
ABSOLUTEStrategies
FUND

With Strategic Portfolio Analysis by Lipper



ANNUAL REPORT

MARCH 31, 2006

ABSOLUTE
INVESTMENT ADVISERS

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ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS

PERIOD ENDED MARCH 31, 2006

Dear Shareholder,

We are pleased to present the annual report for the Absolute Strategies Fund (the “Fund”) for the period ended March 31, 2006. This is our first annual shareholder report, representing an interim period from the launch of the Fund on July 27, 2005 (commencement of investment operations). 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. The Fund performed as intended during this initial period given the Fund’s risk exposure and risk-adjusted return performance. Since inception, the Fund’s Institutional and A Shares, at net asset value, had total returns of 3.60% and 3.24%, respectively, with little volatility and low beta (market risk exposure) to the S&P 500 Index.* The Fund’s Institutional Shares performed well during the first quarter of 2006, with a total return of 3.0%, low volatility and low beta to the S&P 500 Index. The Fund’s C Shares were introduced on January 13, 2006 and had a total return of 1.88% since inception.

The Fund’s investment approach differs from more traditional investments that achieve returns from general market or beta exposures, so its performance and exposures differ accordingly. Overall, Fund performance has been achieved with low net exposure to any single industry sector and with low concentration in any individual security. In addition, much of the portfolio is hedged. From inception to March 31, 2006, the Fund’s daily returns have had a beta under 0.25 to the S&P 500 Index, demonstrating that Fund returns were largely independent of this market index. The annualized standard deviation of daily returns, a measure of portfolio volatility and risk, has been under 3%, while the Fund’s largest up and down days have been +0.4% and (0.4%), respectively.

Our model currently allocates assets to 13 sub-adviser strategies. Each sub-adviser specializes in a specific area and asset class, looking for investment opportunities that are largely independent of overall market direction. As expected, these sub-advisers have produced a range of return profiles that blend to form the overall portfolio. All returns and allocations are viewed on a risk-adjusted basis and weighted to produce an efficient portfolio. As of March 31, 2006, we allocated approximately 98% of the Fund’s assets to the sub-advisers, while the remaining assets were held in cash for future allocations. Of the sub-advisers who received assets, the largest allocation to a single strategy was approximately 15%, while the smallest was roughly 2%.

The Fund’s allocations and performance can be viewed along multiple dimensions. Holdings of the Fund overall, 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, 2006, the Fund held approximately 1,000 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 60.2% and 35.9% respectively, with an additional 1% equity exposure hedged with equity options. Due to our long and short equity positions, our largest net sector exposure was in Financials, which represents approximately 8.3% of net assets. In fixed income, our largest investments were in US Government and Agency Obligations, which totaled approximately 10% of net assets. Cash held by our sub-advisers was 20% of net assets, with 2% cash in unallocated assets.

The various equity, equity long/short and market-neutral strategies provided a significant part of the returns for the period ended March 31, 2006. The fixed-income sub-advisers held relatively defensive and low duration investment positions, and generally had low volatility and low returns during the period. This was largely due to the relatively few risk/return opportunities available in the fixed income markets during the period.

ABSOLUTE STRATEGIES FUND

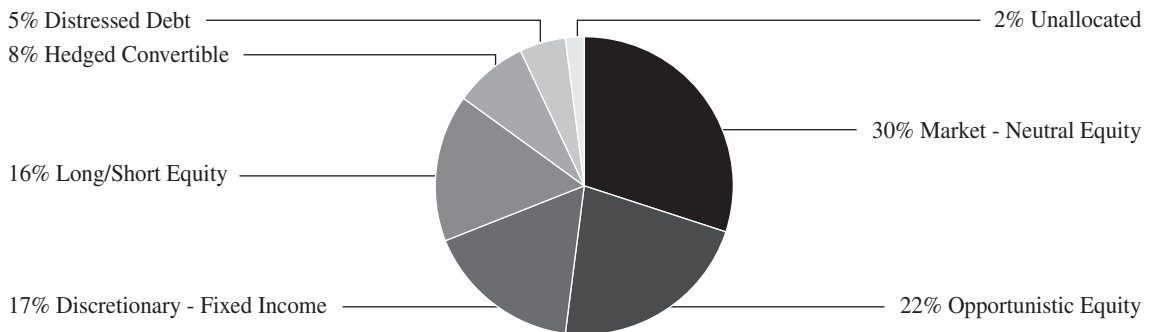
A MESSAGE TO OUR SHAREHOLDERS

PERIOD ENDED MARCH 31, 2006

Fund assets continue to grow steadily and have reached an effective scale for deploying new capital and for rebalancing allocations efficiently. In the 4th calendar quarter, there was an unusually high cash position in the Fund as new manager strategies were implemented; this process may have negatively impacted Fund returns during that period. Our manager strategies are now established and, as such, the 1st calendar quarter of 2006 cash positions are now more representative of our managers' risk/return decisions and opportunities for capturing alpha, or skill-based return.

The Fund and the sub-advisers do not attempt to manage to a single traditional benchmark or index, such as the S&P 500 Index. We seek to achieve absolute (positive) returns independent of traditional indices over a complete market cycle through 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, our sub-advisers are free to selectively take risk, hedge risk, or avoid risk in individual securities or industries without being constrained by managing to a benchmark. During the period ended March 31, 2006, many equity managers held cash or hedged risk with short positions as they viewed the equity markets to be unattractive from a risk/return standpoint. Due to this somewhat conservative positioning of assets, the Fund's returns may be less than the returns of a traditional equity index such as the S&P 500 Index during rising market periods. However, during falling market periods the Fund may provide lower volatility than the same index; these same market periods may also provide more attractive opportunities for certain sub-adviser strategies.

Fund assets are actively managed by our sub-advisers within clearly specified mandates and allocations, and the sub-advisers act independently of each other. This helps provide access to a diverse set of investment opportunities and enables each sub-adviser's performance to be monitored with respect to individual strategies and to portfolio objectives. We manage the overall portfolio strategy 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 manager exposures and return attribution on an ongoing basis; however, it is not our intention to actively manage portfolio allocations based on any macro-economic analysis or traditional asset allocation strategy. The following chart illustrates a summary breakdown of the general strategies employed by the Fund as of March 31, 2006 (each general strategy may involve multiple sub-adviser strategies):



From inception through March 31, 2006 each sub-adviser receiving an allocation had a positive absolute return.

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS

PERIOD ENDED MARCH 31, 2006

As the Fund's adviser, our ultimate goal is to find and combine skill-based strategies and attempt to minimize market-risk exposures across the portfolio. This differs from many funds whose returns are largely explained by market exposures or beta, not manager skill. Beta investments are not only common, but easy and inexpensive to access through indexing. Alpha, or skill-based investments, are harder to find and may have return streams that do not correlate (have low beta) with other investments. Combining such strategies and focusing on risk controls is a long-term investment approach that evaluates "risk-adjusted returns" over complete market cycles (e.g., bull and bear markets). 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, those positions may change.

Thank you for your investment in the Fund.

Sincerely,



Jay Compson

Portfolio Manager

Absolute Investment Advisers LLC

**Performance data quoted is cumulative, represents past performance, and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Class A performance results are shown at net asset value ("NAV") which does not reflect the deduction of the maximum 4.50% front-end sales charge. A Share performance would be lower had this charge been reflected. Refer to page 4 for a more complete description of Fund performance and related information.*

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 rate 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.

Alpha is an asset's average return in excess of the return expected due to its broad market exposures and market movements. The difference is expressed as an annualized percentage. 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.

ABSOLUTE STRATEGIES FUND

PERFORMANCE CHART AND ANALYSIS

MARCH 31, 2006

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. 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**Total Return as of 03/31/06***

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

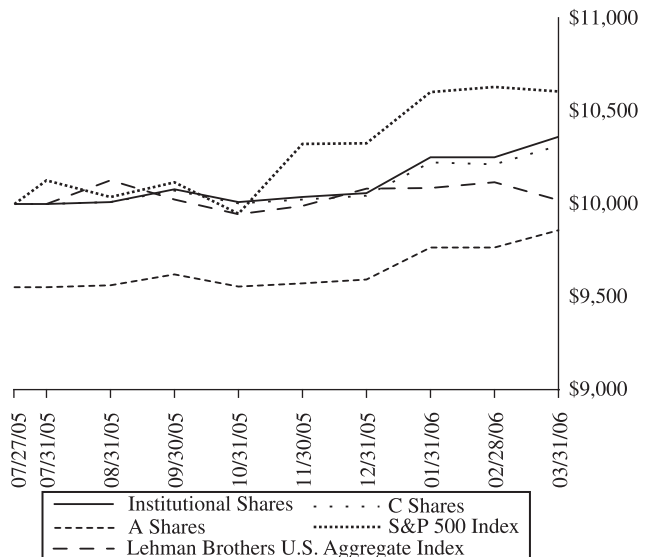
Commencement of Investment Operations 07/27/05

3.60%
(1.41%)
3.14%
6.07%
0.18%

Investment Value as of 03/31/06

Absolute Strategies Fund — Institutional Shares	\$10,360
Absolute Strategies Fund — A Shares	\$ 9,859
Absolute Strategies Fund — C Shares	\$10,314
S&P 500 Index	\$10,607
Lehman Brothers U.S. Aggregate Index (since 07/31/05)	\$10,018

