

---

# ABSOLUTE FUNDS

---

**SEMI-ANNUAL REPORT  
(Unaudited)**

**SEPTEMBER 30, 2013**

---

**ABSOLUTE**  
INVESTMENT ADVISERS

---

The views in this report were those of Absolute Strategies Fund and Absolute Opportunities Fund's (each a "Fund" and collectively the "Funds") adviser as of September 30, 2013, 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, non-diversification risk, small company risk, foreign risk, interest rate risk, credit risk, prepayment risk, IPO risk, liquidity risk, high turnover risk, leverage risk, pooled investment vehicle risk and derivatives risk. For a complete description of the 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 or average.

Absolute Opportunities Fund, 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 are service marks of AIA; and other marks referred to herein are the trademarks, service marks or registered trademarks of the respective owners thereof.

---

**ABSOLUTE STRATEGIES FUND**

A MESSAGE TO OUR SHAREHOLDERS

SEPTEMBER 30, 2013

---

Dear Shareholder,

Over the past two years we believe we have sided with good judgment as it relates to our Fund's investment process, which focuses on fundamentals and a longer term view. We realize this has been at the expense of short-term performance and opportunity cost. While our positioning may be uncomfortable for many, we remain fully committed to our investment discipline. Such commitment is more important than ever when there is a growing disconnect between price and fundamentals. Our experience of independent and often contrarian thinking tells us we are once again taking the right course of action. Reviewing the history of our efforts, we correctly judged the pre-2008 period as one of extreme speculation and risk seeking by investors who learned nothing from the 2000 bubble collapse. Much like 1999-2000, price and valuation played almost no role in investor appetite for risk in 2006-2007. In late 2008 to early 2009, we correctly judged that investors were overly panicked about losses and we sought numerous opportunities to put dry powder to work and completely removed our overlay hedges designed to dampen downside market influences. In both instances we tended to be a tad early in assessing further investor behavior, but timing is not a skill we pretend to possess. In the end, our judgment was wise. It focused on fundamentals, and we took action to vary the Fund's capital at risk.

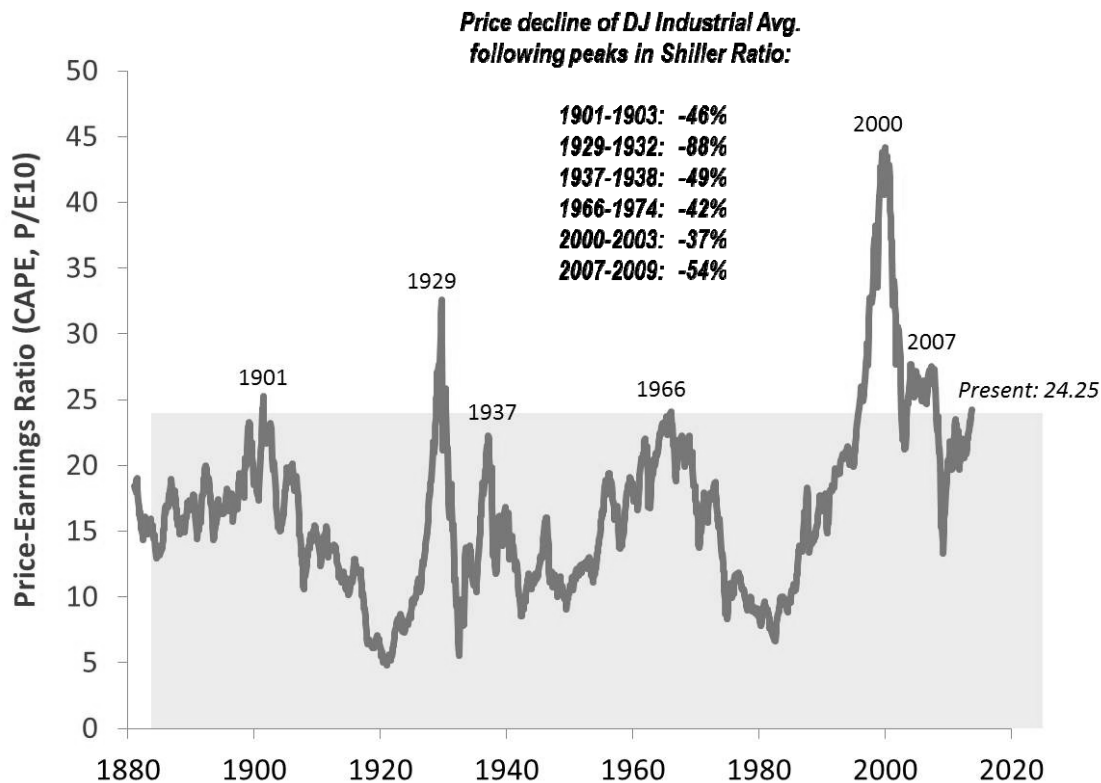
For the past two years, there has been tremendous momentum in various financial markets, yet once again fundamentals have played almost no role in this process. Here are some supporting facts:

