

ABSOLUTE FUNDS

ANNUAL REPORT

MARCH 31, 2017

ABSOLUTE
INVESTMENT ADVISERS

The views in this report were those of Absolute Strategies Fund and Absolute Capital Opportunities Fund's (each a "Fund" and collectively the "Funds") adviser as of March 31, 2017, and may not reflect their views on the date this report is first published or any time thereafter. These views are intended to assist shareholders in understanding their investment in the Funds and do not constitute investment advice. None of the information presented should be construed as an offer to sell or recommendation of any security mentioned herein.

Since the Funds utilize multi-manager strategies with multiple sub-advisers, they may be exposed to varying forms of risk. These risks include, but are not limited to, general market risk, multi-manager risk, focused portfolio risk, small company risk, foreign risk, interest rate risk, credit risk, prepayment risk, IPO risk, liquidity risk, high turnover risk, leverage risk, derivatives risk and cash and cash equivalents holdings risk. For a complete description of the Funds' principal investment risks, please refer to each Fund's prospectus.

Beta is a measure of an asset's sensitivity to broad market moves, as measured for instance by the S&P 500® Index. A fund with a realized beta of 0.5 with respect to the S&P 500® Index infers that about 50% of the fund's returns were explained by the performance of the index (the rest of the performance was independent of the index). Standard deviation indicates the volatility of a fund's total returns and is useful because it identifies the spread of a fund's short-term fluctuations. The HFR Indices are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. One cannot invest directly in an index.

Absolute Strategies Fund, Absolute Funds, and Absolute Investment Advisers are registered service marks of Absolute Investment Advisers LLC ("AIA" and "Absolute") and the respective logos and Absolute Capital Opportunities Fund are service marks of AIA; and other marks referred to herein are the trademarks, service marks or registered trademarks of their respective owners.

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

MARCH 31, 2017

Dear Shareholder,

We are pleased to present the Annual Report for the Absolute Strategies Fund (the “Fund”) for the year ended March 31, 2017.

In this regard, The Fund seeks to provide long-term capital appreciation with an emphasis on absolute (positive) returns and low sensitivity to traditional financial market indices such as the Standard & Poor’s 500® Index (“S&P 500® Index”). Achieving this over the course of an investment cycle often means constructing a portfolio of investments that looks very different from other investment funds, including alternative ones. It requires being defensive at times when others are overly aggressive. It requires looking for value in areas of the market that are over-looked or unloved by other investors. Achieving these goals also means that the Fund’s performance is likely to go through periods of under-performance as well as out-performance versus other strategies. Over time the uniqueness of this creates significant diversification properties. In this regard, the Fund (Institutional Shares) returned -3.40% over the 12 months ended March 31. By comparison, the HRFX Global Hedge Fund Index returned 6.19% and the S&P 500 Index returned 17.17%.

We believe that recent dynamics have resulted in a market that is narrow and highly inefficient (see more below). While this has been frustrating, we are excited in that this type of inefficiency creates an opportunity to set up a portfolio that can generate significant performance once the latest cycle of abnormal market conditions exhausts itself. We believe it may be setting up for an extensive long/short opportunity.

During the year, the Fund has maintained a balance of long and short exposures. Net exposure has been at the low end of its historical range and sensitivity to traditional equity indices has been negative. Allocations have been concentrated around a diverse, but limited, number of equity strategies with a moderate allocation to convertible arbitrage. The Fund has also employed certain opportunistic trades. These trades may be short-term in nature and expressed through purchases and sales of index related securities. The trades have individual merits but also can allow the Fund to take advantage of spikes of volatility.

In general, many of the Fund’s long securities haven’t had a big story or theme attached to them and may not have been a major part of an index. The Fund’s short securities were deemed to be expensive and/or exhibiting low growth with significant economic sensitivity. Equity index securities were also used on the short side to create relative-value arbitrage opportunities versus Fund long securities. Certain of the Fund’s derivative positions were used to achieve this positioning as well as to control the Fund’s broader market sensitivity.

Sub-adviser strategies based on long equity exposure were the Fund’s top performers over the last year. Energy related securities, which were somewhat new to the Fund in 2016, did particularly well. Long exposure to precious metals related securities provided modest returns during the period. Convertible arbitrage also performed well during the period. This was notable because the strategy typically exhibits low sensitivity to equity markets. Strategies that included short exposure were the largest detractors. Shorting has been particularly difficult as few things seemed to have gone down in price regardless of how poorly a company or group of companies performed. The Fund’s short exposure remains flexible and has varied over the past year as large spikes in volatility have offered opportunities to monetize short term gains. During periods of low volatility the Fund has maintained a large amount of short exposure due to historically high valuations and weak fundamentals (see below). The timing is uncertain but we believe the payoff in short opportunities could be significant. Long periods of low volatility and high valuations have historically given way to periods of high volatility, leading to market valuations reverting to the mean.

We remain steadfast in our investment philosophy. Fundamental bias, patience, and diversification are our discipline. For anyone with a similar philosophy, this environment has been punishing. Passive investing and risk-parity strategies are the crowd themes for this cycle. While many have chosen to maintain a passive bias, not one investor or advisor we’ve met with is actively betting client capital on another asset bubble. No, this current situation has been created by a willingness to ignore inflated prices and continue to hope for another year of escape. Asset allocation has become the antithesis of the “efficient market hypothesis.” What analysis is actually being performed? Who is left to perform individual stock selection and to allocate capital based on all available information? Most of the survivors left in the active management industry do not focus on alpha; they are marketing behemoths. We believe, much of the world of investment management have decided fundamental research is no longer necessary. As such, the overall market structure has become even narrower and more inefficient. How ironic.

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

MARCH 31, 2017

The following are just some of the insights we note when evaluating the current environment:

- **The cumulative market cap of the Russell 2500 has grown 16% since 2014, while net income has dropped 20%. (FPA LLC, Bloomberg)**
- **The S&P 500 Price to Sales ratio is at September 2000 levels, 25% higher than 2007 peak. (Bloomberg)**
- **The S&P 500 Enterprise Value to Earnings before Interest, Taxes, Depreciation and Amortization (“EBITDA”) is at September 2000 levels. (Bloomberg)**
- **The Russell 2000 Enterprise Value to EBITDA is 80% above its previous record level. (Bloomberg)**
- **The S&P 500 Median Price to Earnings ratio is over 24; the median since 1965 is 17. (Ned Davis Research)**
- **The S&P 500 Median Price to Sales is 35% above the previous record in 2007. (Ned Davis Research)**
- **The S&P 500 (ex financials) Debt to EBITDA is higher than both the 2002 and 2009 recession peaks. (Citigroup)**
- **The CBOE SPX Volatility Index recently broke below 10, a level last reached in 2007. (Bloomberg)**
- **Stock market capitalization to GDP is the highest in history outside the 2000 bubble.**
- **The Shiller Cyclically Adjusted Price-to-Earnings Ratio (“CAPE”) ratio recently hit 29, nearly the same level as the 1929 peak.**
- **Three of the largest consumer credit companies in the U.S., have all recently reported sharply higher net charge-offs (NCOs). (Bloomberg)**
- **Auto sales and auto lending also appear to have peaked and are turning down while loan delinquencies have risen. (Bloomberg)**
- **Home Capital Group, the largest non-bank mortgage lender in Canada, appears to be having a Bear Stearns moment; risk is now spreading to others. Bear Stearns, of course, collapsed quickly when mortgages it owned started to become delinquent and sources of funding dried up.**

We have a market environment that combines some of the highest valuation levels in history with an aggregate collection of price-insensitive buyers. Couple that with structurally low growth, record high corporate leverage, central banks that desire raising rates and shrinking balance sheets, extremely low levels of volatility, cresting auto sales, deteriorating consumer credit, and a potentially hostile geo-political environment and you have the potential for severe volatility dead ahead.

At some point, we believe most everything currently driving frothy, overvalued market conditions could suddenly stop working and reverse. As such, we are maintaining a negative beta bias. Certainly there is a risk that this abnormal market cycle can go on longer. If so, we plan to remain flexible around sizable bumps in volatility. However, at this point we believe the risk is more likely to be a final, short-term upside thrust. Our long portfolio includes very cheap out-of-the-money call option protection should this event happen.

We continue to believe our disciplined approach is rare in today’s crowded financial market landscape. The active alternatives space has already gone through a significant bear market relative to major market indices; this experience is not dissimilar from that of value investors in the late 1990s. In addition, it has proven that very few strategies are providing any source of return outside of beta. Should market forces and volatility awaken again, it’s clear from drawdown studies that almost no combination of these competing products will diversify away market risk. The allocation math is quite simple. Even a small allocation to a strategy positioned for alpha like ours would likely provide much more diversification potential vs funds that provide correlated market performance. The potential for upside returns during critical drawdown periods cannot be understated during periods of historically high valuations. When asset prices cheapen again, we will most certainly participate. If the current environment is indeed similar to 1999 or 2007 (as the above insights may suggest), then we could have a generational long/short opportunity at hand.

Sincerely,



Jay Compson
Portfolio Manager
Absolute Investment Advisers LLC

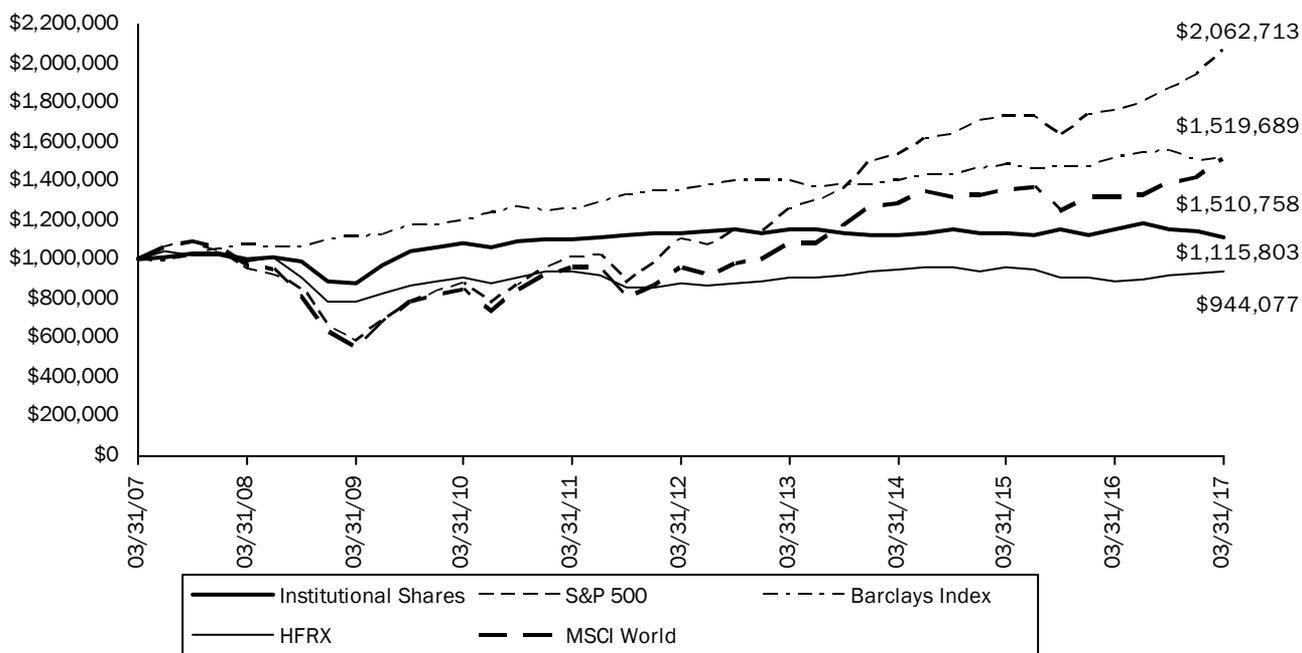
ABSOLUTE STRATEGIES FUND

PERFORMANCE CHART AND ANALYSIS (Unaudited)

MARCH 31, 2017

The following charts reflect the change in the value of a hypothetical \$1,000,000 investment in Institutional Shares and a \$250,000 investment in R Shares, including reinvested dividends and distributions, in Absolute Strategies Fund (the "Fund") compared with the performance of the benchmark, S&P 500 Index ("S&P 500"), Barclays Capital U.S. Aggregate Bond Index ("Barclays Index"), the HFRX Global Hedge Fund Index ("HFRX") and the MSCI World Index ("MSCI World"), over the past ten fiscal years. The S&P 500 is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The Barclays Index covers the U.S. dollar-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The HFRX is designed to be representative of the overall composition of the hedge fund universe; it is comprised of eight strategies - convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset-weighted based on the distribution of assets in the hedge fund industry. The MSCI World measures the performance of a diverse range of 24 developed countries' stock markets including the United States, Canada, Europe, the Middle East and the Pacific. The total return of the indices include the reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the indices do not include expenses. The Fund is professionally managed, while the indices are unmanaged and are not available for investment.

**Comparison of Change in Value of a \$1,000,000 Investment
Absolute Strategies Fund - Institutional Shares vs. S&P 500 Index,
Barclays Capital U.S. Aggregate Bond Index,
HFRX Global Hedge Fund Index and MSCI World Index**



**Average Annual Total Returns
Periods Ended March 31, 2017**

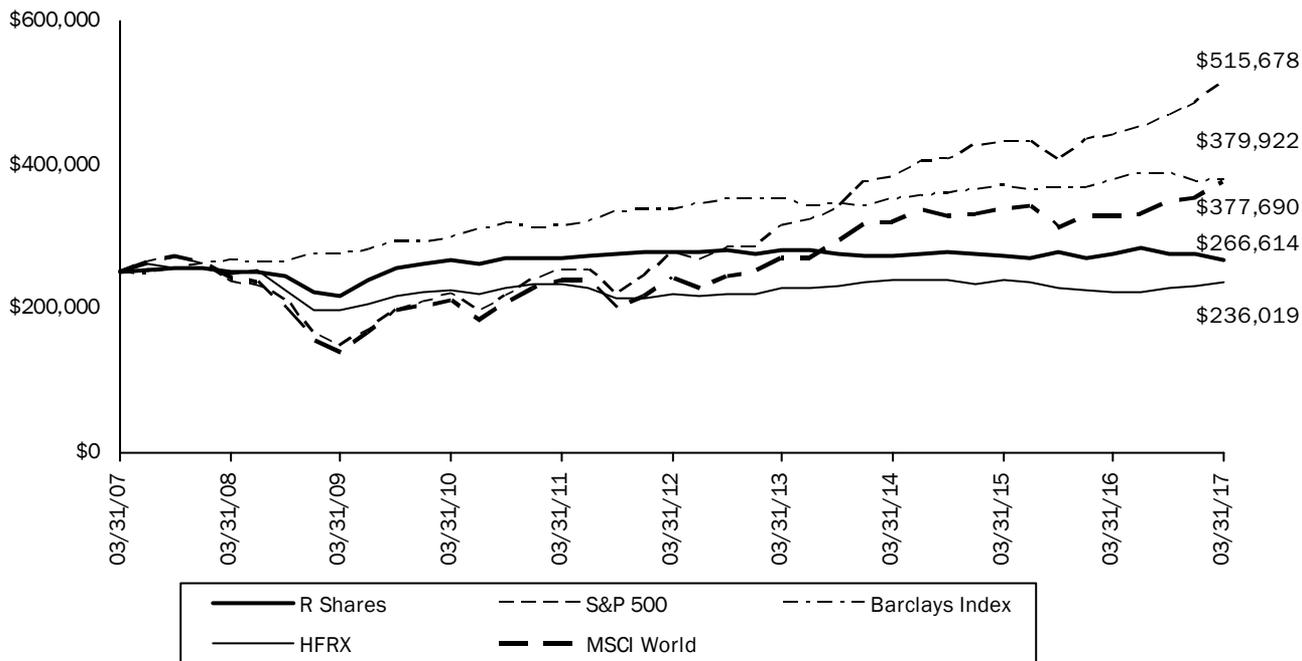
	One Year	Five Years	Ten Years
Absolute Strategies Fund - Institutional Shares	-3.40%	-0.34%	1.10%
S&P 500 Index	17.17%	13.30%	7.51%
Barclays Capital U.S. Aggregate Bond Index	0.44%	2.34%	4.27%
HFRX Global Hedge Fund Index	6.19%	1.35%	(0.57)%
MSCI World Index	14.77%	9.37%	4.21%

ABSOLUTE STRATEGIES FUND

PERFORMANCE CHART AND ANALYSIS (Unaudited)

MARCH 31, 2017

**Comparison of Change in Value of a \$250,000 Investment
Absolute Strategies Fund - R Shares vs. S&P 500 Index, Barclays Capital U.S. Aggregate Bond Index,
HFRX Global Hedge Fund Index and MSCI World Index**



**Average Annual Total Returns
Periods Ended March 31, 2017**

	One Year	Five Years	Ten Years
Absolute Strategies Fund - R Shares	-3.89%	-0.82%	0.65%
S&P 500 Index	17.17%	13.30%	7.51%
Barclays Capital U.S. Aggregate Bond Index	0.44%	2.34%	4.27%
HFRX Global Hedge Fund Index	6.19%	1.35%	(0.57)%
MSCI World Index	14.77%	9.37%	4.21%

Performance data quoted 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 shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, please call (888) 992-2765. As stated in the Fund's prospectus, the annual operating expense ratios (gross) for Institutional Shares and R Shares are 2.68% and 3.26%, respectively. Excluding the effect of expenses attributable to dividends and interest on short sales and acquired fund fees and expenses, the Fund's total annual operating expense ratios would be 1.85% and 2.41% for Institutional Shares and R Shares, respectively. To the extent that the Fund invests in any investment company or exchange-traded fund sponsored by the Fund's adviser or its affiliates, the adviser may waive certain fees and expenses. 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. Returns greater than one year are annualized.

