support functions to the Fund. FCS has no role in determining the investment policies or which securities are to be purchased or sold by the Trust or its Funds. Certain officers or employees of FCS are also officers of the Trust. The Principal Executive Officer is an affiliate of the Distributor due to his ownership in the Distributor.

Note 4. Expense Reimbursements and Fees Waived

The Adviser contractually agreed to waive its fees and/or reimburse expenses to limit total annual operating expenses (excluding all interest, taxes, portfolio transaction expenses, dividends on short sales and extraordinary expenses) of Institutional Shares, A Shares and C Shares to 1.95%, 2.25% and 3.00%, respectively, of each class' average daily net assets through July 31, 2007 ("Waiver Agreement"). During the year certain other service providers agreed to waive a portion of their fees. These voluntary waivers may be reduced or eliminated at any time. For the year ended March 31, 2007, fees waived and reimbursed were as follows:

<u>Investment Adviser</u>	<u>FCS</u>	<u>Other</u>	<u>Total Fees Waived and Expenses Reimbursed</u>
\$74,871	\$58,418	\$7,187	\$140,476

The Fund may repay Adviser for fees waived and expenses reimbursed pursuant to the expense cap if (1) such payment is made within three years of the fees waived or expense reimbursement; and (2) such payment is approved by the Board, and the resulting class expenses do not exceed 1.95% for Institutional Shares, 2.25% for A Shares and 3.00% for C Shares. For the period July 11, 2005 (commencement of operations) through March 31, 2006 and for the year ended March 31, 2007, the Adviser waived and/or reimbursed fees as follows:

	<u>Amount of Fees Waived and/or Expenses Reimbursed</u>	<u>Expiration Date to Recoup Fees Waived and/or Expenses Reimbursed</u>	<u>Fees Recouped</u>
March 31, 2006	\$174,568	March 31, 2009	\$0
March 31, 2007	74,871	March 31, 2010	0

Note 5. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments, respectively, for the year ended March 31, 2007, were as follows:

Non-US Government Obligations		US Government Obligations	
<u>Purchases</u>	<u>Sales</u>	<u>Purchases</u>	<u>Sales</u>
\$315,202,481	\$267,271,258	\$30,853,659	\$30,821,437

Note 6. Federal Income Tax and Investment Transactions

Distributions during the periods ended as noted were characterized for tax purposes as follows:

	March 31, 2007	July 11, 2005 (commencement of operations) through March 31, 2006
Ordinary Income	\$3,120,347	\$424,877
Long-Term Capital Gain (Loss)	2,655	0
Total	<u>\$3,123,002</u>	<u>\$424,877</u>

As of March 31, 2007, distributable earnings (accumulated loss) on a tax basis were as follows:

Undistributed Ordinary Income	\$ 1,195,921
Capital and Other Losses	(2,261,229)
Unrealized Appreciation (Depreciation)	10,714,616
Total	<u>\$ 9,649,308</u>

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to the tax treatment of passive foreign investment holdings, loss deferrals, and capital loss carryovers.

As of March 31, 2007 the Fund has a capital loss carryover to offset future capital gains of \$2,247,062, expiring in 2015.

For tax purposes, the current year post-October currency loss was \$14,167. This loss will be recognized for tax purposes on the first business day of the Fund's next year.

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2007

On the Statement of Assets and Liabilities, as a result of permanent book to tax differences, certain amounts have been reclassified for the year ended March 31, 2007. The following reclassification was the result of REIT classifications, and has no impact on the net assets of the Fund.

Accumulated Net Investment Income (Loss)	\$(50,898)
Undistributed Net Realized Gain (Loss)	69,608
Paid-in Capital	(18,710)

Note 7. Written Option Transactions

Transactions in options written during year ended March 31, 2007 were as follows:

	<u>Calls</u>	
	<u>Number of Contracts</u>	<u>Premiums</u>
<i>Options Outstanding, March 31, 2006</i>	195	\$303,425
Options written	582	686,821
Options terminated in closing transactions	-	-
Options exercised	-	-
Options expired	-	-
<i>Options Outstanding, March 31, 2007</i>	<u>777</u>	<u>\$990,246</u>

Note 8. Other Information

On March 31, 2007, two shareholders held approximately 51% of the outstanding shares of the Fund. These shareholders are omnibus accounts, which are held on behalf of several individual shareholders.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees of the Forum Funds and the Shareholders of Absolute Strategies Fund:

We have audited the accompanying statement of assets and liabilities of Absolute Strategies Fund (the "Fund"), one of the series constituting the Forum Funds, including the schedule of investments as of March 31, 2007, and the related statement of operations for the year then ended, the statements of changes in net assets and financial highlights for the year then ended and for the period from July 11, 2005 (commencement of operations) through March 31, 2006. 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 and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund'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 March 31, 2007, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. 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 Absolute Strategies Fund as of March 31, 2007, the results of its operations for the year then ended, the changes in its net assets and financial highlights for the year then ended and for the period from July 11, 2005 (commencement of operations) through March 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Boston, Massachusetts
May 30, 2007

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2007

Proxy Voting Information

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling (888) 992-2765 and on the SEC's website at www.sec.gov. The Fund's proxy voting records for the period of July 1, 2005 through June 30, 2006 is available, without charge and upon request, by calling (888) 992-2765 and on the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedules

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available, without charge and upon request on the SEC's website at www.sec.gov or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments on certain classes; redemption fees; and exchange fees; and (2) ongoing costs, including management fees, distribution (12b-1) 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 following example is based on \$1,000 invested at the beginning of the period and held for the entire period from October 1, 2006 through March 31, 2007.