- Global operating earnings *PEAKED* in the 3<sup>rd</sup> quarter of 2011. The cumulative trailing 12-month operating earnings growth of the MSCI World Equity Index since then has been *negative*, yet the index is up 44% since 2011 and is at a new 5-year high.
- The S&P 500 has been a bit better with a total return of 45% and at an all-time high, at a time when total cumulative operating earnings growth since 2011 has been roughly 6%, including significant stock buybacks.
- The Russell 2000 trailing 12-month earnings have been flat since 2011, while that index is up over 50% and has a price/earnings ratio near 40.

Keep in mind this latest advance is *AFTER* markets had already advanced roughly 100% from the 2009 low. Additionally, global GDP growth has been in a steady decline since 2010 dropping from roughly 5% to 2%. Why such exuberance with stagnating economic and operating results?

Our primary objective remains to seek to protect investor capital from large drawdowns, especially when asset markets become inflated and overvalued. In other words, it is our job to increase our hedging or shorting of securities in market environments where prices diverge from fundamentals. This is exactly what we see occurring now; we believe asset prices of BOTH bonds and stocks are now at levels that are approaching some of the highest risk points in history.

Below is an illustration of equity market risk using the Shiller CAPE Ratio. The CAPE applies a consistent historical approach measuring the price to earnings ratio using 10-year average earnings, adjusted for inflation. The ratio has been extremely accurate at showing significant peaks and troughs in equity market valuation over more than 100 years. The accompanying table illustrates the resulting performance of the Dow Jones Industrial Average at each peak in the Shiller Ratio near or above current levels.



Historically, each time the Shiller PE peaked near or above current levels, equity markets eventually produced very large losses. Even if you exclude the 1930's Great Depression, the average loss was 45%. The Shiller ratio is not the only metric signifying high equity valuations.

- The Price-to-Sales ratio of the S&P 500 is currently at 1.6, which is *higher* than 2007, and *double* the historical average.
- Price-to-EBITDA (cash flow) of the S&P 500 is also *higher* than the 2007 peak, and *double* the historical average.
- Equity market capitalization as a percent of GDP is also *double* the historical average.

On top of that, corporate profit margins are 50% above the historical average and well above prior peaks; profit margins tend to be quite cyclical. Total debt to GDP is *double* the level from the mid-1980s and interest rates have started to rebound from record lows. Has there ever been a time in history when this combination of valuations, profit margins and interest rates has been so at odds with a buying opportunity or future investment success? The reversion to the mean of any of these could put significant pressure on equity prices.