ABSOLUTE CAPITAL OPPORTUNITIES FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

MARCH 31, 2017

Dear Shareholder,

For the period ending March 31, 2017, the Absolute Capital Opportunities Fund (the "Fund") returned 7.44%. By comparison, the HFRX Equity Hedge Index returned 5.90%.

The Fund combines two Sub-Advisers with a flexible approach to equity investing. Both managers typically invest in a concentrated number of positions on the long side, balanced with different hedging methods. St James Investment Company will opportunistically utilize cash levels as a hedge. Kovitz Investment Group will opportunistically utilize individual stocks, ETFs, or options to hedge. The result is a Fund that maintains a positive net long bias but with exposures that change and the ability to avoid being fully exposed to equity market risk at all times.

Over the last year, Fund performance benefitted from maintaining a net long bias in a market that generally trended higher. The two Sub-Advisers' focus on value oriented positions also helped as value out-performed growth (as measured by the Russell 3000 Value & Growth Indices) for the first time in several years (fiscal periods). Being disciplined and not chasing high flying stocks also was a plus - poor market timing seems to be one of the factors that has created negative alpha in many hedge fund strategies in recent years.

We believe the Fund is well positioned well for a variety of market environments.

Sincerely,

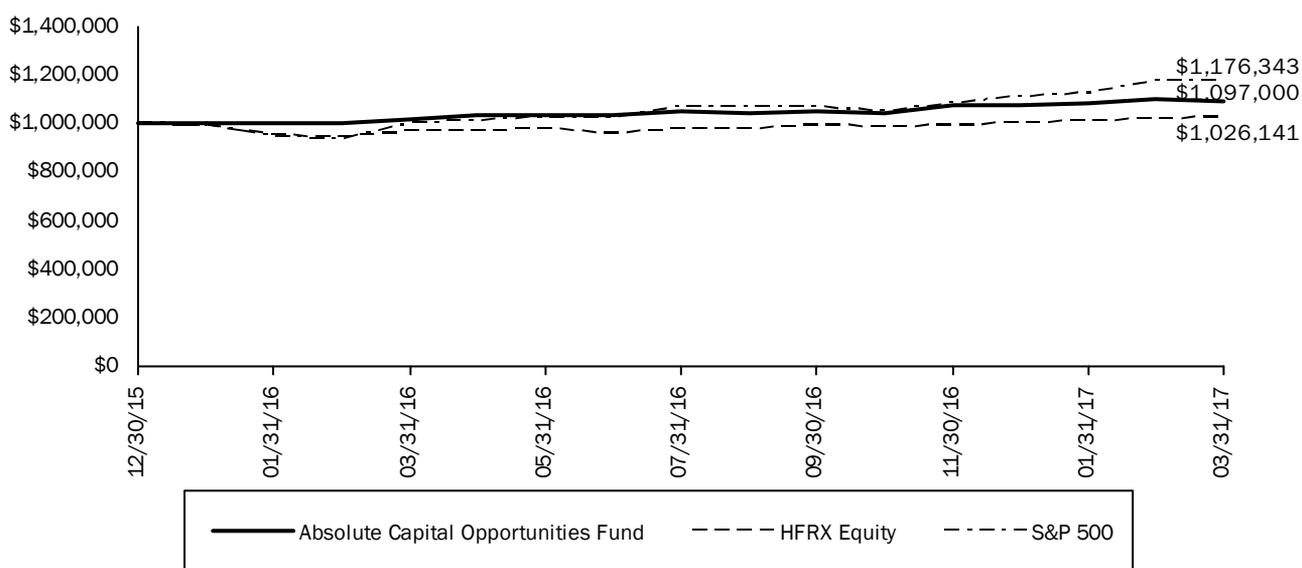


Jay Compson
Portfolio Manager
Absolute Investment Advisers LLC

ABSOLUTE CAPITAL OPPORTUNITIES FUND
 PERFORMANCE CHART AND ANALYSIS (Unaudited)
 MARCH 31, 2017

The following chart reflects the change in the value of a hypothetical \$1,000,000 investment, including reinvested dividends and distributions, in Absolute Capital Opportunities Fund (the "Fund") compared with the performance of the benchmark, the HFRX Equity Hedge Fund Index ("HFRX Equity") and the S&P 500 Index ("S&P 500"), since inception. HFRX Equity tracks strategies that maintain positions both long and short in primarily equity and equity derivative securities. The S&P 500 is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The total return of the index includes the reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the index does not include expenses. The Fund is professionally managed, while the index is unmanaged and is not available for investment.

**Comparison of Change in Value of a \$1,000,000 Investment
 Absolute Capital Opportunities Fund vs. HFRX Equity Hedge Index
 and S&P 500 Index**



Average Annual Total Returns Periods Ended March 31, 2017	One Year	Since Inception 12/30/15
Absolute Capital Opportunities Fund - Shares	7.44%	7.67%
HFRX Equity Hedge Index	5.90%	2.08%
S&P 500 Index	17.17%	13.85%

Performance data quoted 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 shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, please call (888) 992-2765. As stated in the Fund's prospectus, the annual operating expense ratio (gross) is 4.37%. Excluding the effect of expenses attributable to dividends and interest on short sales, the Fund's total annual operating expense ratio would be 4.12%. However, the Fund's adviser has agreed to contractually waive a portion of its fees and to reimburse expenses such that total operating expenses (excluding all taxes, interest, portfolio transaction expenses, dividend and interest expenses on short sales, acquired fund fees and expenses, proxy expenses and extraordinary expenses) to 1.85% on net assets up to \$100 million, 1.75% on net assets between \$100 million and \$200 million, and 1.65% on net assets over \$200 million through August 1, 2019 (the "Expense Cap"). The adviser may be reimbursed by the Fund for fees waived and expenses reimbursed pursuant to the Expense Cap if such payment is made within three years of the fee waiver or expense reimbursement and does not cause the Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement to exceed the lesser of (i) the then-current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived or reimbursed. During the period, certain fees were waived and/or expenses reimbursed; otherwise returns would have been lower. 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. Returns greater than one year are annualized.

ABSOLUTE STRATEGIES FUND

PORTFOLIO HOLDINGS SUMMARY (Unaudited)

MARCH 31, 2017

Portfolio Breakdown (% of Net Assets)	
Long Positions	
Equity Securities	34.5%
Asset Backed Obligations	0.2%
Corporate Convertible Bonds	13.7%
Corporate Non-Convertible Bonds	5.2%
Exchange Traded Notes	0.0%
Syndicated Loans	0.5%
Investment Companies	17.7%
Money Market Fund	20.6%
Purchased Options	1.4%
Short Positions	
Equity Securities	-29.4%
Investment Companies	-9.5%
Written Options	-0.2%
Other Assets less Liabilities*	45.3%
	100.0%

*Consists of deposits with the custodian and/or brokers for securities sold short, cash, foreign currency, prepaid expenses, receivables, payables and accrued liabilities. Deposits with the custodian and/or brokers for securities sold short represents 41.3% of net assets. See Note 2 of the accompanying Notes to Financial Statements.

Sector Breakdown	(% of Equity Holdings)	
	Long	Short
Consumer Discretionary	13.0%	17.0%
Consumer Staples	18.6%	14.0%
Energy	21.7%	3.3%
Financial	17.3%	24.7%
Healthcare	1.6%	1.5%
Industrial	10.5%	24.3%
Information Technology	3.5%	11.2%
Materials	9.6%	2.2%
Telecommunication Services	2.8%	1.7%
Utilities	1.4%	0.1%
	100.0%	100.0%

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2017

Shares	Security Description	Value	Shares	Security Description	Value
Long Positions - 93.8%					
Equity Securities - 34.5%					
Common Stock - 34.5%					
Consumer Discretionary - 4.5%					
28,449	American Airlines Group, Inc. ^{(a)(b)}	\$ 1,203,393	44,592	MPLX LP	\$ 1,608,879
5,026	Buffalo Wild Wings, Inc. ^(c)	767,722	23,377	Patterson-UTI Energy, Inc.	567,360
4,632	CarMax, Inc. ^(c)	274,307	6,319	Phillips 66 Partners LP	324,481
58,795	CVS Health Corp.	4,615,407	77,614	Plains All American Pipeline LP	2,453,379
173,506	Drive Shack, Inc. ^(a)	720,050	7,014	Plains GP Holdings LP, Class A	219,258
26,109	Extended Stay America, Inc. ^(a)	416,177	35,299	Rice Energy, Inc. ^(c)	836,586
83,774	Freshpet, Inc. ^(c)	921,514	83,307	Rice Midstream Partners LP	2,101,003
51,404	General Motors Co. ^(a)	1,817,645	21,193	Schlumberger, Ltd.	1,655,173
83,774	Green Plains Partners LP ^(a)	1,683,857	11,586	Sprague Resources LP	313,981
14,589	Harley-Davidson, Inc. ^{(a)(b)(d)}	882,635	30,296	Targa Resources Corp.	1,814,730
15,359	Lithia Motors, Inc., Class A ^(a)	1,315,498	5,692	The Williams Cos., Inc.	168,426
185,699	Luby's, Inc. ^(c)	577,524	27,529	TransMontaigne Partners LP	1,229,996
27,349	Macy's, Inc. ^(a)	810,624	22,208	Western Gas Partners LP	1,342,474
21,416	Motorcar Parts of America, Inc. ^(c)	658,114	18,380	Williams Partners LP	750,455
15,949	Nexeo Solutions, Inc. ^{(a)(c)}	141,308			<u>39,000,832</u>
3,909	Panera Bread Co., Class A ^(c)	1,023,650	Financial - 6.0%		
23,946	Robert Half International, Inc.	1,169,283	24,010	American Express Co. ^{(a)(d)}	1,899,431
57,246	The Habit Restaurants, Inc., Class A ^{(a)(c)}	1,013,254	14,154	Aon PLC ^(a)	1,679,938
7,984	The Walt Disney Co.	905,306	89,592	Bank of America Corp. ^(a)	2,113,475
35,000	VF Corp.	1,923,950	41,515	Berkshire Hathaway, Inc., Class B ^{(a)(c)}	6,919,720
5,910	Walgreens Boots Alliance, Inc.	490,826	110,000	Brookfield Asset Management, Inc., Class A	4,010,600
		<u>23,332,044</u>	41,572	CBRE Group, Inc., Class A ^{(a)(c)}	1,446,290
Consumer Staples - 6.4%			23,951	Citigroup, Inc. ^(a)	1,432,749
3,170	AMERCO ^(c)	1,208,372	29,167	JPMorgan Chase & Co. ^(a)	2,562,029
19,547	Calavo Growers, Inc.	1,184,548	64,448	Leucadia National Corp. ^(a)	1,675,648
46,000	Diageo PLC, ADR	5,316,680	61,595	Medical Properties Trust, Inc. REIT ^(a)	793,960
17,333	Lamb Weston Holdings, Inc., Class A ^(a)	729,026	80,000	The Bank of New York Mellon Corp.	3,778,400
80,000	Nestle SA, ADR	6,152,000	40,000	WR Berkley Corp.	2,825,200
116,800	Nomad Foods, Ltd. ^{(a)(c)}	1,337,360			<u>31,137,440</u>
37,202	PFSweb, Inc. ^(c)	242,929	Healthcare - 0.5%		
32,113	Phibro Animal Health Corp., Class A	902,375	17,481	Allscripts Healthcare Solutions, Inc. ^(c)	221,659
22,000	Philip Morris International, Inc.	2,483,800	7,000	Becton Dickinson and Co.	1,284,080
71,208	Pilgrim's Pride Corp. ^{(a)(c)}	1,602,536	9,400	McKesson Corp.	1,393,644
19,827	Post Holdings, Inc. ^{(a)(c)}	1,735,259			<u>2,899,383</u>
110,000	Sanofi, ADR	4,977,500	Industrial - 3.6%		
53,057	Sprouts Farmers Market, Inc. ^{(a)(c)}	1,226,678	69,812	Briggs & Stratton Corp. ^(a)	1,567,279
36,157	SUPERVALU, Inc. ^(c)	139,566	8,377	Deere & Co.	911,920
25,132	The Hain Celestial Group, Inc. ^{(b)(c)}	934,911	16,218	Delta Air Lines, Inc. ^(b)	745,379
27,925	Tyson Foods, Inc., Class A ^(a)	1,723,252	7,231	Dycom Industries, Inc. ^{(a)(c)}	672,122
29,321	Zoetis, Inc. ^(a)	1,564,862	57,000	Expeditors International of Washington, Inc.	3,219,930
		<u>33,461,654</u>	29,542	Forterra, Inc. ^{(a)(c)}	576,069
Energy - 7.5%			28,185	Jacobs Engineering Group, Inc. ^(a)	1,558,067
11,470	Anadarko Petroleum Corp.	711,140	7,540	John Bean Technologies Corp.	663,143
21,866	California Resources Corp. ^{(a)(c)}	328,865	15,018	MasTec, Inc. ^{(a)(c)}	601,471
30,076	Cheniere Energy, Inc. ^(c)	1,421,692	79,398	Quanta Services, Inc. ^{(a)(c)(d)}	2,946,460
34,763	Comstock Resources, Inc. ^(c)	320,862	11,414	The Boeing Co. ^{(a)(b)(d)}	2,018,680
128,800	Cone Midstream Partners LP ^(a)	3,040,968	29,321	Trimble, Inc. ^(c)	938,565
17,093	Devon Energy Corp.	713,120	5,951	United Parcel Service, Inc., Class B ^(a)	638,542
10,142	Dominion Midstream Partners LP	324,037	11,094	Valmont Industries, Inc. ^(a)	1,725,117
108,240	Enbridge, Inc.	4,528,762			<u>18,782,744</u>
53,640	Energy Transfer Equity LP	1,058,317	Information Technology - 1.2%		
39,598	Energy Transfer Partners LP	1,446,119	22,946	Apple, Inc. ^{(a)(b)}	3,296,422
85,927	EnLink Midstream Partners LP	1,572,464	14,645	BroadSoft, Inc. ^{(a)(c)}	588,729
80,848	Enterprise Products Partners LP ^(a)	2,232,213	83,171	Nuance Communications, Inc. ^{(a)(c)}	1,439,690
51,661	Green Plains, Inc. ^(a)	1,278,610	16,199	Silicon Motion Technology Corp., ADR	757,303
52,806	Halliburton Co. ^{(a)(d)}	2,598,583	20,212	Unisys Corp. ^(c)	281,958
71,389	Kinder Morgan, Inc.	1,551,997			<u>6,364,102</u>
9,634	Marathon Petroleum Corp.	486,902	Materials - 3.3%		
			12,566	Agrium, Inc. ^(a)	1,200,681
			597,595	Atlas Iron, Ltd. ^(c)	13,697