* 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, 2006

<u>Shares</u>	<u>Security Description</u>	<u>Value</u>	<u>Shares</u>	<u>Security Description</u>	<u>Value</u>
Long Positions - 102.4%					
Equity Securities - 60.2%					
Common Stock - 59.6%					
Consumer Discretionary - 9.8%					
3,400	Abercrombie & Fitch Co. #	\$198,220	1,300	IHOP Corp. #	\$ 62,322
3,350	Advance Auto Parts, Inc. #	139,494	1,900	International Game Technology #	66,918
2,565	AnnTaylor Stores Corp. †#	94,366	2,900	ITT Educational Services, Inc. †#	185,745
1,515	Autoliv, Inc. #	85,719	2,420	Jack in the Box, Inc. †#	105,270
1,890	Barnes & Noble, Inc. #	87,412	2,405	JC Penney Co., Inc. #	145,286
1,430	Bed Bath & Beyond, Inc. †	54,912	1,700	John Wiley & Sons, Inc., Class A #	64,345
2,600	Best Buy Co., Inc. #	145,418	2,200	Jones Apparel Group, Inc. #	77,814
3,500	BJ's Wholesale Club, Inc. †#	110,285	1,500	K-Swiss, Inc., Class A #	45,210
1,000	Brown Shoe Co., Inc. #	52,480	2,100	Kellwood Co. #	65,919
1,300	Buckle, Inc. #	53,235	2,870	La-Z-Boy, Inc. #	48,790
2,080	Building Material Holding Corp. #	74,131	200	Las Vegas Sands Corp. †	11,332
3,400	Casey's General Stores, Inc. #	77,758	4,700	Lear Corp. #	83,331
2,400	Catalina Marketing Corp. #	55,440	2,010	Lennar Corp., Class A #	121,364
2,900	Cato Corp., Class A #	69,194	100,000	Liberty Media Corp., Class A †	821,000
1,400	CEC Entertainment, Inc. †#	47,068	3,600	Mattel, Inc. #	65,268
12,000	Cedar Fair, LP	351,000	1,900	McGraw-Hill Cos., Inc. #	109,478
1,000	Centex Corp. #	61,990	4,005	Men's Wearhouse, Inc. †#	143,940
5,550	Choice Hotels International, Inc. #	254,079	1,800	MGM MIRAGE †	77,562
3,215	Circuit City Stores, Inc. #	78,703	1,400	Michaels Stores, Inc. #	52,612
3,245	CKE Restaurants, Inc. #	56,463	1,840	Newell Rubbermaid, Inc. #	46,350
4,130	Claire's Stores, Inc. #	149,960	7,410	Nordstrom, Inc. #	290,324
7,000	Coach, Inc. †#	242,060	3,005	Office Depot, Inc. †#	111,906
1,100	Columbia Sportswear Co. †#	58,663	810	Omnicom Group, Inc. #	67,432
7,590	Darden Restaurants, Inc. #	311,418	4,050	Oshkosh Truck Corp. #	252,072
2,000	Dillard's, Inc. #	52,080	2,000	Owens & Minor, Inc. #	65,540
2,500	Dollar General Corp. #	44,175	1,750	Panera Bread Co., Class A †#	131,565
4,430	Dollar Tree Stores, Inc. †#	122,578	4,505	Papa John's International, Inc. †#	147,809
3,100	Domino's Pizza, Inc. #	88,505	2,630	Payless Shoesource, Inc. †#	60,201
200	Dow Jones & Co., Inc.	7,860	1,200	Polaris Industries, Inc. #	65,472
2,555	DR Horton, Inc. #	84,877	1,565	Pulte Homes, Inc. #	60,127
1,750	Dress Barn, Inc. †#	83,913	4,050	Rare Hospitality International, Inc. †#	141,061
2,395	EchoStar Communications Corp., Class A †#	71,539	4,985	Retail Ventures, Inc. †#	73,080
1,200	Ethan Allen Interiors, Inc. #	50,424	3,216	RH Donnelley Corp. †#	187,268
4,600	ExpressJet Holdings, Inc. †#	34,224	15,140	Rite Aid Corp. †#	60,560
1,900	Ezcorp., Inc. †#	56,088	1,900	Ruby Tuesday, Inc. #	60,952
12,000	Family Dollar Stores, Inc.	319,200	1,200	Ryland Group, Inc. #	83,280
900	Federated Department Stores, Inc.	65,700	2,800	SCP Pool Corp. #	131,348
2,800	First Cash Financial Services, Inc. †#	55,972	400	Sears Holdings Corp. †	52,896
3,600	Furniture Brands International, Inc. #	88,236	2,200	Select Comfort Corp. †#	87,010
2,200	Genesco, Inc. †#	85,558	5,500	Shaw Communications, Inc. #	131,505
1,545	Genuine Parts Co. #	67,717	2,700	Shuffle Master, Inc. †#	96,498
5,700	Goodyear Tire & Rubber Co. †#	82,536	1,600	Sonic Corp. †#	56,208
1,300	Group 1 Automotive, Inc. #	61,802	3,000	Sotheby's Holdings, Inc., Class A †#	87,120
1,640	Harley-Davidson, Inc. #	85,083	1,020	Standard-Pacific Corp. #	34,292
1,800	Harte-Hanks, Inc. #	49,230	5,200	Starbucks Corp. †#	195,728
3,795	Hasbro, Inc. #	80,074	1,300	Tech Data Corp. †#	47,983
2,200	Hibbett Sporting Goods, Inc. †#	72,578	2,890	Tenneco, Inc. †#	62,684
2,500	Hovnanian Enterprises, Inc., Class A †#	109,825	1,755	Tiffany & Co. #	65,883
			1,780	TJX Cos., Inc.	44,180
			2,000	Toll Brothers, Inc. †#	69,260
			4,625	Too, Inc. †#	158,869
			2,500	Toro Co. #	119,375
			3,600	Universal Electronics, Inc. †	63,720
			1,600	Vail Resorts, Inc. †#	61,152

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2006

Shares	Security Description	Value	Shares	Security Description	Value
1,000	Wal-Mart Stores, Inc.	\$ 47,240	1,880	Basic Energy Services, Inc. †#	\$ 56,024
2,100	Walgreen Co. #	90,573	900	BJ Services Co.	31,140
1,695	Warnaco Group, Inc. †#	40,680	1,300	Canadian Natural Resources, Ltd. #	72,007
80	Washington Post Co., Class B	62,140	600	Canadian Oil Sands Trust	86,106
400	William Lyon Homes, Inc. †#	38,272	3,300	Chesapeake Energy Corp. #	103,653
1,600	Winnebago Industries #	48,544	1,900	ConocoPhillips #	119,985
200	Wynn Resorts, Ltd. †	15,370	2,500	Consol Energy, Inc. #	185,400
2,000	Zale Corp. †#	56,060	1,800	Core Laboratories NV †#	85,590
			2,600	Devon Energy Corp. #	159,042
		11,052,337	695	Diamond Offshore Drilling, Inc. #	62,202
			2,100	Dril-Quip, Inc. †	148,785
Consumer Staples - 4.4%			10,200	El Paso Corp. #	122,910
6,350	Acco Brands Corp. †#	140,970	2,900	EnCana Corp. #	135,517
1,000	Anheuser-Busch Cos., Inc.	42,770	980	ENSCO International, Inc. #	50,421
900	Apollo Group, Inc. †#	47,259	2,060	Foundation Coal Holdings, Inc. #	84,748
1,470	Archer-Daniels-Midland Co.	49,465	815	Frontier Oil Corp. #	48,370
900	Avery Dennison Corp. #	52,632	800	Giant Industries, Inc. †#	55,632
1,900	Brown-Forman Corp., Class B #	146,244	610	Global Santa Fe Corp.	37,057
2,540	Cadbury Schweppes plc ADR #	101,600	2,650	Halliburton Co. #	193,503
4,980	Campbell Soup Co. #	161,352	900	Helmerich & Payne, Inc. #	62,838
1,100	Clorox Co. #	65,835	1,835	Hercules Offshore, Inc. †#	62,408
35,960	Coca-Cola Co. #	1,505,645	1,100	Holly Corp. #	81,532
1,000	Consolidated Graphics, Inc. †#	52,120	700	Imperial Oil, Ltd. #	75,278
800	Corporate Executive Board Co. #	80,720	795	Kerr-McGee Corp. #	75,907
1,365	Dean Foods Co. †#	53,003	2,595	Murphy Oil Corp. #	129,283
4,700	Del Monte Foods Co. #	55,742	880	National Oilwell Varco, Inc. †	56,426
1,400	Estee Lauder Cos., Inc. #	52,066	900	Newfield Exploration Co. †#	37,710
830	Fomento Economico Mexicano, SA ADR #	76,078	925	Noble Energy, Inc. #	40,626
6,750	FTI Consulting, Inc. †	192,578	925	Occidental Petroleum Corp. #	85,701
2,100	HJ Heinz Co. #	79,632	6,700	Parker Drilling Co. †#	62,109
200	Iron Mountain, Inc. †	8,148	5,535	Peabody Energy Corp. #	279,019
20,000	Kraft Foods, Inc.	606,200	3,400	Petro-Canada #	161,806
8,815	Kroger Co. †#	179,474	900	Pioneer Natural Resources Co.	39,825
3,400	Loews Corp. — Carolina Group #	160,718	900	Pogo Producing Co. #	45,225
2,000	Parexel International Corp. †#	52,880	1,500	Remington Oil & Gas Corp. †#	64,830
1,465	Pepsi Bottling Group, Inc. #	44,521	7,145	Southwestern Energy Co. †#	229,998
900	PepsiCo., Inc. #	52,011	1,800	St. Mary Land & Exploration Co. #	73,494
5,565	Performance Food Group Co. †#	173,572	4,000	Suncor Energy, Inc.	308,080
600	Pilgrim's Pride Corp. #	13,002	1,200	Sunoco, Inc. #	93,084
3,760	Playtex Products, Inc. †#	39,367	1,670	Superior Energy Services †#	44,739
366	Procter & Gamble Co. #	21,089	2,400	Swift Energy Co. †#	89,904
9,040	Safeway, Inc. #	227,086	2,700	Talisman Energy, Inc. #	143,586
1,400	Steiner Leisure, Ltd. †#	56,700	3,350	Tidewater, Inc. #	185,021
1,800	Supervalu, Inc. #	55,476	1,455	Todco, Class A #	57,342
1,300	UST, Inc. #	54,080	2,850	Ultra Petroleum Corp. †#	177,584
1,800	Valassis Communications, Inc. †#	52,866	1,600	Unit Corp. †#	89,200
1,000	Weight Watchers International #	51,400	745	Universal Compression Holdings †#	37,749
2,350	Whole Foods Market, Inc. #	156,134	685	Valero Energy Corp. #	40,949
		4,960,435	2,200	Veritas DGC, Inc. †#	99,858
			100	Western Oil Sands, Inc., Class A †	2,773
Energy - 4.8%			1,000	Williams Cos., Inc.	21,390
400	Amerada Hess Corp. #	56,960	3,950	XTO Energy, Inc. #	172,102
665	Anadarko Petroleum Corp. #	67,172			
1,500	Apache Corp.	98,265			
1,000	Atwood Oceanics, Inc. †	101,010			
					5,388,875