Outside of excessive U.S. equity and credit valuations, we continue to worry about the perceived notion that Europe and China are improving. In a nutshell, China is in the midst of a credit bubble where credit has been growing 35% annually with total financing now over 200% of GDP. China ranks third behind Belgium and Sweden among major economies with corporate debt-to-GDP ratios exceeding 160%. China's banking profits to GDP are now almost 3 times the U.S. banking profit/GDP peak in 2006. The credit-driven growth miracle is in uncharted territory at a time when GDP growth is slowing. The tightening of credit and slowing of fixed investment growth in China may have a much larger impact on global economic and financial markets than many realize. Other large emerging markets, including India and Brazil are already seeing large drop-offs in economic activity as well as increasing inflation pressures.

---

**ABSOLUTE STRATEGIES FUND**

A MESSAGE TO OUR SHAREHOLDERS

SEPTEMBER 30, 2013

---

Unfortunately, the scale of the problem in Europe remains no better. Despite five years of recovery, Eurozone real GDP has actually never recovered and we believe that the growth outlook is tepid at best. Real household consumption is at 7-year lows and unemployment is now above 12%, an all-time high. Overall banking leverage has not been reduced and loan growth has started to decline. Total assets-to-equity ratios for individual banks are between 50% and 200% higher than the levels of U.S. banks, and corporate loan fundamentals are very weak. The IMF recently warned that 30-50% of the companies in Spain, Italy, and Portugal barely have enough cash flow to meet interest payments (reminder: interest rates are at all-time lows). As such, non-performing loans represent an excessive amount of European bank equity. Even the perceived safety of the Nordic banking system is suspect. At nearly 6 times GDP and with leverage over 20:1 assets-to-equity largely funded on a wholesale basis, the Swedish banking system possesses significant embedded funding and credit risk, and likely faces the repercussions of a highly-extended housing market that the OECD estimates is nearly 30% overvalued (Longhorn Capital).

\*\*\*\*\*

Given that the Fund has been correctly positioned for a tepid growth environment, our performance over the past two years has been nothing short of frustrating. We positioned the Fund to be long companies where fundamentals could improve and withstand a slowing economic environment, and hedged or shorted areas that were susceptible to earnings struggles or a slowing economic environment. In our estimation, even if the overall markets continued to advance, we believed that we would perform well with low net exposure and low beta. Looking back at the last two years of company and economic fundamentals, it is hard to challenge our judgment and positioning. In fact, we believe the Fund was better positioned over the last two years than it was in 2006-2007, a time when our performance was up over 12%. Unfortunately, bad news is no match for hope if investors are willing to dismiss current reality and “look through” to perceived greener pastures.

Modern central bank attempts to underwrite the waiting period has only emboldened investors and they now fear missing the next melt-up. Distortions in asset prices due to Fed policy have been a major factor in the Fund’s short-term performance. We believe this has caused our value-bias in long equities to slightly underperform our short positions and overlay hedges which tend to have higher beta. Not to oversimplify the equity positioning, but the Fund is effectively long a portfolio trading at 15 times growing earnings and short a portfolio trading at 30-40 times flat or declining earnings. Much of the Fund’s short equity exposure is also sensitive to increases in credit risk, or equities that have little tolerance for increases in the cost of capital; this is in line with our views of an over-heated corporate bond market that lacks real liquidity.

Separately, the Fund has consistently maintained concentrated short exposure to financial institutions in both Europe and China (see above). The thesis for these exposures has been based on the view that creative accounting and government policy support have not eliminated the problems of outsized troubled loan portfolios, significant undercapitalization, and excess leverage. Much, if not all of the equity value of these businesses may be insolvent or illiquid without government intervention. As a reminder, even U.S. bank rescues and bailouts did not save equity values from being wiped out.

In credit, the Fund maintains an allocation to convertible arbitrage as well as distressed “sub-prime” mortgage and asset backed securities that may offer moderate risk-adjusted returns. Outside of these areas, the fixed income exposure is minimal with little exposure to straight corporate or government debt.