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2017

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 2,000,000	Ironwood Pharmaceuticals, Inc. ^(a)	2.25%	06/15/22	\$ 2,496,250	\$ 300,000	Veeco Instruments, Inc.	2.70%	01/15/23	\$ 314,625
700,000	Macquarie Infrastructure Corp.	2.00	10/01/23	689,500					<u>12,419,881</u>
1,600,000	Sucampo Pharmaceuticals, Inc. ^(f)	3.25	12/15/21	1,591,000	Materials - 0.9%				
500,000	The Spectranetics Corp.	2.63	06/01/34	572,188	1,300,000	Aceto Corp. ^(a)	2.00	11/01/20	1,194,375
500,000	Theravance Biopharma, Inc.	3.25	11/01/23	633,125	200,000	Pretium Resources, Inc. ^(f)	2.25	03/15/22	201,875
1,750,000	Tivity Health, Inc. ^(a)	1.50	07/01/18	<u>2,698,281</u>	3,500,000	Silver Standard Resources, Inc.	2.88	02/01/33	<u>3,438,750</u>
				<u>18,001,000</u>					<u>4,835,000</u>
Energy - 1.5%					Telecommunication Services - 1.3%				
1,500,000	Clean Energy Fuels Corp. ^{(a)(f)}	5.25	10/01/18	1,457,813	716,000	Clearwire Communications, LLC/Clearwire Finance, Inc. ^(f)	8.25	12/01/40	743,745
1,700,000	EnSCO Jersey Finance, Ltd. ^{(a)(f)}	3.00	01/31/24	1,662,812	2,250,000	Global Eagle Entertainment, Inc. ^(a)	2.75	02/15/35	1,144,687
1,000,000	Newpark Resources, Inc. ^(f)	4.00	12/01/21	1,136,250	2,350,000	Hammonic, Inc. ^(a)	4.00	12/01/20	2,937,500
3,000,000	Renewable Energy Group, Inc. ^(f)	4.00	06/15/36	<u>3,401,250</u>	2,000,000	Pandora Media, Inc.	1.75	12/01/20	<u>2,015,000</u>
				<u>7,658,125</u>					<u>6,840,932</u>
Financial - 0.7%					Utilities - 0.5%				
2,700,000	Encore Capital Group, Inc. ^(a)	3.00	07/01/20	2,559,938	3,350,000	EnerNOC, Inc. ^(a)	2.25	08/15/19	<u>2,803,531</u>
1,000,000	Encore Capital Group, Inc. ^(f)	3.25	03/15/22	<u>923,750</u>	Total Corporate Convertible Bonds (Cost \$66,354,405)				
				<u>3,483,688</u>					<u>71,345,376</u>
Healthcare - 0.9%					Corporate Non-Convertible Bonds - 5.2%				
2,000,000	Quidel Corp.	3.25	12/15/20	2,058,750	Consumer Discretionary - 0.7%				
2,000,000	Repligen Corp.	2.13	06/01/21	<u>2,562,500</u>	750,000	Caesars Entertainment Resort Properties, LLC	8.00	10/01/20	784,688
				<u>4,621,250</u>	862,000	GameStop Corp. ^(f)	5.50	10/01/19	880,317
Industrial - 1.4%					951,000	L Brands, Inc.	8.50	06/15/19	1,065,120
1,550,000	Echo Global Logistics, Inc. ^(a)	2.50	05/01/20	1,467,656	1,047,000	MGM Resorts International	11.38	03/01/18	<u>1,133,377</u>
2,400,000	Fluidigm Corp. ^(a)	2.75	02/01/34	1,644,000					<u>3,863,502</u>
500,000	Golar LNG, Ltd. ^(f)	2.75	02/15/22	506,875	Consumer Staples - 1.1%				
1,500,000	Kaman Corp. ^{(a)(f)}	3.25	11/15/17	2,168,438	884,000	Bumble Bee Holdings, Inc. ^(f)	9.00	12/15/17	864,110
1,000,000	TTM Technologies, Inc.	1.75	12/15/20	<u>1,764,375</u>	1,396,000	Cerveo Corp. ^(f)	6.00	08/01/19	1,158,680
				<u>7,551,344</u>	1,794,000	Dean Holding Co.	6.90	10/15/17	1,834,365
Information Technology - 2.4%					1,602,000	Nielsen Finance LLC / Nielsen Finance Co.	4.50	10/01/20	<u>1,634,040</u>
1,400,000	Advanced Micro Devices, Inc. ^(a)	2.13	09/01/26	2,768,500					<u>5,491,195</u>
2,300,000	Avid Technology, Inc. ^(a)	2.00	06/15/20	1,634,438	Financial - 0.6%				
834,000	Ciena Corp.	0.88	06/15/17	834,521	634,000	Ally Financial, Inc.	3.25	02/13/18	639,738
2,500,000	Envestnet, Inc. ^(a)	1.75	12/15/19	2,335,937	635,000	CIT Group, Inc. ^(f)	5.00	05/15/18	640,080
975,000	Nuance Communications, Inc.	2.75	11/01/31	982,922	1,000,000	iStar, Inc.	9.00	06/01/17	1,011,350
1,300,000	ON Semiconductor Corp. ^(f)	1.63	10/15/23	1,354,438	980,000	Realogy Group, LLC / Realogy Co-Issuer Corp. ^(f)	4.50	04/15/19	<u>1,010,625</u>
2,200,000	Quantum Corp.	4.50	11/15/17	2,194,500					<u>3,301,793</u>

ABSOLUTE STRATEGIES FUND
SCHEDULE OF INVESTMENTS
MARCH 31, 2017

Principal	Security Description	Rate	Maturity	Value	Shares	Security Description	Value
Industrial - 0.5%					Money Market Fund - 20.4%		
\$ 500,000	Park-Ohio Industries, Inc.	8.13%	04/01/21	\$ 516,035	106,669,534	State Street Institutional Treasury Money Market Fund, Premier Share Class, 0.55% ^(e)	
1,561,000	USG Corp.	8.25	01/15/18	1,642,953		(Cost \$106,669,534)	\$ 106,669,534
303,000	XPO CNW, Inc.	7.25	01/15/18	313,605			
				<u>2,472,593</u>			
Information Technology - 0.3%					Contracts Security Description Strike Price Exp. Date Value		
1,667,000	NXP BV / NXP Funding, LLC ^(f)	3.75	06/01/18	1,704,508	Purchased Options - 1.4%		
Materials - 0.2%					Call Options Purchased - 1.3%		
980,000	International Wire Group, Inc. ^(f)	10.75	08/01/21	955,500	24,933,410	Atlas Iron, Ltd.	\$ 0.08 08/17 19,049
Telecommunication Services - 1.7%					5,122	SPDR S&P 500 ETF Trust	265.00 01/18 407,199
1,471,000	CSC Holdings, LLC	7.88	02/15/18	1,537,195	2,290	SPDR S&P 500 ETF Trust	255.00 01/18 551,890
400,000	DISH DBS Corp.	4.63	07/15/17	403,500	20,000	VanEck Vectors Gold Miners ETF	28.00 01/18 2,620,000
1,290,000	FairPoint Communications, Inc. ^(f)	8.75	08/15/19	1,330,828	10,000	VanEck Vectors Gold Miners ETF	23.00 01/18 3,050,000
925,000	iHeartCommunications, Inc.	9.00	12/15/19	789,719	Total Call Options Purchased (Premiums Paid \$9,923,690)		
2,024,000	Level 3 Financing, Inc. ^(e)	4.76	01/15/18	2,035,385	6,648,138		
895,000	Sprint Communications, Inc. ^(f)	9.00	11/15/18	976,669	Put Options Purchased - 0.1%		
520,000	T-Mobile USA, Inc.	6.46	04/28/19	521,950	189	Altisource Portfolio Solutions SA	25.00 07/17 27,405
520,000	T-Mobile USA, Inc.	6.54	04/28/20	531,050	10	iShares Russell 2000 ETF	135.00 05/17 2,075
749,000	ViaSat, Inc.	6.88	06/15/20	768,661	33	SPDR S&P 500 ETF Trust	226.00 04/17 1,056
				<u>8,894,957</u>	83	SPDR S&P 500 ETF Trust	225.00 04/17 2,241
Utilities - 0.1%					30	SPDR S&P 500 ETF Trust	227.00 06/17 7,035
538,000	NRG Energy, Inc.	7.63	01/15/18	558,175	859	SPDR S&P 500 ETF Trust	200.00 01/18 282,611
Total Corporate Non-Convertible Bonds (Cost \$27,479,577)					128	The Hain Celestial Group, Inc.	25.00 08/17 128
27,242,223					5,000	VanEck Vectors Semiconductor ETF	70.00 05/17 150,000
Exchange Traded Notes - 0.0%					Total Put Options Purchased (Premiums Paid \$3,089,219)		
250	iPATH S&P 500 VIX Mid-Term Futures ETN ^{(a)(c)} (Cost \$9,104)			6,575	472,551		
Syndicated Loans - 0.5%					Total Purchased Options (Premiums Paid \$13,012,909)		
471,736	Atlas Iron, Ltd. ^(e)	5.58	04/30/21	449,918	7,120,689		
2,000,000	Energy Future Intermediate Holding Co., LLC ^(e)	4.25	06/30/17	2,002,083	Total Long Positions - 93.6% (Cost \$408,851,508)*		
Total Syndicated Loans (Cost \$2,472,370)					Total Short Positions - (38.9)% (Proceeds \$(207,621,258))*		
2,452,001					Total Written Options - (0.2)% (Premiums Received \$(1,720,115))*		
Total Fixed Income Securities (Cost \$97,534,368)					Other Assets & Liabilities, Net - 45.5%		
102,108,198					236,871,575		
Shares Security Description Value					Net Assets - 100.0%		
Investment Companies - 17.7%					\$ 521,189,680		
1,289,545	Absolute Capital Opportunities Fund ^{(c)(g)}			14,146,311			
306,535	SPDR S&P 500 ETF Trust ^{(a)(b)}			72,262,561			
258,000	VanEck Vectors Gold Miners ETF			5,884,980			
Total Investment Companies (Cost \$52,603,576)					92,293,852		

ABSOLUTE STRATEGIES FUND
SCHEDULE OF SECURITIES SOLD SHORT
MARCH 31, 2017

Shares	Security Description	Value	Shares	Security Description	Value
Short Positions - (38.9)%			(94,700)	Ironwood Pharmaceuticals, Inc.	\$ (1,615,582)
Common Stock - (29.4)%			(1,000)	Macquarie Infrastructure Corp.	(80,580)
Consumer Discretionary - (5.0)%			(31,761)	Pacific Biosciences of California, Inc.	(164,204)
(1,250)	Amazon.com, Inc.	\$ (1,108,175)	(5,864)	PepsiCo, Inc.	(655,947)
(3,406)	Best Buy Co., Inc.	(167,405)	(11,558)	Sanderson Farms, Inc.	(1,200,183)
(1,912)	Big Lots, Inc.	(93,076)	(55,400)	Sucampo Pharmaceuticals, Inc., Class A	(609,400)
(26,529)	Bojangles', Inc.	(543,845)	(11,000)	The Spectranetics Corp.	(320,375)
(9,215)	Brinker International, Inc.	(405,091)	(10,900)	Theravance Biopharma, Inc.	(401,338)
(5,258)	CarMax, Inc.	(311,379)	(72,800)	Tivity Health, Inc.	(2,118,480)
(16,500)	Carnival Corp.	(972,015)	(3,630)	TreeHouse Foods, Inc.	(307,316)
(1,676)	Chipotle Mexican Grill, Inc., Class A	(746,692)	(7,801)	USANA Health Sciences, Inc.	(449,338)
(2,793)	Cracker Barrel Old Country Store, Inc.	(444,785)			<u>(21,503,496)</u>
(26,529)	Del Frisco's Restaurant Group, Inc.	(478,848)	Energy - (1.0)%		
(48,400)	DR Horton, Inc.	(1,612,204)	(9,324)	Antero Midstream Partners LP	(309,184)
(71,000)	Fiat Chrysler Automobiles NV	(776,364)	(18,113)	Enbridge Energy Partners LP	(344,147)
(15,359)	Fiesta Restaurant Group, Inc.	(371,688)	(7,769)	Enbridge, Inc.	(325,055)
(180,752)	Ford Motor Co.	(2,103,953)	(87,500)	EnSCO PLC, Class A	(783,125)
(59,400)	General Motors Co.	(2,100,384)	(71,600)	Newpark Resources, Inc.	(579,960)
(39,600)	HD Supply Holdings, Inc.	(1,628,550)	(224,600)	Renewable Energy Group, Inc.	(2,347,070)
(23,300)	Horizon Global Corp.	(323,404)	(7,484)	Spectra Energy Partners LP	<u>(326,751)</u>
(63,100)	JAKKS Pacific, Inc.	(347,050)			<u>(5,015,292)</u>
(36,000)	Leggett & Platt, Inc.	(1,811,520)	Financial - (7.3)%		
(4,857)	LGI Homes, Inc.	(164,701)	(2,925,000)	Agricultural Bank of China, Ltd., Class H	(1,347,423)
(25,645)	M/I Homes, Inc.	(628,303)	(31,500)	Air Lease Corp.	(1,220,625)
(5,026)	McDonald's Corp.	(651,420)	(13,500)	Ameriprise Financial, Inc.	(1,750,680)
(6,950)	Mohawk Industries, Inc.	(1,594,955)	(309,942)	Banco Santander SA, ADR	(1,881,348)
(5,890)	Movado Group, Inc.	(146,956)	(97,550)	Bank of America Corp.	(2,301,204)
(67,019)	Noodles & Co.	(385,359)	(2,648,000)	Bank of China, Ltd., Class H	(1,315,226)
(11,270)	PetMed Express, Inc.	(226,978)	(1,282,000)	Bank of Communications Co., Ltd., Class H	(996,369)
(5,585)	Texas Roadhouse, Inc.	(248,700)	(2,005,000)	China CITIC Bank Corp., Ltd., Class H	(1,328,669)
(3,389)	The Cheesecake Factory, Inc.	(214,727)	(1,531,000)	China Construction Bank Corp., Class H	(1,231,262)
(6,980)	The Home Depot, Inc.	(1,024,873)	(1,020,000)	China Galaxy Securities Co., Ltd., Class H	(941,054)
(560)	The Priceline Group, Inc.	(996,783)	(439,000)	China Merchants Bank Co., Ltd., Class H	(1,160,838)
(20,943)	Titan International, Inc.	(216,551)	(469,000)	CITIC Securities Co., Ltd., Class H	(965,579)
(8,377)	Tractor Supply Co.	(577,762)	(34,500)	Citigroup, Inc.	(2,063,790)
(3,250)	Ulta Beauty, Inc.	(926,998)	(2,850)	Credit Acceptance Corp.	(568,319)
(20,943)	Vista Outdoor, Inc.	(431,216)	(71,600)	Deutsche Bank AG	(1,228,656)
(59,500)	Volvo AB, Class B	(878,491)	(37,000)	Encore Capital Group, Inc.	(1,139,600)
(2,562)	Williams-Sonoma, Inc.	(137,374)	(47,200)	Erste Group Bank AG	(1,537,024)
(1,011)	WW Grainger, Inc.	<u>(235,320)</u>	(9,700)	Home Capital Group, Inc.	(189,864)
		<u>(26,033,895)</u>	(1,988,000)	Industrial & Commercial Bank of China, Ltd., Class H	(1,299,497)
Consumer Staples - (4.1)%			(336,500)	Intesa Sanpaolo SpA	(913,958)
(6,795)	Abaxis, Inc.	(329,557)	(51,750)	Morgan Stanley	(2,216,970)
(23,100)	Acorda Therapeutics, Inc.	(485,100)	(120,800)	Nordea Bank AB	(1,379,123)
(41,200)	AerCap Holdings NV	(1,893,964)	(89,975)	OTP Bank PLC	(2,517,082)
(83,900)	Albany Molecular Research, Inc.	(1,177,117)	(90,400)	Swedbank AB, Class A	(2,094,384)
(37,707)	Amira Nature Foods, Ltd.	(202,109)	(84,400)	The Blackstone Group LP	(2,506,680)
(41,664)	Amplify Snack Brands, Inc.	(349,978)	(39,000)	The Charles Schwab Corp.	(1,591,590)
(13,962)	Archer-Daniels-Midland Co.	(642,810)	(14,900)	UniCredit SpA	<u>(229,687)</u>
(2,100)	Ascent Capital Group, Inc., Class A	(29,673)			<u>(37,916,501)</u>
(8,859)	Avis Budget Group, Inc.	(262,049)	Healthcare - (0.4)%		
(71,500)	Carriage Services, Inc.	(1,939,080)	(27,900)	Quidel Corp.	(631,656)
(5,543)	Cenveo, Inc.	(27,826)			
(6,404)	CoreLogic, Inc.	(260,771)			
(3,250)	Ctrip.com International, Ltd., ADR	(159,737)			
(51,100)	Depomed, Inc.	(641,305)			
(5,864)	Dr. Pepper Snapple Group, Inc.	(574,203)			
(15,100)	FleetCor Technologies, Inc.	(2,286,593)			
(29,321)	Flowers Foods, Inc.	(569,121)			
(8,936)	General Mills, Inc.	(527,313)			
(36,764)	Hostess Brands, Inc.	(583,445)			
(5,306)	Ingredion, Inc.	(639,002)			