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2006

Shares	Security Description	Value	Shares	Security Description	Value
Financials - 13.6%			1,900	Greenhill & Co., Inc. #	\$ 125,609
535	Affiliated Managers Group †#	\$ 57,036	1,800	Groupe Bruxelles Lambert SA †	200,182
2,200	AFLAC, Inc. #	99,286	3,600	HCC Insurance Holdings, Inc. #	125,280
200	Alexander's Inc. †	57,800	8,000	Health Care Property Investors, Inc.	227,200
14,000	Allied Capital Corp.	428,400	8,000	Health Care REIT, Inc.	304,800
1,100	Allstate Corp. #	57,321	3,100	Hilb Rogal & Hobbs Co.	127,782
1,700	AMBAC Financial Group, Inc. #	135,320	14,000	Hong Kong Exchanges & Clearing	84,442
200	American Express Co.	10,510	30,000	HRPT Properties Trust	352,200
1,820	American Financial Group, Inc. #	75,730	2,100	Huntington Bancshares, Inc. #	50,673
1,630	American Home Mortgage Investment #	50,872	2,300	IndyMac Bancorp, Inc. #	94,139
2,400	American Real Estate Partners, LP	110,640	4,800	International Securities Exchange, Inc.	199,920
8,350	AmeriCredit Corp. †#	256,596	3,140	Investors Financial Services Corp.	147,172
40	Ameriprise Financial, Inc.	1,802	11,000	iStar Financial, Inc.	421,080
2,400	Apartment Investment & Management Co. #	112,560	3,700	Jackson Hewitt Tax Service, Inc. #	116,846
100	Arthur J. Gallagher & Co.	2,781	1,500	Keycorp #	55,200
1,520	Assurant, Inc. #	74,860	12,000	LaBranche & Co., Inc. †	189,720
4,200	Axis Capital Holdings, Ltd. #	125,580	1,300	LandAmerica Financial Group, Inc. #	88,205
1,200	Bank of America Corp. #	54,648	1,000	Lazard, Ltd.	44,250
1,800	Bank of Hawaii Corp. #	95,958	2,690	Legg Mason, Inc. #	337,138
3,000	Bank of New York Co., Inc.	108,120	6,000	Leucadia National Corp.	357,960
1,400	BB&T Corp. #	54,880	1,545	Lincoln National Corp. #	84,342
50	Berkshire Hathaway, Inc., Class B †	150,600	1,100	Loews Corp. #	111,320
3,600	Brookfield Asset Management, Inc., Class A	198,216	1,400	M&T Bank Corp.	159,796
1,300	Capital One Financial Corp. #	104,676	670	MGIC Investment Corp.	44,642
2,500	CB Richard Ellis Group, Inc., Class A †#	201,750	2,200	Montpelier Re Holdings, Ltd.	35,860
1,200	Cbot Holdings, Inc., Class A †	143,280	100	Moody's Corp.	7,146
800	Chicago Mercantile Exchange Holdings, Inc. #	358,000	4,800	Nasdaq Stock Market, Inc. †	192,192
695	Cigna Corp. #	90,781	3,350	Nelnet, Inc., Class A †#	139,527
1,430	Cincinnati Financial Corp.	60,160	870	Northern Trust Corp.	45,675
1,870	Colonial BancGroup, Inc. #	46,750	5,200	Nuveen Investments, Inc., Class A #	250,380
2,200	Comerica, Inc. #	127,534	4,500	NYSE Group, Inc. †	356,625
1,000	Commerce Group, Inc. #	52,840	4	Osaka Securities Exchange Corp.	49,607
2,590	Corus Bankshares, Inc. #	153,950	12,000	Pacific Capital Bancorp.	406,080
1,710	Downey Financial Corp. #	115,083	1,000	Pargesa Holding, SA	96,370
5,000	Eaton Vance Corp. #	136,900	700	PartnerRe, Ltd.	43,463
2,900	Endurance Specialty Holdings, Ltd. #	94,395	1,500	Philadelphia Consolidated Holdings Co. †#	51,210
8,000	Entertainment Properties Trust	335,840	1,450	Placer Sierra Bancshares #	41,397
1,175	Equity Residential #	54,978	10,000	Plum Creek Timber Co., Inc.	369,300
1,500	E*Trade Financial Corp. †	40,470	2,500	PMI Group, Inc. #	114,800
4,980	Federated Investors, Inc., Class B #	194,469	970	PNC Group, Inc. #	65,291
1,155	First American Corp. #	45,230	2,570	Popular, Inc.	53,353
400	First Community Bancorp., Inc. #	23,064	3,250	Portfolio Recovery Associates, Inc. †	152,198
1,500	FirstFed Financial Corp. †#	89,715	2,000	Principal Financial Group #	97,600
3,600	Forest City Enterprises, Inc., Class A	169,740	1,400	Progressive Corp.	145,964
340	Franklin Resources, Inc.	32,042	2,200	Protective Life Corp. #	109,428
2,200	Fremont General Corp. #	47,432	2,200	Radian Group, Inc. #	132,550
1,055	General Growth Properties, Inc. #	51,558	2,800	Rayonier, Inc. #	127,652
3,100	Global Signal, Inc. #	152,520	100	Refco, Inc. †	29
775	Goldman Sachs Group, Inc. #	121,644	1,200	Safeco Corp.	60,252
			1,330	Simon Property Group, Inc. #	111,906
			2,200	Stancorp Financial Group, Inc. #	119,042
			1,600	Stewart Information Services Corp. #	75,328
			890	SunTrust Banks, Inc. #	64,756

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2006

Shares	Security Description	Value	Shares	Security Description	Value
4,125	Synovus Financial Corp. #	\$ 111,746	3,100	Henry Shein, Inc. †	\$ 148,366
1,400	T. Rowe Price Group, Inc.	109,494	1,300	ICU Medical, Inc. †#	47,047
5,500	TD Ameritrade Holding Corp.	114,785	800	IDEXX Laboratories, Inc. †#	69,088
2,085	Texas Regional Bancshares, Inc. #	61,472	3,400	Integra LifeSciences Holdings †	139,332
2,000	Thomas Weisel Partners Group, I †	43,800	846	Invitrogen Corp. †#	59,330
900	Torchmark Corp. #	51,390	4,000	Johnson & Johnson	236,880
1,900	Trammell Crow Co. †#	67,754	5,980	King Pharmaceuticals, Inc. †#	103,155
11,000	Trustmark Corp.	348,040	1,750	Kos Pharmaceuticals, Inc. †#	83,597
27,000	Truststreet Properties, Inc.	410,130	2,500	KV Pharmaceutical Co., Class A †#	60,300
450	Unibanco ADR	33,259	4,305	McKesson Corp. #	224,420
1,800	UnionBanCal Corp. #	126,288	3,400	Medimmune, Inc. †	124,372
5,000	United Dominion Realty Trust, Inc.	142,700	2,600	Mylan Laboratories, Inc. #	60,840
3,175	UnumProvident Corp. #	65,024	15,000	NBTY, Inc. †	337,800
6,000	Van der Moolen Holding NV ADR	54,540	800	Neurocrine Biosciences, Inc. †#	51,632
7,000	Washington Real Estate Investment Trust	254,240	3,900	Palomar Medical Technologies, Inc. †	130,455
1,000	Wells Fargo & Co.	63,870	4,700	Par Pharmaceutical Cos., Inc. †	132,446
60	White Mountains Insurance Group	35,670	9,300	Pfizer, Inc. #	231,756
1,500	Whitney Holding Corp. #	53,190	5,400	Pharmaceutical Product Development, Inc. #	186,894
1,200	Wilmington Trust Corp. #	52,020	520	Quest Diagnostics, Inc.	26,676
925	WR Berkley Corp. #	53,705	3,550	ResMed, Inc. †#	156,129
2,025	Zenith National Insurance Corp. #	97,463	3,150	Sierra Health Services, Inc. †#	128,205
995	Zions Bancorporation	82,316	3,500	Sunrise Senior Living, Inc. †#	136,395
		15,362,092	1,400	SurModics, Inc. †#	49,504
			2,900	Technique Corp. †#	174,406
			4,200	VCA Antech, Inc. †	119,616
					6,397,298
Health Care - 5.7%			Industrials - 9.8%		
2,585	Aetna, Inc. #	127,027	2,325	Agilent Technologies, Inc. †#	87,304
1,100	Allergan, Inc. #	119,350	800	Aptargroup, Inc. #	44,200
2,000	AmerisourceBergen Corp. #	96,540	3,370	Arrow Electronics, Inc. †#	108,750
2,500	AMN Healthcare Services, Inc. †#	46,800	3,500	AVX Corp. #	61,950
2,100	Arthrocare Corp. †	100,422	3,900	Baldor Electric Co.	132,093
2,155	AstraZeneca plc ADR #	108,246	3,700	Belden CDT, Inc.	100,751
1,380	Barr Pharmaceuticals, Inc. †#	86,912	1,700	Bemis Co. #	53,686
3,080	Baxter International, Inc. #	119,535	1,220	Black & Decker Corp. #	106,006
1,995	Becton Dickinson & Co. #	122,852	2,310	Boeing Co. #	180,018
2,330	Biovail Corp. #	56,735	4,800	Bucyrus Industrial, Inc.	231,312
700	Cardinal Health, Inc. #	52,164	2,200	Burlington Northern Santa Fe Corp., Class A #	183,326
4,250	Celgene Corp. †#	187,935	1,200	Canadian National Railway Co. #	54,336
3,300	Covance, Inc. †#	193,875	2,600	Canadian Pacific Railway, Ltd. #	129,922
2,850	Coventry Health Care, Inc. †#	153,843	1,800	Caterpillar, Inc. #	129,258
1,900	Cutera, Inc. †#	51,528	1,355	Cemex SA de CV ADR #	88,454
1,200	CV Therapeutics, Inc. †#	26,496	1,000	CH Robinson Worldwide, Inc.	49,090
1,500	Dade Behring Holdings, Inc. #	53,565	3,650	Clarcor, Inc.	129,940
3,150	DaVita, Inc. †#	189,662	2,920	CNF, Inc. #	145,825
6,000	Dentsply International, Inc.	348,900	775	Commercial Metals Co. #	41,455
6,245	Discovery Laboratories, Inc. †#	45,776	650	Cooper Industries, Ltd. #	56,485
3,700	DJ Orthopedics, Inc. †	147,112	4,375	Crown Holdings, Inc. †#	77,612
1,850	Express Scripts, Inc. †#	162,615	1,015	CSX Corp. #	60,697
1,100	Forest Laboratories, Inc. †#	49,093	620	Cummins, Inc. #	65,162
2,000	Gilead Sciences, Inc. †#	124,440	2,500	Curtiss-Wright Corp.	165,500
1,800	Haemonetics Corp. †	91,386			
1,900	Health Management Associates, Inc.	40,983			
2,005	Health Net, Inc. †#	101,895			
4,900	HealthExtras, Inc. †	172,970			

See Notes to Financial Statements.

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2006

Shares	Security Description	Rate	Value	Principal	Security Description	Rate	Maturity Date	Value	
Preferred Stock Convertible - 0.6%				\$ 138,808	Countrywide Alternative Loan Trust, Series 2004-J10-4CB1	6.50	10/25/34	\$ 139,657	
Consumer Discretionary - 0.1%									
3,152	Ford Motor Company Capital Trust II #	6.50%	\$ 94,718	76,479	Countrywide Alternative Loan Trust, Series 2005-43-4A1 +	5.76	10/25/35	75,954	
Energy - 0.1%									
1,503	Chesapeake Energy Corp. #	4.50	142,597	850,000	Countrywide Alternative Loan Trust, Series 2006-0A2 X1P	7.41	05/20/46	43,828	
Financials - 0.2%									
1	FNMA #	5.38	96,068	200,000	Credit Suisse First Boston Mortgage Securities, Series 2005-C5 A3 +	5.10	08/15/38	194,464	
1,923	Sovereign Cap Trust IV #	4.38	87,737		Credit Suisse First Boston Mortgage Securities, Series 2003-AR24-2A4 +	4.03	10/25/33	77,851	
Industrials - 0.1%									
129	Kansas City Southern #	5.13	136,014	200,000	Credit Suisse First Boston Mortgage Securities, Series 2006-C1 A3 +	5.71	02/15/39	200,600	
Materials - 0.1%									
76	Terra Industries, Inc., Series A †#	4.25	73,796	210,000	GMACC 2004-C3 A4	4.55	12/10/41	200,808	
Total Preferred Stock (Cost \$618,111)				630,930					
Total Equity Securities (Cost \$62,910,338)				67,788,669					
Principal	Security Description	Rate	Maturity Date	Value					
Fixed-Income Securities - 17.4%									
Asset Backed Obligations - 2.9%									
\$ 230,000	Banc of America, Series 2005-4 A3	4.89	07/10/45	222,478	88,777	Harborview Mortgage Loan Trust, Series 2004-8-2A4A +	5.18	11/19/34	89,037
110,000	Bayview Financial Acquisition, Series 2005-D-AF3 +	5.50	12/28/35	108,419	998,703	Harborview Mortgage Loan Trust, Series 2006-1 X1 +	1.60	03/19/37	51,339
125,000	Chase Mortgage Finance Corp., Series 2005-A1-2A3 +	5.25	12/25/35	122,828	225,000	JP Morgan Mortgage Loan Trust, Series 2004-C3-A4	4.66%	01/15/42	215,149
50,000	Citigroup Mortgage Loan Trust, Series 2005-WF1-A2 +	4.49%	02/25/35	49,141	120,000	JP Morgan Mortgage Loan Trust, Series 2005-A3-11A2 +	4.51	06/25/35	113,288
55,000	Continental Airlines, Inc., Series 2002-1 G2	6.56	02/15/12	56,802	67,160	JP Morgan Mortgage Loan Trust, Series 2005-A5-2A1 +	5.16	08/25/35	66,361
42,916	Continental Airlines, Inc., Series 974-A	6.90	01/02/18	43,746					