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 the period.

Hypothetical Example for Comparison Purposes – The second line of the table below provides information about hypothetical account values and hypothetical expenses based on a Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not a 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 cost of investing in a Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2007

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

	Beginning Account Value October 1, 2006 *	Ending Account Value March 31, 2007	Expenses Paid During Period *	Annualized Expense Ratio *
Institutional Shares				
Actual Return	\$1,000.00	\$1,041.33	\$12.11	2.38%
Hypothetical Return	\$1,000.00	\$1,013.06	\$11.94	2.38%
A Shares				
Actual Return	\$1,000.00	\$1,039.28	\$13.47	2.65%
Hypothetical Return	\$1,000.00	\$1,011.72	\$13.29	2.65%
C Shares				
Actual Return	\$1,000.00	\$1,035.31	\$17.40	3.43%
Hypothetical Return	\$1,000.00	\$1,007.83	\$17.17	3.43%

* Expenses are equal to the Funds' annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by the number of days in most recent fiscal half-year divided by 365 to reflect the half-year period.

Federal Tax Status of Dividends Declared during the Tax Year

Income Dividends – For Federal income tax purposes, dividends from short-term capital gains are classified as ordinary income. The Fund designates 32.86% of its income dividend distributed as qualifying for the corporate dividends-received deduction (DRD) and 33.61% for the qualified dividend rate (QDI) as defined in Section 1(h)(11) of the Internal Revenue Code. The Fund also designates 78.75% as qualified net investment income dividends exempt from U.S. tax for foreign shareholders (QII)

Capital Gain Dividends – The Fund paid long-term capital gain dividends of \$2,655 for the tax year ended March 31, 2007.

Trustees and Officers of the Trust

The Board is responsible for oversight of the management of the Trust's business affairs and exercising all the Trust's powers except those reserved for shareholders. The following table gives information about each Board member and certain officers of the Trust. The fund complex includes the Trust and Monarch Funds, another registered investment company (collectively, "Fund Complex"), which hold themselves out to investors as related companies for purposes of investment and investor services. The Trustees and officers listed below

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2007

also serve in the same capacities noted below for Monarch Funds with the exception of Mr. Collier and Ms. Bakke who do not serve as officers of Monarch Funds. Mr. Keffer is considered an Interested Trustee due to his affiliation with a Trust adviser and the Distributor within the past two years. Each Trustee and officer holds office until the person resigns, is removed, or replaced. Unless otherwise noted, the persons have held their principal occupations for more than five years. The address for all Trustees and officers is Two Portland Square, Portland, Maine 04101, unless otherwise indicated. Each Trustee oversees thirty-one portfolios in the Fund Complex. Each Independent Trustee is also an Independent Trustee of Monarch Funds. Mr. Keffer is an Interested Trustee/Director of Monarch Funds and Wintergreen Fund, Inc., another registered open-end investment company. The Fund's Statement of Additional Information includes additional information about the Trustees and is available, without charge and upon request, by calling (888) 992-2765.

Name and Birth Year	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years
Independent Trustees J. Michael Parish Born: 1943	Chairman of the Board; Trustee; Chairman, Compliance Committee, Nominating Committee, Audit Committee; and Qualified Legal Compliance Committee	Trustee since 1989 (Chairman since 2004)	Retired; Partner, Wolf, Block, Schorr and Solis-Cohen LLP (law firm) 2002-2003; Partner, Thelen Reid & Priest LLP (law firm) 1995-2002.
Costas Azariadis Born: 1943	Trustee; Chairman, Valuation Committee; Audit Committee	Since 1989	Professor of Economics, Washington University (since 2006); Professor of Economics, University of California — Los Angeles 1992-2006.
James C. Cheng Born: 1942	Trustee; Chairman, Audit Committee	Since 1989	President, Technology Marketing Associates (marketing company for small- and medium-sized businesses in New England).
Interested Trustee John Y. Keffer Born: 1942	Trustee; Chairman, Contracts Committee	Since 1989	President, Forum Foundation (a charitable organization) since 2005; President, Forum Trust (a non-depository trust company) since 1997; President, Citigroup Fund Services, LLC ("Citigroup") 2003-2005; President, Forum Financial Group, LLC ("Forum") (a fund services company acquired by Citibank, N.A. in 2003).

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2007

Name and Birth Year	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years
Officers Simon D. Collier Born: 1961	President; Principal Executive Officer	Since 2005	Partner, Foreside Financial Group, since April 2005; President, Foreside Services, Inc. (a staffing services firm) since January 2007; Chief Operating Officer and Managing Director, Global Fund Services, Citigroup 2003-2005; Managing Director, Global Securities Services for Investors, Citibank, N.A. 1999-2003.
Trudance L.C. Bakke Born: 1971	Treasurer; Principal Financial Officer	Since 2005 (Principal Financial Officer since 2006)	Director, Foreside Compliance Services, LLC since 2006; Product Manager, Citigroup 2003-2006; Senior Manager of Corporate Finance, Forum 1999-2003.
Beth P. Hanson Born: 1966	Vice President; Assistant Secretary	Since 2003	Relationship Manager, Citigroup since 2003; Relationship Manager, Forum 1999-2003.
Sara M. Morris Born: 1963	Vice President	Since 2004	Director and Relationship Manager, Citigroup since 2004; Chief Financial Officer, The VIA Group, LLC (a strategic marketing company) 2000-2003.

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ABSOLUTEStrategies

FUND

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This report is submitted for the general information of the shareholders of the Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus, which includes information regarding the Fund's risks, objectives, fees and expenses, experience of its management and other information.