ABSOLUTE STRATEGIES FUND
SCHEDULE OF CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2017

Contracts	Security Description	Strike Price	Exp. Date	Value
Written Options - (0.2)%				
Call Options Written - (0.1)%				
(121)	American Express Co.	\$ 80.00	01/18	\$ (63,525)
(205)	Halliburton Co.	55.00	01/18	(49,713)
(88)	Harley-Davidson, Inc.	50.00	01/18	(111,100)
(382)	Quanta Services, Inc.	39.00	08/17	(71,625)
(57)	The Boeing Co.	185.00	01/18	(46,170)
Total Call Options Written (Premiums Received \$(320,175))				(342,133)
Put Options Written - (0.1)%				
(114)	American Airlines Group, Inc.	42.00	01/18	(55,290)
(53)	Apple, Inc.	75.00	01/18	(795)
(62)	AutoNation, Inc.	40.00	10/17	(15,190)
(106)	Delta Air Lines, Inc.	45.00	01/18	(45,580)
(88)	Harley-Davidson, Inc.	40.00	01/18	(8,624)
(10)	iShares Russell 2000 ETF	120.00	05/17	(260)
(42)	Johnson & Johnson	105.00	01/18	(7,014)
(126)	Patterson Cos., Inc. ^(h)	35.00	07/17	(126)
(18)	SPDR S&P 500 ETF Trust	215.00	04/17	(216)
(33)	SPDR S&P 500 ETF Trust	210.00	04/17	(330)
(65)	SPDR S&P 500 ETF Trust	205.00	04/17	(455)
(15)	SPDR S&P 500 ETF Trust	212.00	06/17	(1,215)
(15)	SPDR S&P 500 ETF Trust	205.00	06/17	(780)
(859)	SPDR S&P 500 ETF Trust	215.00	01/18	(477,174)
(61)	The Boeing Co.	100.00	01/18	(4,057)
(128)	The Hain Celestial Group, Inc.	35.00	08/17	(22,400)
(42)	Time Warner, Inc.	90.00	01/19	(24,570)
(5,000)	VanEck Vectors Semiconductor ETF	55.00	05/17	(5,000)
Total Put Options Written (Premiums Received \$(1,399,940))				(669,076)
Total Written Options - (0.2)% (Premiums Received \$(1,720,115))				\$ (1,011,209)

ABSOLUTE STRATEGIES FUND

NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN

MARCH 31, 2017

ADR	American Depositary Receipt	(e)	Variable rate security. Rate presented is as of March 31, 2017.
ETF	Exchange Traded Fund		
ETN	Exchange Traded Note	(f)	Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$26,225,063 or 5.0% of net assets.
LLC	Limited Liability Company		
LP	Limited Partnership		
PLC	Public Limited Company		
REIT	Real Estate Investment Trust	(g)	Affiliated Company.
(a)	All or a portion of this security is held as collateral for securities sold short.	(h)	Security fair valued in accordance with procedures adopted by the Board of Trustees. At the period end, the value of these securities amounted to \$(126) or (0.0)% of net assets.
(b)	Subject to put option written by the Fund.		
(c)	Non-income producing security.		
(d)	Subject to call option written by the Fund.		

At March 31, 2017, The Fund held the following credit default swap agreements:

Credit Default Swaps – Buy Protection

Counterparty	Reference Entity / Obligation	Pays Rate	Termination Date	Credit Spread as of 03/31/17 ¹	Premiums Paid/Received	Notional Amount	Net Unrealized Depreciation
Barclays	Eastman Chemical Co, 7.60%, 02/01/27	1.00%	12/20/21	0.58%	\$ 35,394	\$ 10,000,000	\$ (227,426)
	Host Hotels & Resorts, 4.75%, 03/01/23	1.00	12/20/21	0.79	50,649	5,000,000	(99,699)
	Macy's Retail Holdings, 7.45%, 07/15/17	1.00	12/20/21	2.10	507,117	10,000,000	(25,659)
BNP Paribas	Host Hotels & Resorts, 4.75%, 03/01/23	1.00	06/20/22	0.90	(24,159)	10,000,000	(27,697)
	International Paper Co, 7.50%, 08/15/21	1.00	12/20/21	0.51	(49,431)	5,000,000	(62,987)
	Marriott International, Inc., 3.00%, 03/01/19	1.00	12/20/21	0.41	(88,168)	5,000,000	(46,981)
	Ryder Systems Inc, 2.55%, 06/01/19	1.00	12/20/21	0.67	(22,277)	10,000,000	(130,147)
Goldman Sachs	Host Hotels & Resorts, 4.75%, 03/01/23	1.00	12/20/21	0.79	28,750	5,000,000	(77,801)
	Nordstrom Inc, 6.95%, 03/15/28	1.00	06/20/22	1.56	156,817	5,000,000	(21,676)
	Ryder Systems Inc, 2.55%, 06/01/19	1.00	06/20/22	0.77	(92,399)	10,000,000	(26,467)
Morgan Stanley	Gatx Corp., 6.00%, 02/15/18	1.00	12/20/21	0.98	161,498	5,000,000	(167,077)
	International Paper Co, 7.50%, 08/15/21	1.00	12/20/21	0.51	(44,764)	5,000,000	(67,654)
							\$ (981,271)

⁽¹⁾ Credit spreads are an indication of the seller's performance risk, related to the likelihood of a credit event occurring that would require a seller to make payment to a buyer. Credit spreads are used to determine the value of swap contracts and reflect the cost of buying/selling protection, which may include upfront payments made to enter into the contract.

ABSOLUTE STRATEGIES FUND

 NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN
 MARCH 31, 2017

At March 31, 2017, the Fund held the following exchange traded futures contracts:

Contracts	Type	Expiration Date	Notional Contract Value	Net Unrealized Appreciation (Depreciation)
200	Gold 100 oz. Future	07/04/17	\$ 24,767,990	\$ 256,010
400	U.S. 10-year Note Future	07/05/17	49,620,350	204,650
(1,100)	NASDAQ 100 E-mini Future	06/20/17	(118,366,803)	(1,280,197)
(2,200)	RUSSELL 2000 Mini Future	06/20/17	(150,691,630)	(1,592,370)
(20)	U.S. 10-year Note Future	07/05/17	(2,473,906)	(17,344)
(40)	U.S. 5-year Note Future	07/11/17	(4,685,000)	(24,063)
			<u>\$ (201,828,999)</u>	<u>\$ (2,453,314)</u>

Affiliated investments are investments that are managed by the adviser, and are noted in the Absolute Strategies Fund's Schedule of Investments. Transactions during the period with affiliates were as follows:

Investment Company	Absolute Capital Opportunities Fund	Balance 03/31/16	Gross Additions	Gross Reductions	Change in Unrealized Appreciation	Balance 03/31/17	Realized Gain (Loss)	Investment Income
Shares/Principal		1,196,695	92,850	-	-	1,289,545		
Cost		\$ 12,010,000	\$ 1,000,000	\$ -	\$ -	\$ 13,010,000	\$ -	\$ -
Proceeds		-	-	-	-	-		
Value		12,218,253	-	-	928,058	14,146,311		

* Cost for federal income tax purposes is \$250,727,286 and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$	55,290,567
Gross Unrealized Depreciation		(21,699,748)
Net Unrealized Appreciation	<u>\$</u>	<u>33,590,819</u>

The following is a summary of the inputs used to value the Fund's investments and other financial instruments and liabilities as of March 31, 2017.

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used in the table below, please refer to the Security Valuation section in Note 2 of the accompanying Notes to Financial Statements.

	Level 1	Level 2	Level 3	Total
Assets				
Investments At Value				
Common Stock				
Consumer Discretionary	\$ 23,332,044	\$ -	\$ -	\$ 23,332,044
Consumer Staples	33,461,654	-	-	33,461,654
Energy	39,000,832	-	-	39,000,832
Financial	31,137,440	-	-	31,137,440
Healthcare	2,899,383	-	-	2,899,383
Industrial	18,782,744	-	-	18,782,744
Information Technology	6,364,102	-	-	6,364,102
Materials	17,190,615	-	-	17,190,615
Telecommunication Services	5,092,086	-	-	5,092,086
Utilities	2,449,266	-	-	2,449,266
Asset Backed Obligations	-	1,062,023	-	1,062,023
Corporate Convertible Bonds	-	71,345,376	-	71,345,376
Corporate Non-Convertible Bonds	-	27,242,223	-	27,242,223
Exchange Traded Notes	6,575	-	-	6,575
Syndicated Loans	-	2,452,001	-	2,452,001
Investment Companies	92,293,852	-	-	92,293,852
Money Market Fund	-	106,669,534	-	106,669,534
Purchased Options	3,202,241	3,918,448	-	7,120,689
Total Investments At Value	\$ 275,212,834	\$ 212,689,605	\$ -	\$ 487,902,439
Other Financial Instruments**				
Futures	460,660	-	-	460,660
Total Assets	\$ 275,673,494	\$ 212,689,605	\$ -	\$ 488,363,099

ABSOLUTE STRATEGIES FUND

NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2017

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Liabilities				
Securities Sold Short				
Common Stock	\$ (153,231,029)	\$ -	\$ -	\$ (153,231,029)
Investment Companies	(49,342,096)	-	-	(49,342,096)
Total Securities Sold Short	\$ (202,573,125)	\$ -	\$ -	\$ (202,573,125)
Other Financial Instruments**				
Written Options	(158,111)	(852,972)	(126)	(1,011,209)
Credit Default Swaps	-	(981,271)	-	(981,271)
Futures	(2,913,974)	-	-	(2,913,974)
Total Other Financial Instruments**	\$ (3,072,085)	\$ (1,834,243)	\$ (126)	\$ (4,906,454)
Total Liabilities	\$ (205,645,210)	\$ (1,834,243)	\$ (126)	\$ (207,479,579)

** Other Financial Instruments are derivative instruments not reflected in the Schedule of Investments and Schedule of Securities Sold Short, such as credit default swaps and futures, which are valued at the unrealized appreciation/(depreciation) of the instrument. Written options are reported at their market value at year end.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value.

	<u>Corporate Convertible Bonds</u>	<u>Written Options</u>
Balance as of 03/31/16	\$ 59,500	\$ -
Accrued Accretion /(Amortization)	(74,093)	-
Purchases/Written	-	(43,575)
Change in Unrealized Appreciation /(Depreciation)	797,941	26,271
Realized Gain/(Loss)	(747,797)	7,335
Sales/Covers	(35,551)	9,843
Balance as of 03/31/17	\$ -	\$ (126)
Net change in unrealized appreciation / (depreciation) from investments held as of 03/31/17***	\$ -	\$ 26,271

*** The change in unrealized appreciation/(depreciation) is included in net change in unrealized appreciation/(depreciation) of investments in the accompanying Statements of Operations.

The Fund utilizes the end of period methodology when determining transfers. As of March 31, 2017, there was \$(123,781) transferred from Level 1 to Level 2 due to securities using a quoted price versus the mean between bid and ask quotations.

ABSOLUTE CAPITAL OPPORTUNITIES FUND

PORTFOLIO HOLDINGS SUMMARY (Unaudited)

MARCH 31, 2017

Portfolio Breakdown (% of Net Assets)	
Long Positions	
Common Stock	54.3%
Money Market Fund	44.3%
Purchased Options	0.7%
Short Positions	
Investment Companies	-35.5%
Written Options	-0.7%
Other Assets less Liabilities*	36.9%
	100.0%

* Consists of deposits with the custodian and/or brokers for securities sold short, cash, foreign currency, prepaid expenses, receivables, payables and accrued liabilities. Deposits with the custodian and/or brokers for securities sold short represent 37.1% of net assets. See Note 2 of the accompanying Notes to Financial Statements.

ABSOLUTE CAPITAL OPPORTUNITIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2017

Shares	Security Description	Value	Shares	Security Description	Value
Long Positions - 99.3%			4,000	Royal Gold, Inc.	\$ 280,200
Common Stock - 54.3%					793,383
Consumer Discretionary - 6.7%			Telecommunication Services - 2.7%		
2,835	American Airlines Group, Inc. ^{(a)(b)}	\$ 119,921	104	Alphabet, Inc., Class A ^{(a)(c)}	88,171
385	CarMax, Inc. ^{(a)(c)}	22,800	62	Alphabet, Inc., Class C ^{(a)(c)}	51,433
3,235	CVS Health Corp.	253,947	2,365	CBS Corp., Class B ^(a)	164,037
1,800	Delta Air Lines, Inc. ^(b)	82,728	5,575	Spark Networks, Inc. ^{(a)(c)}	5,742
4,305	General Motors Co. ^(a)	152,225	670	The Walt Disney Co. ^(a)	75,971
1,560	Harley-Davidson, Inc. ^{(a)(b)(d)}	94,380			385,354
2,315	Macy's, Inc. ^(a)	68,617		Total Common Stock (Cost \$5,932,934)	7,707,783
1,985	VF Corp.	109,115	Money Market Fund - 44.3%		
565	Walgreens Boots Alliance, Inc.	46,923	6,280,787	State Street Institutional Treasury Money Market Fund, Premier Share Class, 0.55% ^(e) (Cost \$6,280,787)	6,280,787
		950,656			
Consumer Staples - 12.5%					
330	AMERCO	125,793	Contracts	Security Description	Strike Price
2,475	Diageo PLC, ADR	286,060			Exp. Date
1,025	McKesson Corp.	151,966			Value
4,500	Nestle SA, ADR	346,050	Purchased Options - 0.7%		
1,460	Philip Morris International, Inc.	164,834	Call Options Purchased - 0.5%		
8,360	Quanta Services, Inc. ^{(a)(c)(d)}	310,240	175	SPDR S&P 500 ETF Trust	\$ 265.00 01/18
2,300	Robert Half International, Inc.	112,309	243	SPDR S&P 500 ETF Trust	255.00 01/18
6,140	Sanofi, ADR	277,835			58,563
		1,775,087		Total Call Options Purchased (Premiums Paid \$114,605)	72,476
Energy - 3.5%					
4,792	Enbridge, Inc.	200,497	Put Options Purchased - 0.2%		
3,480	Halliburton Co. ^{(a)(d)}	171,251	92	SPDR S&P 500 ETF Trust	200.00 01/18
700	National Oilwell Varco, Inc. ^(a)	28,063	13	The Hain Celestial Group, Inc.	25.00 08/17
1,255	Schlumberger, Ltd. ^(a)	98,015			13
		497,826		Total Put Options Purchased (Premiums Paid \$33,859)	30,281
Financial - 14.4%					
2,030	American Express Co. ^{(a)(d)}	160,593	Total Purchased Options (Premiums Paid \$148,464)		
1,275	Aon PLC ^(a)	151,330			102,757
9,460	Bank of America Corp. ^(a)	223,162	Total Long Positions - 99.3%		
2,500	Berkshire Hathaway, Inc., Class B ^{(a)(c)}	416,700			(Cost \$12,362,185)*
6,055	Brookfield Asset Management, Inc., Class A	220,765	Total Short Positions - (35.5%)		
3,875	CBRE Group, Inc., Class A ^{(a)(c)}	134,811			(Proceeds \$(5,056,911))*
2,010	Citigroup, Inc. ^(a)	120,238	Total Written Options - (0.7%)		
2,590	JPMorgan Chase & Co. ^(a)	227,506			(Premiums Received \$(132,021))*
4,800	The Bank of New York Mellon Corp.	226,704	Other Assets & Liabilities, Net - 36.9%		
2,200	WR Berkley Corp.	155,386			5,236,738
		2,037,195	Net Assets - 100.0%		
Healthcare - 0.5%					\$ 14,187,704
410	Becton Dickinson and Co.	75,210			
Industrial - 6.3%					
3,000	Expeditors International of Washington, Inc.	169,470			
2,935	Jacobs Engineering Group, Inc. ^(a)	162,247			
5,765	Leucadia National Corp. ^(a)	149,890			
1,200	The Boeing Co. ^{(a)(b)(d)}	212,232			
500	United Parcel Service, Inc., Class B ^(a)	53,650			
930	Valmont Industries, Inc. ^(a)	144,615			
		892,104			
Information Technology - 2.1%					
2,095	Apple, Inc. ^{(a)(b)}	300,968			
Materials - 5.6%					
4,830	Cameco Corp.	53,468			
2,390	Monsanto Co.	270,548			
1,595	Praxair, Inc.	189,167			