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2006

<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>
\$ 200,000	JP Morgan Mortgage Loan Trust, Series 2006-A2-2A2 +	5.77	04/25/36	\$ 199,360	\$ 49,000	Human Genome Sciences, Inc. #	2.25	10/15/11	\$ 46,182
178,852	Master Seasoned Securities Trust, 2004-1-4A1 +	5.19	10/25/32	180,750	69,000	Human Genome Sciences, Inc. #	2.25	08/15/12	59,857
125,000	Morgan Stanley Dean Witter Cap, 2000-LIFE A2	7.57	11/15/36	133,358	89,000	Invitrogen Corp. #	3.25	06/15/25	86,553
160,373	Washington Mutual, Series 2002-AR18 A +	4.12	01/25/33	159,650	112,000	LifePoint Hospitals, Inc. #	3.25	08/15/25	95,760
115,000	Washington Mutual, Series 2005-AR16-1A4A +	5.12	12/25/35	112,066	118,000	Omnicare, Inc. #	3.25	12/15/35	113,723
Total Asset Backed Obligations (Cost \$3,289,554)				3,278,204	170,000	Pharmaceutical Resources #	2.88	09/30/10	142,163
Corporate Convertible Bonds - 2.5%					151,000	Valeant Pharmaceuticals #	4.00	11/15/13	129,860
Consumer Discretionary - 0.3%					Health Care - 0.6%				
37,000	Casual Male Retail Group #	5.00	01/01/24	38,850	129,000	EDO Corp. #	4.00	11/15/25	142,223
89,000	Citadel Broadcasting Corp. #	1.88	02/15/11	72,980	84,000	Wilson Greatbatch Tech #	2.25	06/15/13	71,190
58,000	Jetblue Airways Corp. #	3.75	03/15/35	54,012	Information Technology - 0.2%				
162,000	Kellwood Co. ~ #	3.50	06/15/34	142,965	46,000	CIBER, Inc. #	2.88	12/15/23	40,135
39,000	Six Flags, Inc. #	4.50	05/15/15	67,372	94,000	ON Semiconductor Corp. ±#	6.75	04/15/24	85,540
				376,179	79,000	WebMD Corp. #	3.13	09/01/25	74,655
Consumer Staples - 0.2%					Telecommunication Services - 0.3%				
117,000	Conmed Corp. #	2.50	11/15/24	95,355	100,000	Level 3 Communications ~	12.88	03/15/10	100,750
96,000	Connetics Corp. #	2.00	3/30/15	78,000	108,000	Qwest Communications Int. #	3.50	11/15/25	144,045
				173,355	74,000	Time Warner Telecom, Inc. #	2.38	4/1/2026	85,193
Energy - 0.1%					Utilities - 0.1%				
30,000	Oil States International #	2.38	07/01/25	40,875	200,000	Calpine Corp. ▽	4.75%	11/15/23	84,000
Financials - 0.5%					Total Convertible Bonds (Cost \$2,716,228)				
110,000	American Equity Investment Life Holding Co. #	5.25%	12/06/24	137,912	65,000	Public Service Entrprise Group +	5.31	09/21/08	65,108
76,000	Compucredit Corp. #	3.63	05/30/25	80,845	2,744,603				
100,000	Fairfax Financial	5.00	07/15/23	89,625					
100,000	Leucadia National Corp.	3.75	04/15/14	141,625					
150,000	Trizec Hahn Corp.	3.00	01/29/21	137,250					
				587,257					

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2006

Principal	Security Description	Rate	Maturity Date	Value	Principal	Security Description	Rate	Maturity Date	Value
Corporate Non-Convertible Bonds - 2.2%					\$ 32,000	Washington Real Estate			
Consumer Discretionary - 0.2%						Investment Trust	5.35	05/01/15	\$ 30,676
\$ 18,833	Continental Airlines, Inc.	6.41	04/15/07	\$ 18,792					1,339,393
180,000	Ford Motor Co.	7.45	07/16/31	134,550	Industrials - 0.1%				
120,000	General Motors	8.38	07/15/33	88,500	300,000	Delphi Corp. ▽	6.50	08/15/13	183,000
				241,842	Materials - 0.2%				
Energy - 0.1%					110,000	Barrick Gold Financial Co.	5.80	11/15/34	102,040
70,000	National Fuel Gas Co.	7.38	6/13/25	76,462	135,000	Oregon Steel Mills, Inc.	10.96	07/15/09	143,775
Financials - 1.2%									245,815
32,000	Arch Capital Group, Ltd.	7.35	05/01/34	34,371	Utilities - 0.4%				
60,000	BankBoston Capital Trust II, Series B	7.75	12/15/26	63,103	500,000	Calpine Corp. ▽	10.50	05/15/06	305,000
70,000	Bear Stearns Co., Inc.	5.30	10/30/15	67,799	70,000	Entergy Louisiana, LLC	5.56	09/01/15	66,819
75,000	Developers Diversified Realty Corp.	4.63	08/01/10	72,021	55,000	Swepeco Capital Trust I +	5.25	10/01/43	54,294
65,000	Equity One, Inc.	5.38	10/15/15	61,819					426,113
120,000	Goldman Sachs Group, Inc.	5.35	01/15/16	116,120	Total Non-Convertible Bonds (Cost \$2,489,209)				
60,000	Health Care Properties	5.63	02/28/13	59,205	2,512,625				
60,000	Health Care Property Investors, Inc.	4.88	09/15/10	58,121	US Government and Agency Obligations - 9.8%				
50,000	Highwoods Realty, LP	7.00	12/01/06	50,350	Discount Notes - 0.3%				
115,000	Highwoods Realty, LP	7.50	04/15/18	123,530	175,000	FHLB Discount NT ±	4.57	04/12/06	174,797
70,000	JPMorgan Chase & Co.	5.15	10/01/15	67,109	115,000	FHLMC	4.66	04/11/06	114,882
135,000	Lehman Brothers Holdings, Inc.	5.50	04/04/16	132,598	289,679				
31,000	Lehman Brothers Holdings, Inc. +	12.50	11/30/10	28,399	Mortgage Backed Securities - 1.9%				
60,000	New Plan Excel Realty Trust	5.13	09/15/12	57,610	205,000	FHLMC FHR 2929 PE	5.00	05/15/33	194,392
160,000	Reckson Operating Partnership	6.00%	03/31/16	159,012	93,238	FHLMC FHR 2595 HY	5.50	03/15/23	18,908
49,000	Shurgard Storage Centers, Inc.	5.88	03/15/13	49,356	106,721	FHLMC FHR 2881 IA	6.00	08/15/34	23,093
100,000	Shurgard Storage Centers, Inc.	7.75	02/22/11	108,194	62,695	FHLMC Pool #1L0113 +	5.73	05/01/35	63,785
					75,000	FHLMC Series 2433 SA +	8.58	02/15/32	74,959
					140,000	FNMA (a)	4.50	06/01/15	129,150
					110,000	FNMA (a)	5.50%	05/28/11	109,347
					199,153	FNMA FNR 2001-52 YZ	6.50	10/25/31	203,237
					122,635	FNMA FNR 2001-81 QG	6.50	01/25/32	125,067
					225,000	FNMA FNR 2006-4 WE	4.50	02/25/36	197,877
					82,846	FNMA Pool #673743 +	5.12	11/01/32	82,432

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2006

Principal	Security Description	Rate	Maturity Date	Value	Number of Contracts	Security Description	Strike Price	Expiration Date	Value	
\$ 116,873	FNMA Pool #708856 +	3.68	06/01/33	\$ 117,168	Put Options Purchased - 0.1%					
154,968	FNMA Pool #735881	6.00	11/01/34	155,099	14	Centex Corp.	50.00	01/21/08	\$ 6,230	
100,000	FNMA Pool #841741 +	5.06	09/01/35	98,050	24	Dell, Inc.	20.00	01/21/08	1,200	
66,276	GNMA Pool #80610 +	4.38	06/20/32	66,540	36	Dell, Inc.	30.00	01/21/08	11,340	
138,284	GNMA Pool #81136 +	5.00	11/20/34	139,104	16	DR Horton, Inc.	30.00	01/21/08	6,720	
188,483	GNMA Pool #81432 +	4.00	08/20/35	187,258	28	eBay, Inc.	35.00	01/21/08	10,920	
185,790	GNMA Pool #81435 +	4.50	08/20/35	186,088	28	General Electric Co.	30.00	01/21/08	3,360	
				<u>2,171,554</u>	6	Google, Inc., Class A	240.00	01/19/08	9,030	
US Treasury Securities - 7.6%					30	Hovnanian Enterprises, Inc., Class A	35.00	01/19/08	11,100	
764,000	US Treasury Note - Strip - (PO) ±	4.36	08/15/09	651,025	7	Hovnanian Enterprises, Inc., Class A	50.00	01/21/08	7,315	
304,000	US Treasury Bond	8.13	08/15/19	394,583	16	Lennar Corp., Class A	50.00	01/21/08	7,600	
512,000	US Treasury Bond	6.13	11/15/27	583,040	16	Ryland Group, Inc.	60.00	01/21/08	11,280	
1,001,000	US Treasury Note	3.13	09/15/08	962,290	28	Toll Brothers, Inc.	30.00	01/21/08	10,920	
3,051,000	US Treasury Note	3.38	10/15/09	2,909,296	30	Yahoo!, Inc.	30.00	01/21/08	9,300	
1,271,000	US Treasury Note	5.00	08/15/11	1,282,569	Total Put Options Purchased (Premiums Paid \$129,622)					
1,001,000	US Treasury Note	4.88	02/15/12	1,002,878	106,315					
853,000	US Treasury Note	4.25	11/15/14	815,548	Total Long Positions - 102.4%					
				<u>8,601,229</u>	(Cost \$110,751,626) *					
					Total Short Positions - (35.9%)					
Total US Government and Agency Obligations (Cost \$11,183,713)				11,062,462	(Cost \$(39,278,628))					
Total Fixed-Income Securities (Cost \$19,678,704)				19,597,894	Total Call Options Written - (0.3%)					
					(Premiums Received \$(303,417))					
					Other Assets & Liabilities, Net - 33.8%					
					<u>38,045,301</u>					
					Net Assets - 100.0%					
					<u>\$112,690,571</u>					
Shares	Security Description				Value					
Mutual Funds - 2.9%										
3,300	iShares Russell 2000 Index Fund				262,779					
246,768	Loomis Sayles Investment Grade Fixed Income Fund φ				3,025,370					
Total Mutual Funds (Cost \$3,450,182)					3,288,149					
Principal	Security Description				Value					
Short-Term Investment - 21.8%										
Money Market Deposit Account - 21.8%										
\$24,582,780	Citibank Money Market Deposit Account, 4.39% (Cost \$24,582,780)				24,582,780					
Total Short-Term Investment (Cost \$24,582,780)					24,582,780					