ABSOLUTE CAPITAL OPPORTUNITIES FUND

SCHEDULE OF SECURITIES SOLD SHORT

MARCH 31, 2017

Shares	Security Description	Value
Short Positions - (35.5)%		
Investment Companies - (35.5)%		
(21,363)	SPDR S&P 500 ETF Trust (Proceeds \$(5,056,911))	\$ <u>(5,036,114)</u>
Total Short Positions - (35.5)%		
(Proceeds \$(5,056,911))		\$ <u>(5,036,114)</u>

ABSOLUTE CAPITAL OPPORTUNITIES FUND
SCHEDULE OF CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2017

Contracts	Security Description	Strike Price	Exp. Date	Value
Written Options - (0.7)%				
Call Options Written - (0.2)%				
(13)	American Express Co.	\$ 80.00	01/18	\$ (6,825)
(21)	Halliburton Co.	55.00	01/18	(5,093)
(7)	Harley-Davidson, Inc.	50.00	01/18	(8,837)
(41)	Quanta Services, Inc.	39.00	08/17	(7,688)
(6)	The Boeing Co.	185.00	01/18	(4,860)
Total Call Options Written (Premiums Received \$(32,419))				(33,303)
Put Options Written - (0.5)%				
(12)	American Airlines Group, Inc.	42.00	01/18	(5,820)
(5)	Apple, Inc.	75.00	01/18	(75)
(7)	AutoNation, Inc.	40.00	10/17	(1,715)
(12)	Delta Air Lines, Inc.	45.00	01/18	(5,160)
(7)	Harley-Davidson, Inc.	40.00	01/18	(686)
(5)	Johnson & Johnson	105.00	01/18	(835)
(14)	Patterson Cos., Inc. ^(f)	35.00	07/17	(14)
(92)	SPDR S&P 500 ETF Trust	215.00	01/18	(51,106)
(5)	The Boeing Co.	100.00	01/18	(333)
(13)	The Hain Celestial Group, Inc.	35.00	08/17	(2,275)
(5)	Time Warner, Inc.	90.00	01/19	(2,925)
Total Put Options Written (Premiums Received \$(99,602))				(70,944)
Total Written Options - (0.7)% (Premiums Received \$(132,021))				\$ (104,247)

ABSOLUTE CAPITAL OPPORTUNITIES FUND

NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN

MARCH 31, 2017

ADR	American Depositary Receipt	(d)	Subject to call option written by the Fund.
ETF	Exchange Traded Fund	(e)	Variable rate security. Rate presented is as of March 31, 2017.
PLC	Public Limited Company		
(a)	All or a portion of this security is held as collateral for securities sold short.	(f)	Security fair valued in accordance with procedures adopted by the Board of Trustees. At year end, the value of these securities amounted to \$(14) or (0.0%) of net assets.
(b)	Subject to put option written by the Fund.		
(c)	Non-income producing security.		

* Cost for federal income tax purposes is \$7,177,867 and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$	1,872,886
Gross Unrealized Depreciation		(99,787)
Net Unrealized Appreciation	<u>\$</u>	<u>1,773,099</u>

The following is a summary of the inputs used to value the Fund's investments and other financial instruments and liabilities as of March 31, 2017.

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. For more information on valuation inputs, and their aggregation into the levels used in the table below, please refer to the Security Valuation section in Note 2 of the accompanying Notes to Financial Statements.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Investments At Value				
Common Stock				
Consumer Discretionary	\$ 950,656	\$ -	\$ -	\$ 950,656
Consumer Staples	1,775,087	-	-	1,775,087
Energy	497,826	-	-	497,826
Financial	2,037,195	-	-	2,037,195
Healthcare	75,210	-	-	75,210
Industrial	892,104	-	-	892,104
Information Technology	300,968	-	-	300,968
Materials	793,383	-	-	793,383
Telecommunication Services	385,354	-	-	385,354
Money Market Fund	-	6,280,787	-	6,280,787
Purchased Options	-	102,757	-	102,757
Total Investments At Value	<u>\$ 7,707,783</u>	<u>\$ 6,383,544</u>	<u>\$ -</u>	<u>\$ 14,091,327</u>
Total Assets	<u>\$ 7,707,783</u>	<u>\$ 6,383,544</u>	<u>\$ -</u>	<u>\$ 14,091,327</u>
Liabilities				
Securities Sold Short				
Investment Companies	\$ (5,036,114)	\$ -	\$ -	\$ (5,036,114)
Total Securities Sold Short	<u>\$ (5,036,114)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,036,114)</u>
Other Financial Instruments**				
Written Options	(16,920)	(87,313)	(14)	(104,247)
Total Liabilities	<u>\$ (5,053,034)</u>	<u>\$ (87,313)</u>	<u>\$ (14)</u>	<u>\$ (5,140,361)</u>

** Other Financial Instruments are derivative instruments not reflected in the Schedule of Investments and Schedule of Securities Sold Short, such as written options, which are reported at their market value at year end.

ABSOLUTE CAPITAL OPPORTUNITIES FUNDNOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2017

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value.

	<u>Written Options</u>	
Balance as of 03/31/16	\$	-
Written		(2,933)
Change in Unrealized Appreciation/(Depreciation)		2,919
Balance as of 03/31/17	\$	(14)
Net change in unrealized appreciation/(depreciation) from investments held as of 03/31/17***	\$	2,919

*** The change in unrealized appreciation/(depreciation) is included in net change in unrealized appreciation/(depreciation) of investments in the accompanying Statements of Operations.

The Fund utilizes the end of period methodology when determining transfers. As of March 31, 2017, there was \$(9,856) transferred from Level 1 to Level 2 due to securities using a quoted price versus the mean between bid and ask quotations.

ABSOLUTE FUNDS
STATEMENTS OF ASSETS AND LIABILITIES
MARCH 31, 2017

	ABSOLUTE STRATEGIES FUND	ABSOLUTE CAPITAL OPPORTUNITIES FUND
ASSETS		
Total investments, at value (Cost \$395,841,508 and \$12,362,185, respectively)	\$ 473,756,128	\$ 14,091,327
Total investment in affiliates, at value (Cost \$13,010,000 and \$0, respectively)	14,146,311	-
Total investments	487,902,439	14,091,327
Deposits with brokers	215,327,547	5,257,004
Cash	22,339,250	-
Foreign currency (Cost \$4,819,830 and \$0, respectively)	4,897,718	-
Receivables:		
Fund shares sold	1,455,552	-
Investment securities sold	7,018,985	-
Dividends and interest	1,660,933	11,890
Swap premiums paid	940,225	-
Prepaid expenses	10,748	10,870
Total Assets	741,553,397	19,371,091
LIABILITIES		
Swap premiums received	321,198	-
Unrealized loss on swap agreements	981,271	-
Securities sold short, at value (Proceeds \$207,621,258 and \$5,056,911, respectively)	202,573,125	5,036,114
Call options written, at value (Premiums received \$320,175 and \$32,419, respectively)	342,133	33,303
Put options written, at value (Premiums received \$1,399,940 and \$99,602, respectively)	669,076	70,944
Payables:		
Investment securities purchased	10,932,366	-
Fund shares redeemed	3,268,848	-
Dividends on securities sold short	244,869	-
Other	10,064	454
Accrued Liabilities:		
Investment adviser fees	715,786	10,387
Trustees' fees and expenses	1,935	50
Fund services fees	61,273	3,582
Other expenses	241,773	28,553
Total Liabilities	220,363,717	5,183,387
NET ASSETS	\$ 521,189,680	\$ 14,187,704
COMPONENTS OF NET ASSETS		
Paid-in capital	\$ 527,202,008	\$ 12,865,861
Accumulated net investment loss	(2,836,297)	(40,691)
Accumulated net realized loss	(84,627,315)	(415,179)
Net unrealized appreciation	81,451,284	1,777,713
NET ASSETS	\$ 521,189,680	\$ 14,187,704
SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)		
Institutional Shares	57,273,110	1,293,233
R Shares	2,276,358	-
NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE		
Institutional Shares (based on net assets of \$501,865,916 and \$14,187,704, respectively)	\$ 8.76	\$ 10.97
R Shares (Based on net assets of \$19,323,764 and \$0, respectively)	\$ 8.49	-

ABSOLUTE FUNDS
STATEMENTS OF OPERATIONS
YEAR ENDED MARCH 31, 2017

	ABSOLUTE STRATEGIES FUND	ABSOLUTE CAPITAL OPPORTUNITIES FUND
INVESTMENT INCOME		
Dividend income (Net of foreign withholding taxes of \$224,439 and \$3,420, respectively)	\$ 8,339,796	\$ 140,739
Interest income	6,657,721	-
Total Investment Income	<u>14,997,517</u>	<u>140,739</u>
EXPENSES		
Investment adviser fees	12,694,831	207,310
Fund services fees	654,129	40,110
Transfer agent fees:		
Institutional Shares	112,145	-
R Shares	59,200	-
Distribution fees:		
R Shares	58,864	-
Custodian fees	745,892	15,326
Registration fees:		
Institutional Shares	33,924	10,025
R Shares	15,235	-
Professional fees	193,065	29,530
Trustees' fees and expenses	48,064	6,397
Offering costs	-	59,679
Dividend expense on securities sold short	5,647,161	49,827
Interest expense on securities sold short	1,950,603	40,751
Miscellaneous expenses	881,441	21,729
Total Expenses	<u>23,094,554</u>	<u>480,684</u>
Fees waived	(206,518)	(140,851)
Net Expenses	<u>22,888,036</u>	<u>339,833</u>
NET INVESTMENT LOSS	<u>(7,890,519)</u>	<u>(199,094)</u>
NET REALIZED AND UNREALIZED GAIN (LOSS)		
Net realized gain (loss) on:		
Investments	60,399,563	423,470
Foreign currency transactions	268,593	-
Futures	(30,425,853)	-
Securities sold short	(28,628,264)	(658,513)
Written options	4,118,973	165,441
Swaps	(2,135,277)	-
Net realized gain (loss)	<u>3,597,735</u>	<u>(69,602)</u>
Net change in unrealized appreciation (depreciation) on:		
Investments in unaffiliated issuers	10,935,577	1,140,476
Investments in affiliated issuers	928,058	-
Foreign currency translations	(745,384)	-
Futures	5,211,320	-
Securities sold short	(31,556,366)	55,068
Written options	80,289	(1,899)
Swaps	(1,282,681)	-
Net change in unrealized appreciation (depreciation)	<u>(16,429,187)</u>	<u>1,193,645</u>
NET REALIZED AND UNREALIZED GAIN (LOSS)	<u>(12,831,452)</u>	<u>1,124,043</u>
INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ (20,721,971)</u>	<u>\$ 924,949</u>

ABSOLUTE FUNDS
STATEMENTS OF CHANGES IN NET ASSETS

	ABSOLUTE STRATEGIES FUND		ABSOLUTE CAPITAL OPPORTUNITIES FUND	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2017	December 30, 2015* Through March 31, 2016
OPERATIONS				
Net investment loss	\$ (7,890,519)	\$ (12,395,892)	\$ (199,094)	\$ (27,991)
Net realized gain (loss)	3,597,735	163,750,355	(69,602)	(345,570)
Net change in unrealized appreciation (depreciation)	(16,429,187)	(135,984,502)	1,193,645	584,068
Increase (Decrease) in Net Assets Resulting from Operations	(20,721,971)	15,369,961	924,949	210,507
DISTRIBUTIONS TO SHAREHOLDERS FROM				
Net realized gain:				
Institutional Shares	(85,840,670)	(80,762,590)	-	-
R Shares	(3,055,044)	(2,260,518)	-	-
Total Distributions to Shareholders	(88,895,714)	(83,023,108)	-	-
CAPITAL SHARE TRANSACTIONS				
Sale of shares:				
Institutional Shares	245,205,577	215,827,423	1,042,238	12,010,010
R Shares	12,641,234	15,701,944	-	-
Reinvestment of distributions:				
Institutional Shares	78,733,255	72,366,513	-	-
R Shares	2,739,828	2,150,061	-	-
Redemption of shares:				
Institutional Shares	(633,166,321)	(898,554,282)	-	-
R Shares	(18,077,731)	(38,555,236)	-	-
Increase (Decrease) in Net Assets from Capital Share Transactions	(311,924,158)	(631,063,577)	1,042,238	12,010,010
Increase (Decrease) in Net Assets	(421,541,843)	(698,716,724)	1,967,187	12,220,517
NET ASSETS				
Beginning of Year	942,731,523	1,641,448,247	12,220,517	-
End of Year (Including line (a))	\$ 521,189,680	\$ 942,731,523	\$ 14,187,704	\$ 12,220,517
SHARE TRANSACTIONS				
Sale of shares:				
Institutional Shares	24,990,146	20,104,305	96,537	1,196,696
R Shares	1,377,012	1,473,324	-	-
Reinvestment of distributions:				
Institutional Shares	8,846,433	7,150,841	-	-
R Shares	317,110	216,740	-	-
Redemption of shares:				
Institutional Shares	(64,717,097)	(83,374,581)	-	-
R Shares	(1,972,440)	(3,601,304)	-	-
Increase (Decrease) in Shares	(31,158,836)	(58,030,675)	96,537	1,196,696
(a) Accumulated net investment loss	\$ (2,836,297)	\$ (291,374)	\$ (40,691)	\$ (11,075)

* Commencement of operations.