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

MARCH 31, 2006

Shares	Security Description	Value	Shares	Security Description	Value
Securities Sold Short - (35.9)%			(1,125)	Harrah's Entertainment, Inc.	\$ (87,705)
Common Stock - (35.9)%			(4,285)	HOT Topic, Inc.	(62,132)
Consumer Discretionary - (9.4)%			(200)	Hovnanian Enterprises, Inc., Class A	(8,786)
(1,000)	Advisory Board Co.	\$ (55,770)	(19,075)	Interpublic Group of Cos., Inc.	(182,357)
(5,100)	Aeropostale, Inc.	(153,816)	(3,200)	Iron Mountain, Inc.	(130,368)
(3,375)	American Axle & Manufacturing Holdings, Inc.	(57,814)	(14,182)	JetBlue Airways Corp.	(152,031)
(5,400)	American Eagle Outfitters	(161,244)	(3,300)	Jo-Ann Stores, Inc.	(44,418)
(4,120)	Apollo Group, Inc., Class A	(216,342)	(100)	KB Home	(6,498)
(3,770)	Aviall, Inc.	(143,562)	(1,002)	Kellwood Co.	(31,453)
(8,905)	Avon Products, Inc.	(277,569)	(1,500)	Kohl's Corp.	(79,515)
(100)	Beazer Homes USA, Inc.	(6,570)	(1,300)	Lennar Corp., Class A	(78,494)
(3,350)	Bed Bath & Beyond, Inc.	(128,640)	(800)	Lowe's Cos., Inc.	(51,552)
(3,850)	Big Lots, Inc.	(53,746)	(700)	Magna International, Inc., Class A	(52,983)
(800)	BorgWarner, Inc.	(48,032)	(1,700)	MarineMax, Inc.	(56,984)
(2,700)	Boyd Gaming Corp.	(134,838)	(900)	MDC Holdings, Inc.	(57,879)
(3,700)	Brunswick Corp.	(143,782)	(800)	Meritage Homes Corp.	(43,968)
(3,850)	Career Education Corp.	(145,261)	(2,225)	MGM Mirage	(95,875)
(2,450)	Carmax, Inc.	(80,066)	(7,030)	Nautilus, Inc.	(105,099)
(4,000)	Carmike Cinemas, Inc.	(96,520)	(3,500)	Navistar International Corp.	(96,530)
(1,400)	Carnival Corp.	(66,318)	(3,890)	New York Times, Inc., Class A	(98,456)
(1,911)	Casual Male Retail Group, Inc.	(18,613)	(5,600)	Newell Rubbermaid, Inc.	(141,064)
(1,060)	CDW Corp.	(62,381)	(8,125)	News Corp., Class A	(134,956)
(1,000)	Centex Corp.	(61,990)	(165)	NVR, Inc.	(121,927)
(1,650)	Cheesecake Factory	(61,793)	(1,400)	O'Reilly Automotive, Inc.	(51,184)
(1,960)	Chico's FAS, Inc.	(79,654)	(3,100)	Orient-Express Hotels, Ltd.	(121,613)
(2,450)	Cintas Corp.	(104,419)	(4,320)	Outback Steakhouse, Inc.	(190,080)
(874)	Citadel Broadcasting Corp.	(9,693)	(1,300)	Oxford Industries, Inc.	(66,469)
(1,980)	Coldwater Creek, Inc.	(55,044)	(4,800)	PEP Boys-Manny Moe & Jack	(72,528)
(5,585)	Comcast Corp., Class A	(146,104)	(7,300)	Petco Animal Supplies, Inc.	(172,061)
(7,865)	Cost Plus, Inc.	(134,491)	(4,300)	Petsmart, Inc.	(121,002)
(900)	Costco Wholesale Corp.	(48,744)	(1,945)	PF Chang's China Bistro, Inc.	(95,869)
(6,075)	Cumulus Media, Inc., Class A	(68,404)	(1,600)	Phillips-Van Heusen	(61,136)
(1,145)	Davita, Inc.	(68,940)	(12,200)	Pier 1 Imports, Inc.	(141,642)
(2,500)	DeVry, Inc.	(56,925)	(900)	Polo Ralph Lauren Corp.	(54,549)
(7,800)	Dollar General Corp.	(137,826)	(11,900)	Progressive Gaming International Corp.	(113,883)
(5,700)	Dow Jones & Co., Inc.	(224,010)	(100)	Pulte Homes, Inc.	(3,842)
(4,000)	DR Horton, Inc.	(132,880)	(7,800)	Quiksilver, Inc.	(108,108)
(2,060)	DSW, Inc., Class A	(64,519)	(4,450)	RadioShack Corp.	(85,574)
(4,400)	EchoStar Communications Corp., Class A	(131,428)	(1,800)	Regis Corp.	(62,064)
(3,200)	EW Scripps Co., Class A	(143,072)	(5,200)	Ross Stores, Inc.	(151,788)
(3,345)	Family Dollar Stores, Inc.	(88,977)	(1,485)	Ruby Tuesday, Inc.	(47,639)
(1,300)	Fastenal Co.	(61,542)	(600)	Ryland Group, Inc.	(41,640)
(7,123)	Ford Motor Co.	(56,699)	(1,700)	Scholastic Corp.	(45,492)
(2,200)	Four Seasons Hotels, Inc.	(111,540)	(3,200)	School Specialty, Inc.	(110,400)
(1,515)	Gannett Co., Inc.	(90,779)	(755)	Sears Holdings Corp.	(99,841)
(4,055)	Gaylord Entertainment Co.	(184,016)	(10,744)	Six Flags, Inc.	(109,374)
(2,800)	Goodyear Tire & Rubber Co.	(40,544)	(2,700)	Southwest Airlines Co.	(48,573)
(2,875)	Guitar Center, Inc.	(137,137)	(1,800)	Standard-Pacific Corp.	(60,516)
(5,750)	H&R Block, Inc.	(124,487)			
(4,800)	Harley-Davidson, Inc.	(249,024)			

ABSOLUTE STRATEGIES FUND

SCHEDULE OF SECURITIES SOLD SHORT

MARCH 31, 2006

Shares	Security Description	Value	Shares	Security Description	Value
(900)	Station Casinos, Inc.	\$ (71,433)	Energy - (3.2)%		
(3,600)	Technical Olympic USA, Inc.	(73,260)	(480)	Amerada Hess Corp.	\$ (68,352)
(5,100)	Tempur-Pedic International, Inc.	(72,165)	(980)	Apache Corp.	(64,200)
(9,245)	TJX Cos., Inc.	(229,461)	(485)	Arch Coal, Inc.	(36,831)
(200)	Toll Brothers, Inc.	(6,926)	(2,100)	Baker Hughes, Inc.	(143,640)
(5,500)	Urban Outfitters, Inc.	(134,970)	(1,745)	BJ Services Co.	(60,377)
(4,950)	Valassis Communications, Inc.	(145,382)	(1,800)	Carrizo Oil & Gas, Inc.	(46,782)
(900)	Walgreen Co.	(38,817)	(3,000)	Cheniere Energy, Inc.	(121,710)
(4,835)	Wal-Mart Stores, Inc.	(228,405)	(4,087)	Chesapeake Energy Corp.	(128,373)
(1,900)	Weight Watchers International, Inc.	(97,660)	(1,855)	Chevron Corp.	(107,534)
(1,565)	WESCO International, Inc.	(106,436)	(1,600)	Cooper Cameron Corp.	(70,528)
(2,200)	Wynn Resorts, Ltd.	(169,070)	(5,600)	Covanta Holding Corp.	(93,352)
(5,650)	XM Satellite Holdings, Inc., Class A	(125,826)	(600)	Crosstex Energy, Inc.	(46,470)
		<u>(10,583,273)</u>	(5,600)	Delta Petroleum Corp.	(117,712)
			(4,100)	El Paso Corp.	(49,405)
Consumer Staples - (2.9)%			(4,400)	Enbridge, Inc.	(127,028)
(4,000)	Alberto-Culver Co.	(176,920)	(860)	EOG Resources, Inc.	(61,920)
(700)	Altria Group, Inc.	(49,602)	(6,600)	Evergreen Solar, Inc.	(101,640)
(2,500)	Archer-Daniels-Midland Co.	(84,125)	(2,195)	Exxon Mobil Corp.	(133,588)
(2,300)	Avery Dennison Corp.	(134,504)	(6,500)	Gasco Energy, Inc.	(36,400)
(900)	Brown-Forman Corp., Class B	(69,273)	(980)	GlobalSantaFe Corp.	(59,535)
(2,375)	Bunge, Ltd.	(132,311)	(2,500)	Goodrich Petroleum Corp.	(67,500)
(5,540)	Constellation Brands, Inc., Class A	(138,777)	(5,420)	Hanover Compressor Co.	(100,920)
(2,880)	Corinthian Colleges, Inc.	(41,472)	(1,500)	James River Coal Co.	(50,955)
(1,200)	Corrections Corp. of America	(54,240)	(2,170)	Massey Energy Co.	(78,272)
(4,250)	Estee Lauder Cos., Inc.	(158,057)	(3,100)	Murphy Oil Corp.	(154,442)
(6,025)	Fossil, Inc.	(111,944)	(1,165)	Nabors Industries, Ltd.	(83,391)
(4,180)	Hain Celestial Group, Inc.	(109,474)	(2,540)	Noble Corp.	(205,994)
(2,200)	Hershey Co.	(114,906)	(772)	Oil States International, Inc.	(28,448)
(3,150)	HJ Heinz Co.	(119,448)	(1,275)	Patterson-UTI Energy, Inc.	(40,749)
(3,400)	Hudson Highland Group, Inc.	(64,396)	(2,200)	Peabody Energy Corp.	(110,902)
(1,500)	Molson Coors Brewing Co., Class B	(102,930)	(455)	Petroleo Brasileiro SA	(39,435)
(1,800)	Monsanto Co.	(152,550)	(665)	Questar Corp.	(46,583)
(2,700)	Navigant Consulting, Inc.	(57,645)	(1,500)	Quicksilver Resources, Inc.	(57,990)
(4,950)	Pepsi Bottling Group, Inc.	(150,430)	(1,700)	Range Resources Corp.	(46,427)
(3,300)	Red Robin Gourmet Burgers, Inc.	(155,760)	(7,135)	Reliant Energy, Inc.	(75,488)
(2,870)	Resources Connection, Inc.	(71,492)	(1,300)	Rowan Cos., Inc.	(57,148)
(7,400)	Sara Lee Corp.	(132,312)	(1,790)	Royal Dutch Shell plc ADR, Class A	(111,445)
(3,000)	Senomyx, Inc.	(49,380)	(425)	Schlumberger, Ltd.	(53,792)
(1,170)	Smithfield Foods, Inc.	(34,328)	(1,840)	Smith International, Inc.	(71,686)
(2,160)	Sysco Corp.	(69,228)	(2,300)	Southwestern Energy Co.	(74,037)
(4,330)	Tyson Foods, Inc., Class A	(59,494)	(800)	Suncor Energy, Inc.	(61,616)
(4,645)	United Natural Foods, Inc.	(162,436)	(745)	Total SA	(98,139)
(2,880)	Whole Foods Market, Inc.	(191,347)	(2,200)	TransCanada Corp.	(63,646)
(4,210)	WM Wrigley Jr. Co.	(269,440)	(1,290)	Transocean, Inc.	(103,587)
		<u>(3,218,221)</u>			<u>(3,557,969)</u>
			Financials - (5.3)%		
			(700)	Affiliated Managers Group, Inc.	(74,627)
			(2,040)	Allied Capital Corp.	(62,424)
			(1,700)	American Capital Strategies, Ltd.	(59,772)