ABSOLUTE FUNDS
FINANCIAL HIGHLIGHTS

Period Ended	Net Asset Value, Beginning of Period	Investment Operations			Distributions to Shareholders from:		Net Asset Value, End of Period	Total Return	Net Assets, End of Period (000's)
		Net Investment Loss(a)	Net Realized and Unrealized Gains (Losses) on Investments	Total from Investment Operations	Net Realized Gains	Total Distribution to Shareholders			
ABSOLUTE STRATEGIES FUND									
INSTITUTIONAL SHARES									
03/31/17	\$10.40	\$(0.10)	\$(0.23)	\$(0.33)	\$(1.31)	\$(1.31)	\$8.76	(3.40)%	\$501,866
03/31/16	11.04	(0.11)	0.31	0.20	(0.84)	(0.84)	10.40	2.05	916,747
03/31/15	11.01	(0.08)	0.11	0.03	—	—	11.04	0.27	1,592,872
03/31/14	11.24	(0.10)	(0.13)	(0.23)	—	—	11.01	(2.05)	2,697,675
03/31/13	11.09	(0.10)	0.25	0.15	—	—	11.24	1.35	3,799,857
R SHARES									
03/31/17	10.17	(0.11)	(0.26)	(0.37)	(1.31)	(1.31)	8.49	(3.89)	19,324
03/31/16	10.88	(0.17)	0.30	0.13	(0.84)	(0.84)	10.17	1.41	25,985
03/31/15	10.90	(0.13)	0.11	(0.02)	—	—	10.88	(0.18)	48,577
03/31/14	11.18	(0.14)	(0.14)	(0.28)	—	—	10.90	(2.50)	66,589
03/31/13	11.08	(0.15)	0.25	0.10	—	—	11.18	0.90	88,390
ABSOLUTE CAPITAL OPPORTUNITIES FUND									
INSTITUTIONAL SHARES									
03/31/17	\$10.21	\$(0.16)	\$0.92	\$0.76	\$—	\$—	\$10.97	7.44%	\$14,188
03/31/16(c)	10.00	(0.03)	0.24	0.21	—	—	10.21	2.10(d)	12,221

(a) Calculated based on average shares outstanding during each period.

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

(c) Commencement of operations was December 30, 2015.

(d) Not annualized.

(e) Annualized.

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Ratios/Supplemental Data (Ratios to Average Net Assets)

Net Investment Loss	Net Expenses	Dividend and Interest Expenses	Net Expenses without Dividend and Interest Expenses	Gross Expenses	Portfolio Turnover Rate
(0.99)%	2.86%	0.95%	1.91%	2.89%(b)	72%
(1.02)	2.65	0.81	1.84	2.66(b)	70
(0.70)	2.58	0.79	1.79	2.58	78
(0.85)	2.45	0.72	1.73	2.47(b)	75
(0.87)	2.57	0.84	1.73	2.57	68
(1.14)	3.50	1.01	2.49	3.52(b)	72
(1.59)	3.23	0.83	2.40	3.24(b)	70
(1.17)	3.09	0.79	2.30	3.09	78
(1.23)	2.92	0.73	2.19	2.93(b)	75
(1.34)	2.98	0.84	2.14	2.98	68
(1.53)%	2.62%	0.70%	1.92%	3.70%(b)	29%
(1.13)(e)	2.20(e)	0.25(e)	1.95(e)	4.37(b)(e)	6(d)

Note 1. Organization

Absolute Strategies Fund and Absolute Capital Opportunities Fund (individually, a “Fund” and collectively, the “Funds”) are diversified portfolios 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 “Act”). Under its Trust Instrument, the Trust is authorized to issue an unlimited number of each Fund’s shares of beneficial interest without par value. Absolute Strategies Fund currently offers two classes of shares: Institutional Shares and R Shares. Institutional and R Shares commenced operations on July 11, 2005. Absolute Strategies Fund seeks to achieve long-term capital appreciation with an emphasis on absolute (positive) returns and low sensitivity to traditional financial market indices, such as the S&P 500 Index. Absolute Capital Opportunities Fund currently offers Institutional Shares. Absolute Capital Opportunities Fund commenced operations on December 30, 2015. Absolute Capital Opportunities Fund seeks to achieve long-term capital appreciation with a lower sensitivity to traditional financial market indices, such as the S&P 500 Index.

Note 2. Summary of Significant Accounting Policies

The Funds are investment companies and follow accounting and reporting guidance under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, “Financial Services-Investment Companies”. These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of increases and decreases in net assets from operations during the fiscal year. Actual amounts could differ from those estimates. The following summarizes the significant accounting policies of each Fund:

Security Valuation – Securities are valued at market prices using the last quoted trade or official closing price from the principal exchange where the security is traded, as provided by independent pricing services on each Fund business day. In the absence of a last trade, securities are valued at the mean of the last bid and ask price provided by the pricing service. Debt securities may be valued at prices supplied by a fund’s pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics such as rating, interest rate and maturity. Exchange-traded options for which the last quoted sale price is outside the closing bid and ask price, will be valued at the mean of the closing bid and ask price. Shares of non-exchange-traded open-end mutual funds are valued at net asset value (“NAV”). Futures contracts are valued at the day’s settlement price on the exchange where the contract is traded. Short-term investments that mature in 60 days or less may be valued at amortized cost.

Each 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 not readily available or (2) the Adviser, as defined in Note 4, believes that the values available are unreliable. The Trust’s Valuation Committee, as defined in each Fund’s registration statement, performs certain functions as they relate to the administration and oversight of each Fund’s valuation procedures. Under these procedures, the Valuation Committee convenes on a regular and ad hoc basis to review such investments and considers a number of factors, including valuation methodologies and significant unobservable inputs, when arriving at fair value.

The Valuation Committee may work with the Adviser to provide valuation inputs. In determining fair valuations, inputs may include market-based analytics that may consider related or comparable assets or liabilities, recent transactions, market multiples, book values and other relevant investment information. Adviser inputs may include an income-based approach in which the anticipated future cash flows of the investment are discounted in determining fair value. Discounts may also be applied based on the nature or duration of any restrictions on the disposition of the investments. The Valuation Committee performs regular reviews of valuation methodologies, key inputs and assumptions, disposition analysis and market activity.

Fair valuation is based on subjective factors and, as a result, the fair value price of an investment may differ from the security's market price and may not be the price at which the asset may be sold. Fair valuation could result in a different NAV than a NAV determined by using market quotes.

Each Fund has a three-tier fair value hierarchy. The basis of the tiers is dependent upon the various "inputs" used to determine the value of each Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 — quoted prices in active markets for identical assets and liabilities

Level 2 — other significant observable inputs (including quoted prices of similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 — significant unobservable inputs (including each Fund's own assumptions in determining the fair value of investments)

The aggregate value by input level, as of March 31, 2017, for each Fund's investments is included in each Fund's Notes to Schedules of Investments, Securities Sold Short and Call and Put Options Written.

Security Transactions, Investment Income and Realized Gain and Loss – Investment transactions are accounted for on the trade date. Dividend income and expense are recorded on the ex-dividend date. Foreign dividend income and expense are recorded on the ex-dividend date or as soon as possible after determining the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded on an accrual basis. Premium is amortized and discount is accreted using the effective interest method. Identified cost of investments sold is used to determine the gain and loss for both financial statement and federal income tax purposes. Each Fund estimates components of distributions from real estate investment trusts ("REITs"). Distributions received in excess of income are recorded as a reduction of the cost of the related investments.

Foreign Currency Translations – 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 respective 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.

Foreign Currency Transactions – Each Fund may enter into transactions to purchase or sell foreign currency contracts and options on foreign currency. Forward currency contracts are agreements to exchange one currency for another at a future date and at a specified price. A fund may use forward currency contracts to facilitate transactions in foreign securities, to manage a fund's foreign currency exposure and to protect the U.S. dollar value of its underlying portfolio securities against the effect of possible adverse movements in foreign exchange rates. These contracts are intrinsically valued daily based on forward rates, and a fund's net equity therein, representing unrealized gain or loss on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is recorded as a component of NAV. These instruments involve market risk, credit risk, or both kinds of risks, in excess of the amount recognized in the Statements of Assets and Liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates. Due to the risks associated with these transactions, a fund could incur losses up to the entire contract amount, which may exceed the net unrealized value included in its NAV.

Futures Contracts – Each Fund may purchase futures contracts to gain exposure to market changes, which may be more efficient or cost effective than actually buying the securities. A futures contract is an agreement between

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

Notional amounts of each individual futures contract outstanding as of March 31, 2017, for each Fund, are disclosed in the Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written.

Securities Sold Short – Each Fund may sell a security short to increase investment returns. Each Fund may also sell a security short in anticipation of a decline in the market value of a security. A short sale is a transaction in which the Fund sells a security that it does not own. To complete the transaction, the Fund must borrow the security in order to deliver it to the buyer. The Fund must replace the borrowed security by purchasing it at market price at the time of replacement; the 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 on its books and records 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 Brokers as shown on the Statements of Assets and Liabilities and the securities held long as shown on the Schedules of Investments. Dividends and interest paid on securities sold short are recorded as an expense on each Fund's Statement of Operations.

Purchased Options – When a 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. Purchased options are non-income producing securities.

The values of each individual purchased option outstanding as of March 31, 2017, are disclosed in each Fund's Schedule of Investments.

Written Options – When a 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 written options. 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 in determining whether the fund has realized a gain or loss. If a put option is exercised, the premium reduces the cost basis of the securities purchased by the fund. The fund, as writer of an option, bears the market risk of an unfavorable change in the price of the security underlying the written option. Written options are non-income producing securities.

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The values of each individual written option outstanding as of March 31, 2017, are disclosed in each Fund's Schedule of Call and Put Options Written. Transactions in written options during the year ended March 31, 2017, were as follows:

Absolute Strategies Fund

	Calls		Puts	
	Number of Contracts	Premiums	Number of Contracts	Premiums
<i>Options Outstanding, March 31, 2016</i>	(7,438)	\$ (1,733,180)	(7,234)	\$ (3,705,331)
Options written	(1,103)	(415,429)	(34,631)	(3,608,648)
Options terminated in closing transactions	7,426	1,723,446	34,059	5,635,957
Options exercised	36	2,583	268	78,955
Options expired	226	102,405	701	199,127
<i>Options Outstanding, March 31, 2017</i>	<u>(853)</u>	<u>\$ (320,175)</u>	<u>(6,837)</u>	<u>\$ (1,399,940)</u>

Absolute Capital Opportunities Fund

	Calls		Puts	
	Number of Contracts	Premiums	Number of Contracts	Premiums
<i>Options Outstanding, March 31, 2016</i>	(338)	\$ (75,625)	(322)	\$ (170,087)
Options written	(96)	(36,295)	(259)	(139,015)
Options terminated in closing transactions	312	66,383	359	194,948
Options exercised	16	1,720	23	5,645
Options expired	18	11,398	22	8,907
<i>Options Outstanding, March 31, 2017</i>	<u>(88)</u>	<u>\$ (32,419)</u>	<u>(177)</u>	<u>\$ (99,602)</u>

Credit Default Swaps – Each Fund may invest in credit default swaps. A credit default swap gives one party (the buyer) the right to recoup the economic value of a decline in the value of debt securities of the reference issuer (including sovereign debt obligations) if a credit event (a downgrade or default) occurs. This value is obtained by delivering a debt security of the reference issuer to the party in return for a previously agreed payment from the other party (frequently, the par value of the debt security). Credit default swaps may require initial premium (discount) payments as well as periodic payments (receipts) related to the interest leg of the swap or to the default of a reference obligation.

If a fund is a seller of a credit default swap contract, the fund would be required to pay the par (or other agreed upon) value of a referenced debt obligation to the counterparty in the event of a default or other credit event by the reference issuer, such as a U.S. or foreign corporate issuer, with respect to such debt obligations. In return, the fund would receive from the counterparty a periodic stream of payments over the term of the contract provided that no event of default has occurred. If no default occurs, the fund would keep the stream of payments and would have no payment obligations. As the seller, the fund would be subject to investment exposure on the notional amount of the swap.

If a fund is the buyer of a credit default swap contract, the fund would have the right to deliver a referenced debt obligation and receive the par (or other agreed-upon) value of such debt obligation from the counterparty in the event of a default or other credit event (such as a credit downgrade) by the reference issuer, such as a U.S. or foreign corporation, with respect to its debt obligations. In return, the fund would pay the counterparty a periodic stream of payments over the term of the contract provided that no event of default has occurred. If no default

occurs, the counterparty would keep the stream of payments and would have no further obligations to the fund.

Notional amounts of each individual credit default swap agreement outstanding as of March 31, 2017, for each Fund, if any, are disclosed in each Fund's Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written.

Interest Rate Swaps – Each Fund may enter into interest rate swaps for investment purposes to manage exposure to fluctuations in interest rates or to add leverage.

Interest rate swaps represent an agreement between two counterparties to exchange cash flows based on the difference in two interest rates, applied to the notional principal amount for a specified period. The payment flows are usually netted against each other, with the difference being paid by one party to the other. The Fund settles accrued net receivables or payables under the swap contracts on a periodic basis.

The primary risk associated with interest rate swaps is that unfavorable changes in interest rates could adversely impact the Funds.

Notional amounts of each individual interest rate swap agreement outstanding as of March 31, 2017, if any, are disclosed in each Fund's Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written. The Funds did not enter into any interest rate swaps during the year ended March 31, 2017.

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

When-Issued Transactions – Each Fund may purchase securities on a forward commitment or 'when-issued' basis. A 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 semi-annually. Distributions to shareholders of net capital gains and net foreign currency gains, if any, are declared and paid at least annually. Distributions to shareholders are recorded on the ex-dividend date. Distributions are based on amounts calculated in accordance with applicable federal income tax regulations, which may differ from GAAP. These differences are due primarily to differing treatments of income and gain on various investment securities held by each Fund, timing differences and differing characterizations of distributions made by each Fund.

Federal Taxes – Each Fund intends to continue to qualify each year as a regulated investment company under Subchapter M of Chapter 1, Subtitle A, of the Internal Revenue Code of 1986, as amended ("Code"), and to distribute all of their taxable income to shareholders. In addition, by distributing in each calendar year substantially all of their net investment income and capital gains, if any, the Funds will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required. Each Fund files a U.S. federal income and excise tax return as required. Each Fund's federal income tax returns are subject to examination by the Internal Revenue Service for a period of three fiscal years after they are filed. As of March 31, 2017, there are no uncertain tax positions that would require financial statement recognition, de-recognition or disclosure.

Income and Expense Allocation – The Trust accounts separately for the assets, liabilities and operations of each

of its investment portfolios. Expenses that are directly attributable to more than one investment portfolio are allocated among the respective investment portfolios in an equitable manner.

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

Commitments and Contingencies – In the normal course of business, each Fund enters into contracts that provide general indemnifications by each Fund to the counterparty to the contract. Each Fund's maximum exposure under these arrangements is dependent on future claims that may be made against each Fund and, therefore, cannot be estimated; however, based on experience, the risk of loss from such claims is considered remote.

Offering Costs – Offering costs for the Absolute Capital Opportunities Fund of \$79,572 consisted of fees related to the mailing and printing of the initial prospectus, certain startup legal costs, and initial registration filings. Such costs are amortized over a twelve-month period beginning with the commencement of operations of the Absolute Capital Opportunities Fund.

Note 3. Cash – Concentration in Uninsured Account

For cash management purposes, each Fund may concentrate cash with each Fund's custodian. This typically results in cash balances exceeding the Federal Deposit Insurance Corporation ("FDIC") insurance limits. As of March 31, 2017, the Absolute Strategies Fund Fund had \$22,089,250 at State Street Bank and Trust Company that exceeded the FDIC insurance limit.

Note 4. Fees and Expenses

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

Each sub-advisory fee, calculated as a percentage of each Fund's average daily net assets managed by each sub-adviser, is paid by the Adviser.

Distribution – Foreside Fund Services, LLC serves as each Fund's distributor (the "Distributor"). The Distributor is not affiliated with the Adviser or Atlantic Fund Administration, LLC (d/b/a Atlantic Fund Services) ("Atlantic") or their affiliates. Absolute Strategies Fund has adopted a Distribution Plan (the "Plan") for R Shares of the Fund in accordance with Rule 12b-1 of the Act. Under the Plan, R Shares are subject to a Rule 12b-1 fee of up to 0.35% of the R Shares average daily net assets; however, currently the Board limits 12b-1 fees on R Shares to 0.25% of average daily net assets.

Other Service Providers – Atlantic provides fund accounting, fund administration, compliance and transfer agency services to each Fund. The fees related to these services are included in Fund services fees within the Statements of Operations. Atlantic also provides certain shareholder report production and EDGAR conversion and filing services. Pursuant to an Atlantic services agreement, each Fund pays Atlantic customary fees for its services. Atlantic provides a Principal Executive Officer, a Principal Financial Officer, a Chief Compliance Officer and an Anti-Money Laundering Officer to each Fund, as well as certain additional compliance support functions.

Trustees and Officers – The Trust pays each independent Trustee an annual retainer fee of \$50,000 for service to the Trust (\$66,000 for the Chairman), and the Audit Committee Chairman and Vice Chairman receive an additional \$6,000 annually. The Trustees and Chairman may receive additional fees for special Board meetings. Each Trustee is also reimbursed for all reasonable out-of-pocket expenses incurred in connection with his duties as a Trustee, including travel and related expenses incurred in attending Board meetings. The amount of Trustees' fees

attributable to each Fund is disclosed in the Statements of Operations. Certain officers of the Trust are also officers or employees of the above named service providers, and during their terms of office received no compensation from each Fund.

Note 5. Expense Reimbursements and Fees Waived

The Adviser has contractually agreed to waive its fee and/or reimburse expenses to limit total annual operating expenses (excluding all taxes, interest, portfolio transaction expenses, dividend and interest expenses on short sales, acquired fund fees and expenses, proxy expenses and extraordinary expenses) of Absolute Capital Opportunities to 1.85% on net assets up to \$100 million, 1.75% on net assets between \$100 million and \$200 million, and 1.65% on net assets over \$200 million through August 1, 2019. Prior to January 3, 2017, the Adviser contractually agreed to waive its fee and/or reimbursed expenses to 1.95%. The Adviser waived fees of \$140,851 for Absolute Capital Opportunities Fund, for the year ended March 31, 2017.

During the year, Absolute Strategies Fund invested in Absolute Capital Opportunities Fund. As of March 31, 2017, Absolute Strategies Fund owned approximately 99.7% of Absolute Capital Opportunities Fund. The Adviser has agreed to waive fees in an amount equal to the fee it receives from Absolute Capital Opportunities Fund based on Absolute Strategies Fund's investment in Absolute Capital Opportunities Fund. For the year ended March 31, 2017, the Adviser waived fees of \$206,518 for Absolute Strategies Fund.

The Absolute Capital Opportunities Fund may repay the Adviser for fees waived and expenses reimbursed pursuant to the expense cap if such payment is made within three years of the fee waiver or expense reimbursement and the resulting expenses do not exceed the lesser of (i) the then current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived/reimbursed. As of March 31, 2017, \$194,449 is subject to recapture by the Adviser.

Note 6. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments during the year ended March 31, 2017, were as follows:

Absolute Strategies Fund

Non-U.S. Government Obligations	
Purchases	Sales
\$ 377,667,385	\$ 690,769,298

Absolute Capital Opportunities Fund

Non-U.S. Government Obligations	
Purchases	Sales
\$ 2,002,522	\$ 1,993,849

Note 7. Summary of Derivative Activity

The volume of open derivative positions may vary on a daily basis as each Fund transacts derivative contracts in order to achieve the exposure desired by the Adviser. The notional value of activity for the year ended March 31, 2017, for any derivative type during the year is as follows:

	Absolute Strategies Fund	Absolute Capital Opportunities Fund
Forward Currency Contracts	\$ 49,288,972	\$ -
Futures Contracts	3,323,502,916	-
Purchased Options	34,620,422	414,664
Written Options	(4,024,077)	(175,310)
Credit Default Swaps	225,000,000	-

Each Fund's use of derivatives for the year ended March 31, 2017, was limited to credit default swaps, options,

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forward currency contracts and futures contracts.

Following is a summary of the effect of derivatives on the Statements of Assets and Liabilities as of March 31, 2017:

Absolute Strategies Fund

Location:	Credit Contracts	Equity Contracts
Asset derivatives:		
Swap premiums paid	\$ 940,225	\$ -
Total investments, at value	-	7,120,689
Total asset derivatives	\$ 940,225	\$ 7,120,689
Liability derivatives:		
Swap premiums received	\$ (321,198)	\$ -
Unrealized loss on swap agreements	(981,271)	-
Call options written, at value	-	(342,133)
Put options written, at value	-	(669,076)
Total liability derivatives	\$ (1,302,469)	\$ (1,011,209)

Absolute Capital Opportunities Fund

Location:	Equity Contracts
Asset derivatives:	
Total investments, at value	\$ 102,757
Total asset derivatives	\$ 102,757
Liability derivatives:	
Call options written, at value	\$ (33,303)
Put options written, at value	(70,944)
Total liability derivatives	\$ (104,247)

Realized and unrealized gains and losses on derivatives contracts for the year ended March 31, 2017, are recorded by each Fund in the following locations on the Statements of Operations:

Absolute Strategies Fund

Location:	Currency Contracts	Commodity Contracts	Credit Contracts	Equity Contracts	Forward Currency Contracts	Interest Contracts
Net realized gain (loss) on:						
Swaps	\$ -	\$ -	\$ (2,135,277)	\$ -	\$ -	\$ -
Futures	692,587	11,145,006	-	(41,748,229)	-	(515,217)
Investments	-	-	-	(9,776,016)	-	-
Written options	-	-	-	4,118,973	-	-
Foreign currency transactions	-	-	-	-	80,567	-
Total net realized gain (loss)	\$ 692,587	\$ 11,145,006	\$ (2,135,277)	\$ (47,405,272)	\$ 80,567	\$ (515,217)
Net change in unrealized appreciation (depreciation) on:						
Swaps	\$ -	\$ -	\$ (1,282,681)	\$ -	\$ -	\$ -
Futures	-	(162,315)	-	5,051,958	-	321,677
Investments	-	-	-	(3,930,585)	-	-
Written options	-	-	-	80,289	-	-
Foreign currency translations	-	-	-	-	(4,999)	-
Total net change in unrealized appreciation (depreciation)	\$ -	\$ (162,315)	\$ (1,282,681)	\$ 1,201,662	\$ (4,999)	\$ 321,677

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Absolute Capital Opportunities Fund

Location:	Equity Contracts
Net realized gain (loss) on:	
Investments	\$ 168,079
Written Options	165,441
Total net realized gain (loss)	\$ 333,520
Net change in unrealized appreciation (depreciation) on:	
Investments	\$ (45,419)
Written Options	(1,899)
Total net change in unrealized appreciation (depreciation)	\$ (47,318)

Asset (Liability) amounts shown in the table below represent amounts for derivative related investments at March 31, 2017. These amounts may be collateralized by cash or financial instruments.

	Gross Asset (Liability) as Presented in the Statement of Assets and Liabilities	Financial Instruments (Received) Pledged**	Cash Collateral (Received) Pledged**	Net Amount
<i>Absolute Strategies Fund</i>				
Assets:				
Over-the-counter derivatives*	\$ 8,060,914	\$ -	\$ -	\$ 8,060,914
Liabilities:				
Over-the-counter derivatives*	(2,313,678)	1,007,953	1,305,725	-
<i>Absolute Capital Opportunities Fund</i>				
Assets:				
Over-the-counter derivatives*	\$ 102,757	\$ -	\$ -	\$ 102,757
Liabilities:				
Over-the-counter derivatives*	(104,247)	104,247	-	-

* Over-the-counter derivatives may consist of options contracts, futures contracts and swap agreements. The amounts disclosed above represent the exposure to one or more counterparties. For further detail on individual derivative contracts and the corresponding unrealized appreciation (depreciation), see the Notes to Schedules of Investments, Securities Sold Short and Call and Put Options Written.

** The actual financial instruments and cash collateral (received) pledged may be in excess of the amounts shown in the table. The table only reflects collateral amounts up to the amount of the financial instrument disclosed on the Statements of Assets and Liabilities.

Note 8. Federal Income Tax

Distributions paid during the fiscal years ended as noted were characterized for tax purposes as follows:

	Ordinary Income	Long-Term Capital Gain	Total
<i>Absolute Strategies Fund</i>			
2017	\$ 34,763,539	\$ 54,132,175	\$ 88,895,714
2016	16,332,639	77,930,215	94,262,854

Distributions above for Absolute Strategies Fund for 2016 are different from amounts reported in the 2016 annual report because of equalization adjustments.

As of March 31, 2017, distributable earnings (accumulated loss) on a tax basis were as follows:

	Capital and Other Losses	Unrealized Appreciation	Total
Absolute Strategies Fund	\$ (38,725,746)	\$ 32,713,418	\$ (6,012,328)
Absolute Capital Opportunities Fund	(451,256)	1,773,099	1,321,843

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statements of Assets and Liabilities are primarily due to wash sales, futures, constructive sales, straddles, cover loss deferrals, short dividends, equity return of capital, convertible bond deemed distributions, partnerships and credit default swaps.

ABSOLUTE FUNDS

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2017

As of March 31, 2017, the Absolute Strategies Fund and Absolute Capital Opportunities Fund had \$36,981,646 and \$331,575, respectively, of available short-term capital loss carryforwards that have no expiration date.

For tax purposes, the current year post-October loss was \$78,990 for Absolute Capital Opportunities Fund (realized during the period November 1, 2016 through March 31, 2017), and the current deferred late year ordinary loss was \$1,744,100 and \$40,691 for Absolute Strategies Fund and Absolute Capital Opportunities Fund, respectively (realized during the period January 1, 2017 through March 31, 2017). These losses were recognized for tax purposes on the first business day of the Fund's current fiscal year, April 1, 2017.

On the Statements of Assets and Liabilities, as a result of permanent book to tax differences, certain amounts have been reclassified for the year ended March 31, 2017. The following reclassifications were the result of book to tax differences resulting from real estate investment trusts, equity return of capital distributions, partnerships, passive foreign investment holdings, straddles, constructive sales, short dividend reclassifications, currency, paydowns, convertible bond deemed distributions, convertible bond premium adjustments, contingent payment debt instruments, credit default swap income, organization cost amortization and net operating losses and has no impact on the net assets of each Fund.

	<u>Undistributed Net Investment Income (Loss)</u>	<u>Accumulated Net Realized Gain (Loss)</u>	<u>Paid-in-Capital</u>
Absolute Strategies Fund	\$ 5,345,596	\$ (1,371,449)	\$ (3,974,147)
Absolute Capital Opportunities Fund	169,478	(3)	(169,475)

Note 9. Underlying Investment in Other Investment Companies

The Absolute Capital Opportunities Fund currently seeks to achieve its investment objective by investing a portion of its assets in State Street Institutional Treasury Money Market Fund, Premier Share Class (the "Premier"), a registered open-end management investment company organized as a Massachusetts business trust. The Absolute Capital Opportunities Fund may redeem its investments from the Premier at any time if the Advisor determines that it is in the best interest of the Fund and its shareholders to do so. The latest financial statements for the Premier can be found at www.sec.gov.

The performance of the Absolute Capital Opportunities Fund may be directly affected by the performance of Premier. As of March 31, 2017, the percentage of net assets invested in the Premier was 44.3% for the Absolute Capital Opportunities Fund.

Note 10. Recent Accounting Pronouncements

In October 2016, the U.S. Securities and Exchange Commission ("SEC") issued a new rule, Investment Company Reporting Modernization, which, among other provisions, amends Regulation S-X to require standardized, enhanced disclosures, particularly related to derivatives, in investment company financial statements. Compliance with the amendments to Regulation S-X is required for financial statements filed with the SEC on or after August 1, 2017. Management is currently evaluating the impact that the amendments will have on the Funds' financial statements and related disclosures.

Note 11. Subsequent Events

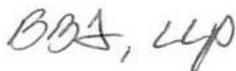
Subsequent events occurring after the date of this report through the date these financial statements were issued have been evaluated for potential impact, and each Fund has had no such events.

**To the Board of Trustees of Forum Funds
and the Shareholders of Absolute Strategies Fund
and Absolute Capital Opportunities Fund**

We have audited the accompanying statements of assets and liabilities of Absolute Strategies Fund and Absolute Capital Opportunities Fund, each a series of shares of beneficial interest in the Forum Funds (the "**Funds**"), including the schedules of investments, as of March 31, 2017, and the related statements of operations for the year then ended and the statements of changes in net assets and the financial highlights for each of the years or periods presented. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of March 31, 2017 by correspondence with the custodian, agent banks, counterparties, and brokers, or by other appropriate auditing procedures where responses from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Absolute Strategies Fund and Absolute Capital Opportunities Fund as of March 31, 2017, and the results of their operations for the year then ended and the changes in their net assets and financial highlights for each of the years or periods presented, in conformity with accounting principles generally accepted in the United States of America.



BBD, LLP

**Philadelphia, Pennsylvania
May 25, 2017**

ABSOLUTE FUNDS

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2017

Investment Advisory Agreement Approval

At the December 9, 2016 Board meeting, the Board, including the Independent Trustees, considered the approval of the continuance of the investment advisory agreements between Absolute Investment Advisers LLC (the "Adviser") and the Trust pertaining to the Absolute Funds (the "Advisory Agreements") and the subadvisory agreements between the Adviser and the following subadvisers to the Absolute Funds: Harvest Capital Strategies LLC; Kovitz Investment Group Partners, LLC; LakeWater Capital LLC; Longhorn Capital Partners, LLC; Mohican Financial Management, LLC; Sabal Capital Management, LLC; St. James Investment Company, LLC; The Boston Company Asset Management, LLC; and Yacktman Asset Management LP (the "Subadvisers") (the "Subadvisory Agreements"). In preparation for its deliberations, the Board requested and reviewed written responses from the Adviser and Subadvisers to due diligence questionnaires circulated on the Board's behalf concerning the personnel, operations, financial condition, performance, and services provided by the Adviser and each Subadviser. The Board also discussed the materials with Fund counsel and, as necessary, with the Trust's administrator, Atlantic Fund Services. During its deliberations, the Board also received an oral presentation from the Adviser and was assisted by the advice of Trustee counsel.

At the meeting, the Board reviewed, among other matters: (1) the nature, extent and quality of the services provided to each of the Absolute Funds by the Adviser and Subadvisers, including information on the investment performance of each of the Absolute Funds and Subadvisers; (2) the costs of the services provided and profitability to the Adviser with respect to its relationship with each of the Absolute Funds; (3) the advisory fee and total expense ratio each of the Absolute Funds compared to a relevant peer group of funds; (4) the extent to which economies of scale may be realized as each of the Absolute Funds grows and whether the advisory fee enables each of the Absolute Fund's investors to share in the benefits of economies of scale; and (5) other benefits received by the Adviser and Subadvisers from their respective relationships with the Absolute Funds.

Nature, Extent and Quality of Services

Based on written materials received and a presentation from senior representatives of the Adviser, a discussion with the Adviser about the personnel, operations and financial condition of itself and each Subadviser, and discussions with the Trust's Chief Compliance Officer regarding the Adviser and the Subadvisers, the Board considered the quality of services provided by the Adviser under the Advisory Agreements and by each Subadviser under each Subadvisory Agreement. In this regard, the Board considered information regarding the experience, qualifications and professional background of the portfolio managers and other personnel at the Adviser and the Subadvisers with principal responsibility for the Absolute Funds' investments; the investment philosophy and decision-making processes of the Adviser's and Subadvisers' investment professionals; the capability and integrity of the Adviser's and each Subadviser's senior management and staff; the quality of the Adviser's and each Subadviser's services with respect to regulatory compliance; and the Adviser's and each Subadviser's representation regarding its financial condition and that each firm's financial condition would not impair its ability to provide high-quality advisory services to the applicable Fund. The Board also considered the Adviser's analysis of and recommendations regarding each Subadviser. The Board concluded that, overall, it was satisfied with the nature, extent and quality of services to be provided to the Absolute Funds by the Adviser under the Advisory Agreements and each Subadviser under its Subadvisory Agreement.

Performance

In connection with a presentation by the Adviser regarding its approach to managing the Absolute Funds, including the investment objective and strategy and the Adviser's discussion of the performance of each of the Subadvisers, the Board reviewed the performance of the Absolute Funds compared to their respective benchmark indices. The Board observed that the Absolute Strategies Fund ("Strategies Fund") underperformed its primary benchmark index, the S&P 500 Index, for the one-, three-, five-, and 10-year periods ended September 30, 2016. The Board observed that the Absolute Capital Opportunities Fund ("Capital Opps Fund") outperformed its primary benchmark index, the HFRX Equity Hedge Index, for the since-inception period ended September 30, 2016, noting that the Capital Opps Fund commenced operations on December 30, 2015 and did not have a full year of performance available to report.