ABSOLUTE STRATEGIES FUND

SCHEDULE OF SECURITIES SOLD SHORT

MARCH 31, 2006

Shares	Security Description	Value	Shares	Security Description	Value
(5,280)	Patterson Cos., Inc.	\$ (185,856)	(938)	Greatbatch, Inc.	\$ (20,552)
(2,875)	Resmed, Inc.	(126,443)	(1,080)	Greenbrier Cos., Inc.	(43,254)
(5,150)	Sepracor, Inc.	(251,372)	(3,950)	Hexcel Corp.	(86,781)
(1,960)	Smith & Nephew plc ADR	(87,436)	(700)	Jacobs Engineering Group, Inc.	(60,718)
(1,300)	SonoSite, Inc.	(52,832)	(6,350)	JB Hunt Transport Services, Inc.	(136,779)
(1,300)	Sunrise Senior Living, Inc.	(50,661)	(9,260)	Kansas City Southern	(228,722)
(4,200)	Taro Pharmaceuticals Industries, Ltd.	(58,548)	(2,672)	Knight Transportation, Inc.	(52,772)
(3,600)	Telik, Inc.	(69,696)	(1,810)	Metal Management, Inc.	(57,286)
(1,900)	Triad Hospitals, Inc.	(79,610)	(1,200)	Mine Safety Appliances Co.	(50,400)
(10,333)	Valeant Pharmaceuticals International	(163,778)	(6,350)	Owens-Illinois, Inc.	(110,299)
(790)	Zimmer Holdings, Inc.	(53,404)	(5,260)	Pall Corp.	(164,059)
		(4,279,046)	(3,100)	Pentair, Inc.	(126,325)
			(2,295)	Shaw Group, Inc.	(69,768)
			(2,400)	Snap-On, Inc.	(91,488)
			(1,575)	Stericycle, Inc.	(106,502)
			(2,100)	Tecumseh Products Co.	(51,534)
			(3,500)	Teekay Shipping Corp.	(129,745)
			(2,400)	Thermo Electron Corp.	(89,016)
			(3,700)	Trex Co., Inc.	(117,290)
			(3,700)	Tyco International, Ltd.	(99,456)
			(1,500)	UTI Worldwide, Inc.	(47,400)
			(1,295)	Waste Connections, Inc.	(51,554)
			(3,850)	Waters Corp.	(166,128)
			(1,690)	Werner Enterprises, Inc.	(31,045)
			(5,050)	Zebra Technologies Corp.	(225,836)
					(5,342,974)
Industrials - (4.8)%			Information Technology - (3.1)%		
(1,705)	Actuant Corp, Class A	(104,380)	(8,025)	Activision, Inc.	(110,665)
(2,000)	Alexander & Baldwin, Inc.	(95,360)	(1,600)	ADE Corp.	(48,992)
(2,975)	Allied Waste Industries, Inc.	(36,414)	(2,600)	Akamai Technologies, Inc.	(85,514)
(4,590)	American Power Conversion Corp.	(106,075)	(3,500)	Alliance Data Systems Corp.	(163,695)
(3,500)	American Standard Cos., Inc.	(150,010)	(3,345)	Amazon.com, Inc.	(122,126)
(1,000)	Amphenol Corp., Class A	(52,180)	(4,005)	ATI Technologies, Inc.	(68,806)
(3,900)	Ball Corp.	(170,937)	(7,900)	Audible, Inc.	(83,029)
(1,600)	Barnes Group, Inc.	(64,800)	(4,410)	Avid Technology, Inc.	(191,659)
(600)	Boeing Co.	(46,758)	(2,000)	CA, Inc.	(54,420)
(1,700)	Briggs & Stratton Corp.	(60,129)	(1,200)	Cerner Corp.	(56,940)
(980)	Brink's Co.	(49,745)	(884)	Ciber, Inc.	(5,640)
(1,425)	Bucyrus International, Inc.	(68,671)	(1,105)	Cognos, Inc.	(42,984)
(1,400)	Caterpillar, Inc.	(100,534)	(3,245)	Diebold, Inc.	(133,369)
(9,050)	Cendant Corp.	(157,017)	(1,000)	eBay, Inc.	(39,060)
(2,100)	Chicago Bridge & Iron Co. N.V.	(50,400)	(1,305)	Electronic Arts, Inc.	(71,410)
(4,850)	ChoicePoint, Inc.	(217,038)	(2,000)	Electronic Data Systems Corp.	(53,660)
(2,300)	Cogent, Inc.	(42,182)	(8,943)	Emdeon Corp.	(96,584)
(2,641)	EDO Corp.	(81,475)	(4,205)	Expedia, Inc.	(85,235)
(2,550)	Energizer Holdings, Inc.	(135,150)	(1,100)	First Data Corp.	(51,502)
(2,100)	Energy Conversion Devices, Inc.	(103,278)	(5,400)	IMS Health, Inc.	(139,158)
(745)	ESCO Technologies, Inc.	(37,734)	(1,075)	Infosys Technologies, Ltd.	(83,699)
(1,200)	Expeditors International Washington, Inc.	(103,668)	(3,500)	Innovative Solutions & Support	(45,500)
(6,200)	Federal Signal Corp.	(114,700)			
(2,100)	Flir Systems, Inc.	(59,661)			
(2,600)	Florida East Coast Industries, Inc.	(140,140)			
(1,300)	GATX Corp.	(53,677)			
(2,600)	GenCorp., Inc.	(53,430)			
(6,100)	General Electric Co.	(212,158)			
(1,100)	General Maritime Corp.	(36,674)			
(1,950)	Genesee & Wyoming, Inc.	(59,826)			
(3,295)	Gentex Corp.	(57,531)			
(2,345)	Graco, Inc.	(106,533)			

ABSOLUTE STRATEGIES FUND

SCHEDULE OF SECURITIES SOLD SHORT

MARCH 31, 2006

Shares	Security Description	Value	Shares	Security Description	Value
(2,500)	International Rectifier Corp.	\$ (103,575)	Telecommunication Services - (0.6)%		
(2,250)	Lexmark International, Inc., Class A	(102,105)	(2,200)	Corning, Inc.	\$ (59,202)
(3,200)	Linear Technology Corp.	(112,256)	(3,500)	Essex Corp.	(77,070)
(2,700)	Maxim Integrated Products, Inc.	(100,305)	(2,800)	Netgear, Inc.	(53,228)
(1,700)	NAVTEQ Corp.	(86,105)	(4,600)	Plantronics, Inc.	(162,978)
(872)	ON Semiconductor Corp.	(6,331)	(15,554)	Qwest Communications International	(105,767)
(2,200)	Priceline.com, Inc.	(54,648)	(1,400)	Telephone & Data Systems, Inc.	(55,216)
(1,000)	Research In Motion, Ltd.	(84,880)	(3,123)	Time Warner Telecom, Inc., Class A	(56,058)
(5,250)	Reynolds & Reynolds Co.	(149,100)	(6,935)	Utstarcom, Inc.	(43,621)
(1,500)	Salesforce.com, Inc.	(54,495)	(3,335)	Verizon Communications, Inc.	(113,590)
(2,440)	Sina Corp.	(68,076)			(726,730)
(13,200)	Symantec Corp.	(222,156)	Utilities - (0.9)%		
(6,450)	Total System Services, Inc.	(128,484)	(1,475)	Ameren Corp.	(73,484)
(1,400)	Verient Systems, Inc.	(49,518)	(7,045)	Aqua America, Inc.	(195,992)
(6,050)	VeriSign, Inc.	(145,140)	(2,285)	Atmos Energy Corp.	(60,164)
(4,070)	Wind River Systems, Inc.	(50,672)	(1,050)	Consolidated Edison, Inc.	(45,675)
(3,700)	Xerox Corp.	(56,240)	(2,600)	DPL, Inc.	(70,200)
(4,700)	Xilinx, Inc.	(119,662)	(940)	DTE Energy Co.	(37,685)
		<u>(3,527,395)</u>	(1,900)	Hawaiian Electric Industries, Inc.	(51,547)
Materials - (1.9)%			(2,405)	IDACORP, Inc.	(78,211)
(1,250)	Air Products & Chemicals, Inc.	(83,987)	(2,710)	Northeast Utilities	(52,926)
(1,600)	Albemarle Corp.	(72,560)	(965)	Pinnacle West Capital Corp.	(37,732)
(4,605)	Alcoa, Inc.	(140,729)	(2,405)	Sierra Pacific Resources	(33,213)
(4,160)	Bowater, Inc.	(123,053)	(6,050)	Southern Co.	(198,259)
(1,235)	Cabot Corp.	(41,978)	(1,670)	Southern Union Co.	(41,466)
(1,300)	Cameco Corp.	(46,800)	(4,625)	Xcel Energy, Inc.	(83,944)
(6,920)	Chemtura Corp.	(81,518)			(1,060,498)
(2,000)	Compass Minerals International	(49,980)	Total Common Stock (Cost \$(39,278,628))		
(3,400)	Dow Chemical Co.	(138,040)	Total Securities Sold Short - (35.9)%		
(3,900)	Eastman Chemical Co.	(199,602)	(Cost \$(39,278,628))		
(3,375)	E. I. du Pont de Nemours and Co.	(142,459)	<u>\$(40,430,577)</u>		
(950)	Inco, Ltd.	(47,395)			
(2,705)	Lyondell Chemical Co.	(53,829)			
(4,680)	Mosaic Co.	(67,158)			
(1,135)	Oregon Steel Mills, Inc.	(58,078)			
(600)	Potash Corp. of Saskatchewan	(52,854)			
(900)	Praxair, Inc.	(49,635)			
(640)	RTI International Metals, Inc.	(35,104)			
(3,250)	Sherwin-Williams Co.	(160,680)			
(3,160)	Sigma-Aldrich Corp.	(207,896)			
(8,285)	Smurfit-Stone Container Corp.	(112,427)			
(910)	Syngenta AG	(25,580)			
(2,000)	Temple-Inland, Inc.	(89,100)			
(6,334)	Terra Industries, Inc.	(44,655)			
		<u>(2,125,097)</u>			

ABSOLUTE STRATEGIES FUND

SCHEDULE OF CALL OPTIONS WRITTEN

MARCH 31, 2006

<u>Number of Contracts</u>	<u>Security Description</u>	<u>Strike Price</u>	<u>Expiration Date</u>	<u>Value</u>	
Call Options Written - (0.3)%					ADR American Depositary Receipt.
(10)	Centex Corp.	50.00	01/21/08	(20,050)	FHLB Federal Home Loan Bank.
(16)	Dell, Inc.	20.00	01/21/08	(19,360)	FHLMC Federal Home Loan Mortgage Corporation.
(24)	Dell, Inc.	30.00	01/21/08	(12,480)	FNMA Federal National Mortgage Association.
(12)	DR Horton, Inc.	30.00	01/21/08	(10,920)	MTN Medium-term Note.
(20)	eBay, Inc.	35.00	01/21/08	(21,400)	PO Principal Only.
(20)	General Electric Co.	30.00	01/21/08	(14,400)	REIT Real Estate Investment Trust.
(4)	Google, Inc.	240.00	01/19/08	(72,260)	† Non-income producing security.
(20)	Hovnanian Enterprises, Inc.	35.00	01/19/08	(30,900)	∇ Security is currently in default on scheduled interest or principal payments.
(5)	Hovnanian Enterprises, Inc.	50.00	01/21/08	(3,950)	± Zero coupon bond. Interest rate presented is yield to maturity.
(12)	Lennar Corp.	50.00	01/21/08	\$ (21,540)	+ Variable rate security.
(12)	Ryland Group	60.00	01/21/08	(24,000)	~ 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)	Toll Brothers, Inc.	30.00	01/21/08	(21,300)	φ Affiliated due to Loomis, Sayles & Company, L.P. being a sub-adviser of the Fund. For the period ended March 31, 2006, purchases of the Loomis Sayles Investment Grade Fixed Income Fund, dividend income, and capital gains totaled \$3,205,898, \$112,403 and \$93,495, respectively.
(20)	Yahoo! Inc.	30.00	01/21/08	(15,400)	# All or a portion of this security is held as collateral for securities sold short.
Total Call Options Written - (0.3)%				<u>\$(287,960)</u>	(a) When issued security.
(Premiums Received \$(303,417))					* Cost for Federal income tax purposes is \$72,350,265 and net unrealized appreciation (depreciation) consists of:
					Gross Unrealized Appreciation \$ 6,611,228
					Gross Unrealized Depreciation <u>(3,937,971)</u>
					Net Unrealized Appreciation (Depreciation) <u>\$ 2,673,257</u>

ABSOLUTE STRATEGIES FUND
 PORTFOLIO HOLDINGS SUMMARY
 MARCH 31, 2006

Portfolio Breakdown (% of Net Assets)	
Long Positions	
Equity Securities	60.2%
Fixed Income Securities	17.4%
Options	0.1%
Mutual Funds	2.9%
Short-Term Investments	21.8%
Short Positions	
Equity Securities	-35.9%
Options	-0.3%
Other Assets less Liabilities	33.8%*
	100.0%

* Consists of deposits with the custodian for securities sold short, prepaid expenses, receivables, deferred offering costs, payables, and accrued liabilities. Deposits with the custodian for securities sold short represents 35.3% of net assets. See Note 2.