ABSOLUTE FUNDS

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2017

The Board noted the Adviser's representation that it was not the objective of the Absolute Funds to outperform specific market indices because the Absolute Funds employ unique investment strategies intended to seek absolute returns, irrespective of any benchmark or market performance. The Board also noted the Adviser's representation that the Absolute Funds tended to deviate from the performance of equity indices, in part, because the Absolute Funds' portfolios have comprised a balance of both long and short positions for the past several years, unlike the corresponding indices and, in part, because the Absolute Funds' investment strategies include a countercyclical component that is designed to enable the Absolute Funds to outperform the indices in declining markets and that causes the Absolute Funds to underperform their indices in rising markets. In recognition of the hedge fund-like strategies employed by the Strategies Fund, the Board also considered the performance of the Strategies Fund compared to the HFRX Global Hedge Fund Index, an index designed to be representative of the overall composition of the hedge fund universe. In that regard, the Board observed that the Strategies Fund underperformed the HFRX Global Hedge Fund Index for the one- and five-year periods ended September 30, 2016, and outperformed the HFRX Global Hedge Fund Index for the three- and 10-year periods ended September 30, 2016.

The Board also considered each Absolute Fund's performance relative to an independent peer group of funds identified by Broadridge Financial Solutions, Inc. ("Broadridge") as having characteristics similar to those of each Absolute Fund. The Board observed that the Strategies Fund underperformed the median of its Broadridge peers for the one-, three-, and five-year periods ended September 30, 2016. The Board observed that, as of September 30, 2016, the Capital Opps Fund outperformed the median of its Broadridge peers for the period since the Capital Opps Fund's inception.

Addressing the Absolute Funds' apparent underperformance relative to their respective Broadridge peer groups, the Adviser represented that it does not view the peer funds identified by Broadridge to be the most suitable comparison to the Absolute Funds because of the Absolute Funds' hedge-fund-like strategies and because the funds identified by Broadridge were not necessarily multi-manager, multi-strategy funds, such as the Absolute Funds. At the Adviser's request, the Board reviewed each of the Absolute Fund's performance compared to additional groups of funds selected by the Adviser for each of the Absolute Funds and believed by the Adviser to provide a more meaningful comparison than the respective Broadridge peer group (each a "Comparable Fund Group"). The Board observed that the Strategies Fund outperformed the median of its Comparable Fund Group for the one-year period and performed at the median of its Comparable Fund Group for the three-year period, as of November 11, 2016, noting that a number of the funds comprising the Comparable Fund Group for the Strategies Fund were newer funds with performance records of less than three years. The Board observed that the Capital Opps Fund outperformed the median of its Comparable Fund Group for the year-to-date period, as of November 11, 2016, noting that the Capital Opps Fund had slightly less than one full year of performance information, having commenced operations at the end of December 2015.

The Board also evaluated the Adviser's assessment of each Subadviser's performance, noting that the Adviser had expressed satisfaction with the performance of each Subadviser and that the Adviser had recommended the continuance of each of the Subadvisory Agreements. The Board acknowledged the Adviser's representation that the different Subadvisers could be expected to achieve different performance results in light of the differences in their strategies, allocated assets, and market environment. The Board also considered the Adviser's explanation that, standing alone, no Subadviser should necessarily be expected to perform in line with the market or with the relevant Fund's benchmarks. In this regard, the Board noted that the Adviser emphasized its responsibility for allocating each Fund's assets among Subadvisers on an ongoing basis in order to achieve the applicable Fund's investment objective. In view of the respective roles of the Adviser and Subadvisers, the Board determined that it was appropriate to evaluate the contribution of each Subadviser to the performance of the Fund for which each subadviser managed assets as a whole. The Board concluded that the Absolute Funds and their shareholders could benefit from the renewal of the Advisory Agreements and of each of the Subadvisory Agreements.

ABSOLUTE FUNDS

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2017

Compensation

The Board evaluated the Adviser's compensation for providing advisory services to each of the Absolute Funds and analyzed comparative information on the actual advisory fee rates and actual total expenses of the relevant Broadridge peer group for each of the Absolute Funds. The Board observed that the actual advisory fee rate and actual total expenses for the Strategies Fund was higher than the median of its Broadridge peers. The Board observed that the actual advisory fee rate for the Capital Opps Fund was lower than the median of its Broadridge peers, though the actual total expenses were higher than the median of its Broadridge peers. The Board considered the Adviser's representation that the advisory fee rates and actual total expense ratios of hedge funds provide more suitable points of comparison for the Absolute Funds than the fee rates and expense ratios of the funds in the Broadridge peer groups. In this regard, the Board considered the Adviser's explanation that the complex strategies of hedge funds are more similar to the strategies of each of the Absolute Funds than to those of the mutual funds in the Broadridge peer groups. In addition, with respect to advisory fee rates and total expenses, the Board noted the Adviser's representation that hedge funds' fees typically consist of a higher base advisory fee and an additional performance-based fee. The Board recognized that the Adviser's fees do not include performance fees and that the Adviser pays all of the Subadvisers out of its advisory fee. In this regard, the Board observed that the Absolute Funds do not directly pay any subadvisory fees.

The Board noted that, although the Adviser had implemented breakpoints that would reduce the advisory fee rate charged to the Strategies Fund, the Strategies Fund did not currently have assets under management that exceed the Strategies Fund's first fee schedule breakpoint.

Under these circumstances, the Board concluded that it was difficult to make meaningful comparisons between the Absolute Funds' actual advisory fee rates and total expense ratios and those of the Absolute Funds' respective Broadridge peers due to, among other things, variations between the services provided by the Adviser to the Absolute Funds and those provided to the Broadridge peer group of funds by their advisers. Further, the Board concluded that the complex investment strategies utilized by the Adviser for the Absolute Funds are comparable to the strategies provided to hedge funds by their advisers at much higher advisory fee rates than those charged by the Adviser. At the request of the Adviser, the Board also reviewed the advisory fee rate and total expenses of the Absolute Funds compared to each of the Absolute Fund's respective Comparable Fund Group, as provided by the Adviser. The Board observed that the advisory fee rate and total expenses of the Strategies Fund were each lower than the median of its Comparable Fund Group. The Board observed that the advisory fee rate for the Capital Opps Fund was higher than the median of its Comparable Fund Groups, and the total expenses of the Capital Opps Fund was lower than the median of its respective Comparable Fund Groups. . Based on the foregoing, and on all of the information presented, the Board concluded that the advisory fees paid to the Adviser by the Absolute Funds were reasonable.

Cost of Services and Profitability

The Board considered information provided by the Adviser regarding the costs of services and its profitability with respect to each of the Absolute Funds. In this regard, the Board considered the Adviser's resources devoted to each of the Absolute Funds as well as the Adviser's discussion of the costs and profitability of its mutual fund activities, including the percentage and amount of the Adviser's fee that the Adviser retained and the percentage and amount of the Adviser's fee that was paid to the Subadvisers. Based on these and other applicable considerations, the Board concluded that the Adviser's profits attributable to the management of each of the Absolute Funds were reasonable.

The Board did not consider information regarding the costs of services provided or profits realized by each Subadviser from its relationship with the Absolute Funds, noting instead the arms-length nature of the relationship between the Adviser and the Subadvisers with respect to the negotiation of the subadvisory fee rate on behalf of each Absolute Fund and that the Adviser, and not the Fund, was responsible for paying the subadvisory fees due under each Subadvisory Agreement. Under these circumstances, the Board concluded that each Subadviser's profitability was not a material factor in determining whether to approve the Subadvisory Agreements.

ABSOLUTE FUNDS

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2017

Economies of Scale

The Board considered whether any of the Absolute Funds could benefit from economies of scale. The Board noted that, with respect to the Strategies Fund, the Adviser had implemented fee schedule breakpoints by contractually waiving its advisory fee at certain asset levels, although the Strategies Fund was not currently operating at asset levels that would result in these lower fee rates being achieved. Based on the foregoing, the Board concluded that the Strategies Fund was positioned to benefit from economies of scale should its assets increase. With respect to the Capital Opps Fund, the Board considered the Adviser's representation that the Capital Opps Fund could potentially benefit from economies of scale as assets grow, but that the Adviser had determined not to recommend breakpoints as appropriate at this time due to the size of the Capital Opps Fund. Based on the foregoing information, and other considerations, the Board concluded that economies of scale was not yet a material factor to be considered with respect to the Capital Opps Fund.

Other Benefits

The Board noted the Adviser's representation that, aside from its contractual advisory fees, it does not benefit in a material way from its relationship with the Absolute Funds. Based on the foregoing representation, the Board concluded that other benefits received by the Adviser from its relationship with the Absolute Funds were not a material factor in approving the continuation of the Advisory Agreements.

Conclusion

The Board did not identify any single factor as being of paramount importance, and different Trustees may have given different weight to different factors. In light of the fact that each Absolute Fund is a multi-manager Fund, however, for which the Adviser identifies Subadvisers whose strategies it seeks to combine to achieve the Fund's investment objective, when considering the renewal of the Subadvisory Agreements, the Board gave significant weight to the Adviser's recommendation that each Subadvisory Agreement be renewed and to the Adviser's representation that the reappointment of the Subadvisers would positively contribute to the Adviser's successful execution of each of the Absolute Funds' overall strategies. The Board reviewed a memorandum from Fund counsel discussing the legal standards applicable to its consideration of the Advisory Agreements and Subadvisory Agreements. Based on its review, including consideration of each of the factors referenced above, the Board determined, in the exercise of its reasonable business judgment, that the advisory arrangement, as outlined in each Advisory Agreement and in each Subadvisory Agreement, was fair and reasonable in light of the services performed or to be performed, expenses incurred or to be incurred and such other matters as the Board considered relevant.

Proxy Voting Information

A description of the policies and procedures that each Fund uses to determine how to vote proxies relating to securities held in each Fund's portfolio is available, without charge and upon request, by calling (888) 992-2765 and on the U.S. Securities and Exchange Commission's (the "SEC") website at www.sec.gov. Each Fund's proxy voting record for the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling (888) 992-2765 and on the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedules

Each 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. These filings are available, without charge and upon request on the SEC's website at www.sec.gov or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

ABSOLUTE FUNDS

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2017

Shareholder Expense Example

As a shareholder of the Funds, you incur 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 Funds 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, 2016, through March 31, 2017.

Actual Expenses – The first line under each share class 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 under each share class of the table below provides information about hypothetical account values and hypothetical expenses based on each Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not each Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in each 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.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only. 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.

	<u>Beginning Account Value October 1, 2016</u>	<u>Ending Account Value March 31, 2017</u>	<u>Expenses Paid During Period*</u>	<u>Annualized Expense Ratio*</u>	
Absolute Strategies Fund					
Institutional Shares					
Actual	\$ 1,000.00	\$ 965.04	\$ 9.70	1.98%	
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,015.06	\$ 9.95	1.98%	
R Shares					
Actual	\$ 1,000.00	\$ 962.00	\$ 12.57	2.57%	
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,012.12	\$ 12.89	2.57%	
Absolute Capital Opportunities Fund					
Actual	\$ 1,000.00	\$ 1,046.76	\$ 9.64	1.89%	
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,015.51	\$ 9.50	1.89%	

* Expenses are equal to each Fund’s annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (182) divided by 365 to reflect the half-year period.

Federal Tax Status of Dividends Declared during the Fiscal Year

For federal income tax purposes, dividends from short-term capital gains are classified as ordinary income. The Absolute Strategies Fund designates 9.63% of its income dividend distributed as qualifying for the corporate dividends-received deduction (DRD) and 12.90% for the qualified dividend rate (QDI) as defined in Section 1(h)(11) of the Internal Revenue Code. The Absolute Strategies Fund also designates 100.00% of its income dividends as short term capital gain dividends exempt from U.S. tax for foreign shareholders (QSD).

ABSOLUTE FUNDS

ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2017

Trustees and Officers of the Trust

The Board is responsible for oversight of the management of the Trust's business affairs and of the exercise of all the Trust's powers except those reserved for the shareholders. The following table provides information about each Trustee and certain officers of the Trust. Each Trustee and officer holds office until the person resigns, is removed, or is replaced. Unless otherwise noted, the persons have held their principal occupations for more than five years. The address for all Trustees and officers is Three Canal Plaza, Suite 600, Portland, Maine 04101. Mr. Keffer is considered an Interested Trustee due to his affiliation with Atlantic. Each 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 Year of Birth	Position(s) with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series of Fund Complex¹ Overseen by Trustee	Other Directorships Held by Trustee
Independent Trustees J. Michael Parish Born: 1943	Chairman of the Board; Trustee; Chairman, Nominating Committee and Qualified Legal Compliance Committee	Since 1989 (Chairman since 2004)	Retired since 2003; formerly, Partner, Wolf, Block, Schorr and Solis-Cohen, LLP (law firm) 2002-2003; Partner, Thelen Reid & Priest LLP (law firm) 1995-2002.	24	None
Costas Azariadis Born: 1943	Trustee	Since 1989	Professor of Economics, Washington University since 2006.	24	None
James C. Cheng Born: 1942	Trustee; Chairman, Audit Committee	Since 1989	President, Technology Marketing Associates (marketing company for small- and medium-sized businesses in New England) since 1991.	24	None
David Tucker Born: 1958	Trustee; Vice Chairman	Since 2011 (Vice Chairman since 2015)	Director, Blue Sky Experience (a charitable endeavor) since 2008; Senior Vice President & General Counsel, American Century Companies (an investment management firm) 1998-2008.	47	Trustee, Forum Funds II, Forum ETF Trust and U.S. Global Investors Funds
Interested Trustee John Y. Keffer ² Born: 1942	Trustee; Vice Chairman	Since 1989	Chairman, Atlantic since 2008; President, Forum Investment Advisors, LLC since 2011; President, Forum Foundation (a charitable organization) since 2005; President, Forum Trust, LLC (a non-depository trust company chartered in the State of Maine) since 1997.	47	Director, Wintergreen Fund, Inc.; Trustee, Forum Funds II, Forum ETF Trust and U.S. Global Investors Funds

¹The Fund Complex includes the Trust, Forum Funds II, Forum ETF Trust and U.S. Global Investors Funds and is overseen by different Boards of Trustees.

²Atlantic is a subsidiary of Forum Holdings Corp. I, a Delaware corporation that is wholly owned by Mr. Keffer.

ABSOLUTE FUNDS

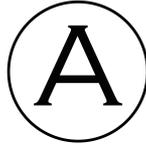
ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2017

Name and Year of Birth	Position(s) with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series of Fund Complex¹ Overseen by Trustee	Other Directorships Held by Trustee
Officers					
Jessica Chase Born: 1970	President; Principal Executive Officer	Since 2015	Senior Vice President, Atlantic since 2008.	N/A	N/A
Karen Shaw Born: 1972	Treasurer; Principal Financial Officer	Since 2008	Senior Vice President, Atlantic since 2008.	N/A	N/A
Zachary Tackett Born: 1988	Vice President; Secretary; Anti-Money Laundering Compliance Officer	Since 2014	Counsel, Atlantic since 2014; Intern Associate, Coakley & Hyde, PLLC, 2010-2013.	N/A	N/A
Michael J. McKeen Born: 1971	Vice President	Since 2009	Senior Vice President, Atlantic since 2008.	N/A	N/A
Timothy Bowden Born: 1969	Vice President	Since 2009	Manager, Atlantic since 2008.	N/A	N/A
Geoffrey Ney Born: 1975	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.	N/A	N/A
Todd Proulx Born: 1978	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.	N/A	N/A
Carlyn Edgar Born: 1963	Vice President	Since 2008	Senior Vice President, Atlantic since 2008; Chief Compliance Officer, 2008-2016.	N/A	N/A
Dennis Mason Born: 1967	Chief Compliance Officer	Since 2016	Fund Compliance Officer, Atlantic since 2013; Senior Specialist, Atlantic 2011-2013; Senior Analyst, Atlantic 2008-2011.	N/A	N/A

¹The Fund Complex includes the Trust, Forum Funds II, Forum ETF Trust and U.S. Global Investors Funds and is overseen by different Boards of Trustees.

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DISTRIBUTOR

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