Sector Breakdown (% of Equity Holdings)	Long	Short
Consumer Discretionary	15.7%	26.2%
Consumer Staples	7.0%	8.0%
Energy	7.8%	8.8%
Financials	21.9%	14.9%
Health Care	9.0%	10.6%
Industrials	15.7%	13.2%
Information Technology	8.5%	8.7%
Materials	3.8%	5.2%
Telecommunication Services	2.0%	1.8%
Utilities	4.0%	2.6%
Mutual Funds	4.6%	-
	100.0%	100.0%

ABSOLUTE STRATEGIES FUND

STATEMENT OF ASSETS AND LIABILITIES

MARCH 31, 2006

ASSETS

Total investments, at value (Cost \$107,545,728)	\$112,338,437
Total investments in affiliates, at value (Cost \$3,205,898)	3,025,370
Deposits with custodian for securities sold short	39,775,573
Receivables:	
Fund shares sold	1,126,371
Investment securities sold	1,627,301
Interest and dividends	342,919
From investment adviser	11,481
Prepaid expenses	8,213
Deferred offering costs	28,929

Total Assets \$158,284,594

LIABILITIES

Payables:	
Securities sold short, at value (Cost \$39,278,628)	40,430,577
Call options written, at value (Premiums received \$303,417)	287,960
Investment securities purchased	2,428,448
Fund shares redeemed	383,202
Due to custodian	1,803,789
Accrued liabilities:	
Investment adviser fees	118,270
Trustees' fees and expenses	183
Compliance services fees	2,146
Other expenses	139,448

Total Liabilities \$45,594,023

NET ASSETS \$112,690,571

COMPONENTS OF NET ASSETS

Paid-in capital	\$109,933,861
Accumulated undistributed (distributions in excess of) net investment income	519,605
Net realized gain (loss)	(1,238,092)
Net unrealized appreciation (depreciation)	3,475,197

NET ASSETS \$112,690,571

SHARES OF BENEFICIAL INTEREST (UNLIMITED SHARES AUTHORIZED)

Institutional Shares	6,502,654
A Shares	4,157,938
C Shares	296,800

NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE

Institutional Shares (based on net assets of \$66,888,064)	\$ 10.29
A Shares (based on net assets of \$42,754,402)	\$ 10.28
A Shares Maximum Public Offering Price Per Share (net asset value per share / 95.50%)	\$ 10.76
C Shares (based on net assets of \$3,048,105)	\$ 10.27

ABSOLUTE STRATEGIES FUND

STATEMENT OF OPERATIONS

PERIOD FROM JULY 11, 2005 THROUGH MARCH 31, 2006 (a)

INVESTMENT INCOME

Interest income	\$ 1,634,262
Dividend income (net foreign withholding taxes of \$1,567)	356,235
Dividend income from affiliated investment	112,403
Total Investment Income	<u>2,102,900</u>

EXPENSES

Investment adviser fees	817,406
Administrator fees	77,983
Distribution fees:	
A Shares	68,045
C Shares	3,372
Transfer agency fees:	
Institutional Shares	6,637
A Shares	15,304
C Shares	925
Custodian fees	47,749
Registration fees	10,213
Professional fees	61,128
Trustees' fees and expenses	3,201
Compliance services fees	19,499
Organizational costs	13,391
Offering costs	74,590
Dividend expenses on securities sold short	188,117
Miscellaneous expenses	57,691
Total Expenses	<u>1,465,251</u>
Fees waived and expenses reimbursed	(200,355)
Net Expenses	<u>1,264,896</u>

NET INVESTMENT INCOME (LOSS)838,004**NET REALIZED AND UNREALIZED GAIN (LOSS)**

Net realized gain (loss) on:	
Investments	(1,180,815)
Distribution of realized gain by affiliated fund	93,495
Foreign currency transactions	1,259
Securities sold short	(123,684)
Net realized gain (loss)	<u>(1,209,745)</u>
Net unrealized gain (loss) on:	
Investments	4,612,181
Foreign currency translations	(492)
Securities sold short	(1,151,949)
Written options	15,457
Net change in unrealized appreciation (depreciation)	<u>3,475,197</u>
NET REALIZED AND UNREALIZED GAIN (LOSS)	<u>2,265,452</u>
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	<u>\$ 3,103,456</u>

(a) Commencement of operations was July 11, 2005.

ABSOLUTE STRATEGIES FUNDSTATEMENT OF CHANGES IN NET ASSETS

	Period from July 11, 2005 (a) through March 31, 2006
OPERATIONS	
Net investment income (loss)	\$ 838,004
Net realized gain (loss)	(1,209,745)
Net change in unrealized appreciation (depreciation)	3,475,197
Increase (Decrease) in Net Assets from Operations	<u>3,103,456</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM	
Net investment income:	
Institutional Shares	(232,526)
A Shares	(158,963)
Net realized gain on investments sold:	
Institutional Shares	(17,471)
A Shares	(15,917)
Total Distributions to Shareholders	<u>(424,877)</u>
CAPITAL SHARE TRANSACTIONS	
Sale of shares:	
Institutional Shares	68,382,326
A Shares	46,435,196
C Shares	3,016,613
Reinvestment of distributions:	
Institutional Shares	234,280
A Shares	153,848
C Shares	-
Redemption of shares:	
Institutional Shares	(3,197,326)
A Shares	(5,023,827)
C Shares	(1,139)
Redemption fees	12,021
Increase (Decrease) from Capital Share Transactions	<u>110,011,992</u>
Increase (Decrease) in Net Assets	<u>112,690,571</u>
NET ASSETS	
Beginning of period	-
End of period (b)	<u>\$112,690,571</u>
SHARE TRANSACTIONS	
Sale of shares:	
Institutional Shares	6,795,910
A Shares	4,638,041
C Shares	296,912
Reinvestment of distributions:	
Institutional Shares	23,430
A Shares	15,351
C Shares	-
Redemption of shares:	
Institutional Shares	(316,686)
A Shares	(495,454)
C Shares	(112)
Increase (Decrease) in Shares	<u>10,957,392</u>
<hr/>	
(a) Commencement of operations.	
(b) Accumulated undistributed (distributions in excess of) net investment income	<u>\$ 519,605</u>

ABSOLUTE STRATEGIES FUNDFINANCIAL HIGHLIGHTS

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

	July 11, 2005 (a) through March 31, 2006
INSTITUTIONAL SHARES	
NET ASSET VALUE, Beginning of Period	<u>\$ 10.00</u>
INVESTMENT OPERATIONS	
Net investment income (loss) (b)	0.14
Net realized and unrealized gain (loss)	<u>0.22</u>
Total from Investment Operations	<u>0.36</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM	
Net investment income	(0.07)
Net realized investment gains	<u>- (c)</u>
Total Distributions to Shareholders	<u>(0.07)</u>
REDEMPTION FEES (b)	<u>- (c)</u>
NET ASSET VALUE, End of Period	<u><u>\$ 10.29</u></u>
TOTAL RETURN (d)	3.60%
RATIOS/SUPPLEMENTARY DATA	
Net Assets at End of Period (000's omitted)	\$66,888
Ratios to Average Net Assets (f):	
Net investment income (loss)	1.91%
Net expense	1.95%
Dividend expense	<u>0.38%</u>
Total Net Expense	<u><u>2.33%</u></u>
Gross expense	2.21%
Dividend expense	<u>0.38%</u>
Total Gross Expense (g)	<u><u>2.59%</u></u>
PORTFOLIO TURNOVER RATE (d)	95%

ABSOLUTE STRATEGIES FUNDFINANCIAL HIGHLIGHTS

	July 11, 2005 (a) through March 31, 2006
A SHARES	
NET ASSET VALUE, Beginning of Period	<u>\$ 10.00</u>
INVESTMENT OPERATIONS	
Net investment income (loss) (b)	0.10
Net realized and unrealized gain (loss)	<u>0.22</u>
Total from Investment Operations	<u>0.32</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM	
Net investment income	(0.04)
Net realized investment gains	<u>- (c)</u>
Total Distributions to Shareholders	<u>(0.04)</u>
REDEMPTION FEES (b)	<u>- (c)</u>
NET ASSET VALUE, End of Period	<u><u>\$ 10.28</u></u>
TOTAL RETURN (d) (e)	3.24%
RATIOS/SUPPLEMENTARY DATA	
Net Assets at End of Period (000's omitted)	\$42,755
Ratios to Average Net Assets (f):	
Net investment income (loss)	1.42%
Net expense	2.24%
Dividend expense	<u>0.35%</u>
Total Net Expense	<u><u>2.59%</u></u>
Gross expense	2.72%
Dividend expense	<u>0.35%</u>
Total Gross Expense (g)	<u><u>3.07%</u></u>
PORTFOLIO TURNOVER RATE (d)	95%

ABSOLUTE STRATEGIES FUNDFINANCIAL HIGHLIGHTS

**January 13, 2006 (a)
through
March 31, 2006**

C SHARES**NET ASSET VALUE, Beginning of Period**\$10.08**INVESTMENT OPERATIONS**

Net investment income (loss) (b)

0.02

Net realized and unrealized gain (loss)

0.17

Total from Investment Operations

0.19**REDEMPTION FEES (b)**- (c)**NET ASSET VALUE, End of Period**\$10.27**TOTAL RETURN (d)**

1.88%

RATIOS/SUPPLEMENTARY DATA

Net Assets at End of Period (000's omitted)

\$3,048

Ratios to Average Net Assets (f):

Net investment income (loss)

0.90%

Net expense

3.00%

Dividend expense

0.46%

Total Net Expense

3.46%

Gross expense

5.40%

Dividend expense

0.46%

Total Gross Expense (g)

5.86%**PORTFOLIO TURNOVER RATE (d)**

95%

(a) Commencement of operations.

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

(c) Less than \$0.01 per share.

(d) Not annualized for periods less than one year.

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

(f) Annualized for period less than one year.

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

Note 1. Organization

This report relates to the Absolute Strategies Fund (the “Fund”), 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 such as the S&P 500 Index. As a non-diversified fund, the Fund may focus its investments in the securities of a limited number of issuers.

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, which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and 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 at the last sale or official closing price, as 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 between the current bid and asked prices. Option contracts listed for trading on a securities exchange or board of trade are valued at the last quoted sales price as, in the absence of a sale, at the mean of the last bid and asked prices. 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. Money market instruments that mature in sixty days or less may be valued at amortized cost. Shares of open end mutual funds are valued at net asset value.

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 or a Sub-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 investment’s market price and may not be the price at which the investment 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, 2006

Security Transactions, Investment Income and Realized Gain and Loss – Investment transactions are accounted for on trade date. Dividend income and expense is recorded on the ex-dividend date. Foreign dividend income and expense 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. All premium and discount is being amortized and accreted according to Federal income tax regulations. Foreign income and foreign capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded as earned. Identified cost of investments sold is used to determine the gain and loss for both financial statement and federal income tax purposes.

Foreign Currency Translation – Foreign currency amounts are translated into U.S. dollars as follows: (1) assets and liabilities at the rate of exchange at the end of the reporting period; and (2) 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.

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 from a lender in order to sell the security in the general market. 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 identified on the Schedule of Investments. Dividends paid on securities sold short are recorded as an expense on the Fund's records. Generally, the payment of the dividend reduces the value of the short position while increasing the Fund's unrealized gain or loss on the short sale.

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

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2006

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.

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 net 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 accounting principles, generally accepted in the United States of America. 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 and distribute all its taxable income. In addition, by distributing in each calendar year substantially all its net investment income, capital gains and certain other amounts, if any, the Fund will not be subject to a Federal excise tax. Therefore, no Federal income or excise tax provision is required.

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 fund are allocated among the respective series in proportion to each series’ average daily net assets.

Each share of each class of the Fund represents an undivided, proportionate interest in the Fund. The Fund’s class specific expenses include distribution fees, transfer agent fees, registration fees and certain expenses as determined by the Board.

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.

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2006

Offering Costs – Offering costs for the Fund of \$103,519 consisted of fees related to the preparation of the Fund’s initial registration filings and the legal costs related thereto as well as fees related to the mailing and printing of the initial prospectus. Such costs are amortized over a twelve-month period beginning with the commencement of operations of the Fund.

Redemption Fees – A shareholder who redeems or exchanges shares within 60 days of purchase will incur a redemption fee of 1.50% of the current net asset value of shares redeemed or exchanged, subject to certain limitations. The fee is charged for the benefit of the remaining shareholders and will be paid to the Fund to help offset transaction costs. To calculate redemption fees, the Fund uses the first-in, first-out method to determine the holding period. Under this method, the date of redemption is compared with the earliest purchase date of shares held in the account. The fee is accounted for as an addition to paid-in capital. The Fund reserves the right to modify the terms of or terminate the fee at any time. There are limited exceptions to the imposition of the redemption fee. The Fund collected \$12,021 in redemption fees during the period ended March 31, 2006.

Note 3. Advisory 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.

Subject to the general control of the Board and the Adviser, the following sub-advisers (each a “Sub-Adviser” and collectively the “Sub-Advisers”) may be allocated a portion of the assets of the Fund and make the investment decisions for the Fund:

Aronson+Johnson+Ortiz, LP	Moody Aldrich Partners, LLC
Bernzott Capital Advisors	Scout Investment Advisors, Inc.
Contravisory Research & Management Corp.	SSI Investment Management, Inc.
Horizon Asset Management, Inc.	TT International Investment Management
Kinetics Asset Management, Inc.	TWIN Capital Management, Inc.
Loomis, Sayles & Company, L.P.	Yacktman Asset Management Co.
Metropolitan West Asset Management, LLC	

The sub-advisory fee paid to each Sub-Adviser is calculated as a percentage of the average daily net assets allocated to a Sub-Adviser for management and is paid by the Adviser.

Administration and Other Services – Citigroup Fund Services, LLC (“Citigroup”), provides administration, portfolio accounting, and transfer agency services to the Fund.

Distribution – Foreside Fund Services, LLC is the Fund’s distributor (“Distributor”). The Distributor is not affiliated with the Adviser, Citigroup or its affiliated companies. The certifying officers of the Trust are also

ABSOLUTE STRATEGIES FUND

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2006

principals of the Distributor. Under a Distribution Plan adopted pursuant to Rule 12b-1 under the Act with respect to A Shares and C Shares (“Distribution Plan”), the Fund pays the Distributor a fee at an annual rate of 0.25% and 1.00% of the average daily net assets of A Shares and C Shares, respectively. The Distributor may pay some or all of these fees to various financial institutions, including the Adviser, that provide distribution or shareholder services. The Distribution Plan obligates the Fund to pay the Distributor compensation for the Distributor’s services and not as reimbursement for certain expenses incurred. For the period ended March 31, 2006, the Distributor received \$71,417 for distribution fees.

For the period ended March 31, 2006, the Distributor employed \$40,783 of the front-end sales charges assessed on the sale of A Shares.

Under a Compliance Services Agreement with the Trust, the Distributor provides a Chief Compliance Officer, Principal Executive Officer, Principal Financial Officer and Anti-Money Laundering Officer to the Trust as well as certain additional compliance support functions.

Trustees and Officers – Certain officers of the Trust are directors, officers or employees of Citigroup or the Distributor.

Note 4. Waiver of Fees and Reimbursement of Expenses

The Adviser has contractually agreed to waive its fees to limit the Fund’s net 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 October 31, 2006 (“Waiver Agreement”). Citigroup has contractually waived a portion of its fees. The Distributor has voluntarily agreed to waive a portion of its Compliance Services fees through June 30, 2006. These voluntary waivers may be reduced or eliminated at any time. For the period ended March 31, 2006, fees waived and expenses reimbursed were as follows:

<u>Adviser Waived</u>	<u>Adviser Reimbursed</u>	<u>Administrator Waived</u>	<u>Compliance Services Waived</u>	<u>Total Fees Waived and Expenses Reimbursed</u>
\$119,598	\$54,970	\$21,844	\$3,943	\$200,355

Citigroup was contractually obligated to pay the fees due to the Distributor under the Compliance Services Agreement through March 31, 2006.

Note 5. Security Transactions

The cost of purchases and the proceeds from sales of investment securities, other than short-term investments, for the period ended March 31, 2006 were as follows:

Non-US Government Obligations		US Government Obligations	
<u>Purchases</u>	<u>Sales</u>	<u>Purchases</u>	<u>Sales</u>
\$323,446,284	\$222,149,885	\$24,070,585	\$12,878,823

Note 6. Federal Income Tax and Investment Transactions

As of March 31, 2006, distributable earnings on a tax basis were as follows:

Undistributed Ordinary Income	\$ 542,082
Undistributed Long-Term Gain	2,655
Capital and Other Losses	(460,792)
Unrealized Appreciation (Depreciation)	<u>2,672,765</u>
Total	<u>\$2,756,710</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 wash sales reallocations.

For tax purposes, the current year post-October currency loss was \$460,792. This loss will be recognized for tax purposes on the first business day of the Fund's next year.

The tax character of distributions paid during the period from July 11, 2005, commencement of operations, to March 31, 2006 were as follows:

	<u>2006</u>
Ordinary Income	\$424,877

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, 2006. The following reclassification was primarily a result of non-deductible organization and offering costs and REIT distributions, and has no impact on the net assets of the Fund.

Accumulated Net Investment Income (Loss)	\$ 73,090
Undistributed Net Realized Gain (Loss)	5,041
Paid-in Capital	(78,131)

Note 7. Written Option Transactions

Transactions in options written during period ended March 31, 2006 were as follows:

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

Note 8. Other Information

On March 31, 2006, three shareholders held approximately 74% of the outstanding shares of Institutional Shares. Two of these shareholders are omnibus accounts, which are held on behalf of several individual shareholders. On the aforementioned date, one shareholder held approximately 10% of the outstanding shares of A Shares. This shareholder is an omnibus account, which is held on behalf of several individual shareholders. On the aforementioned date, no shareholder held greater than 8% of the outstanding shares of C Shares.

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, 2006, and the related statement of operations, changes in net assets and financial highlights 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 audit.

We conducted our audit in accordance with 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 have we been engaged to perform an audit of its internal control over financial reporting. Our audit 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, 2006, by correspondence with the custodian and brokers: where replies were not received from brokers, we performed other auditing procedures. We believe that our audit provides 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, 2006, the results of its operations, changes in its net assets and financial highlights 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, 2006

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2006

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 record for the period of July 11, 2005 (the Fund's commencement of operations) through June 30, 2006 will be available no later than August 31, 2006, 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 on the SEC's website at www.sec.gov or may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. 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; 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 example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from October 1, 2005 through March 31, 2006.

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

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2006

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.

	<u>Beginning Account Value*</u>	<u>Ending Account Value March 31, 2006</u>	<u>Expenses Paid During Period*</u>	<u>Annualized Expense Ratio*</u>
Institutional Shares				
Actual Return	\$1,000.00	\$1,027.95	\$11.53	2.28%
Hypothetical Return	\$1,000.00	\$1,013.56	\$11.45	2.28%
A Shares				
Actual Return	\$1,000.00	\$1,024.93	\$12.97	2.57%
Hypothetical Return	\$1,000.00	\$1,012.12	\$12.89	2.57%
C Shares				
Actual Return	\$1,000.00	\$1,018.85	\$ 7.22	3.39%
Hypothetical Return	\$1,000.00	\$1,008.03	\$16.97	3.39%

* Expenses are equal to the Fund's 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/365 to reflect the half-year period (actual return information for C Shares reflects the 77-day period (January 13, 2006 through March 31, 2006) for which the class was operational.)

Federal Tax Status of Dividends Declared during the Tax Year

For Federal income tax purposes, dividends from short-term capital gains are classified as ordinary income. All net investment income dividends were ordinary income. The percentage of ordinary income distributions designated as qualifying for the corporate dividends received deduction ("DRD") and the individual qualified dividend rate ("QDI") is presented below.

<u>DRD</u>	<u>QDI</u>
26.92%	23.20%

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2006

Trustees and Officers of the Trust

The Board is responsible for managing 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 one other investment company (collectively, "Fund Complex"), which hold themselves out to investors as related companies for purposes of investment and investor services. 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 addresses 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, a registered investment company within the Fund Complex. John Y. 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 Date	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years
Independent Trustees J. Michael Parish Born: November 9, 1943	Chairman of the Board; Trustee; Chairman, Compliance Committee, Nominating 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: February 15, 1943	Trustee; Chairman, Valuation Committee	Trustee since 1989	Professor of Economics, University of California-Los Angeles.
James C. Cheng Born: July 26, 1942	Trustee; Chairman, Audit Committee	Trustee since 1989	President, Technology Marketing Associates (marketing company for small-and medium-sized businesses in New England).

ABSOLUTE STRATEGIES FUND

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2006

Name and Birth Date	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years
Interested Trustees John Y. Keffer Born: July 15, 1942	Trustee; Chairman, Contracts Committee	Trustee since 1989	President, Forum Trust, LLC (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).
Officers Simon D. Collier Born: October 22, 1961	President; Principal Executive Officer	Since 2005	Managing Director and Principal Executive Officer, Foreside Fund Services, LLC, the Trust's Distributor since 2005; Chief Operating Officer and Managing Director, Global Fund Services, Citibank, N.A. 2003-2005; Managing Director, Global Securities Services for Investors, Citibank, N.A. 1999-2003.
Carl A. Bright Born: December 20, 1957	Principal Financial Officer	Since 2005	President, Foreside Fund Services, LLC, the Trust's Distributor since 2004; Consultant, Foreside Solutions, LLC 2000-2003 (a mutual fund development company).
Beth P. Hanson Born: July 15, 1966	Vice President/ Assistant Secretary	Since 2003	Relationship Manager, Citigroup since 2003; Relationship Manager, Forum 1999-2003.
Sara M. Morris Born: September 18, 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.
Trudance L. Bakke Born: August 11, 1971	Treasurer	Since 2005	Product Manager, Citigroup since 2003; Senior Manager of Corporate Finance, Forum 1999-2003.
David M. Whitaker Born: September 6, 1971	Secretary	Since 2004	Product Manager, Citigroup since 2004; Assistant Counsel, PFPC, Inc. (a fund services company) 2000-2004.

ABSOLUTE Strategies 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.