**Outlook**

Many in the financial community allow politicians and their surrogates to lead us away from the wisdom of markets and become enamored with academic judgment and fancy mathematical models to guide the way for pricing ultra-complexity of trillions of dollars in financial assets. Today’s investor understands this to mean that central banks have systematically eliminated risk from the markets. As such, many investment strategies choose to ignore such ancillary details as price and fundamentals in favor of market momentum and a universal belief in a Fed “put” (this “put” existed during the 2000 and 2007 market peaks as well and central banks eased interest rates all the way down). Regardless of your beliefs, a prudent investor’s portfolio should assess the probability that central bank inspiration may fail. We believe Quantitative Easing (“QE”) has greatly distorted asset prices and we do not believe central banks can simply hold the bond market on a string. How can anyone really determine what the

---

**ABSOLUTE STRATEGIES FUND**

A MESSAGE TO OUR SHAREHOLDERS

SEPTEMBER 30, 2013

---

financial landscape will be when the Fed stops buying or is forced to sell? What percentage of a portfolio should completely rely on such a binary outcome?

The truth is, eventually momentum just runs out of gas when everything becomes *PRICED-IN, including QE*. There will likely be no signal or catalyst for future market losses. There was no news or event that took place in March 2000 or October 2007, and very few acknowledged any risk at the time. Even Ben Bernanke himself top-ticked the equity market in October 2007, stressing he was in control and that “sub-prime risks were contained.” Most others’ attentions were focused on buying the next dip in asset prices. Only in hindsight do losses reveal their cause and then everyone claims to have seen it. In our view it’s usually quite simple: a growing disconnect between price and fundamentals increases the risk of meaningful losses.

As always, markets will eventually separate good judgment from bad judgment (or no judgment). Our experience managing long/short portfolios and recognizing 15+ years of speculation and panic tells us that we are using reason and common sense. We certainly do not underestimate the power of markets, but we are fairly confident that the current financial landscape is not normal or sustainable. We understand this environment is ripe for performance chasing and has made the process of choosing the right investment strategy very confusing. As such, investors should think clearly about what type of investment style makes more sense long term and which managers can stand the test of time. Or, maybe we’re just wrong and market experience is not a matter of judgment. And, maybe the only decision anyone ever needs to make is to be fully allocated to risky assets all the time and at any price. In that case, take your pick of bias and experience from the following:

Alan Greenspan, Oct 23, 2013: *“In a sense, we are actually at relatively low stock prices...so-called equity premiums are still at a very high level, and that means that the momentum of the market is still ultimately up.”* (Bloomberg)

Seth Klarman, CEO of Baupost Group, Oct 22, 2013: *“Only 5 years after a crisis that nobody saw, we are right back at all time high levels of speculation—it’s astonishing. I don’t know how this financial experiment ends in anything but tears.”* (Grant’s Conference)

Our strategy and objective is very different than those of a traditional portfolio. We seek both long and short opportunities in an effort to help reduce risk while maintaining flexibility to vary our exposure. Simply put, we seek to buy low and sell high, sometimes at the same time. We do not chase beta or momentum. We do not try to keep up with equities by jumping on the Fed’s speculative bandwagon and keep on dancing until the music stops. We currently maintain a strong discipline around hedging and low beta. We are even more excited about our overall positioning as price/fundamental divergences have grown, especially for short opportunities. We would expect to fare quite well in a difficult market for stocks and bonds, but a bear market is not a requirement for performance. We would simply like an environment with a little more volatility, and one where finance leans a bit more toward capitalism and leans a bit less toward easy money speculation and distorted asset prices. Further, a re-pricing of risk will enable us to change our positioning, possibly to a large degree.

Sincerely,



Jay Compson  
Portfolio Manager  
Absolute Investment Advisers LLC

Footnote:

Seth Klarman has one of the best investment track records over the past 30 years and is the author of the investment book, “Margin of Safety.” Baupost Group manages \$30 billion in assets.

Sources:

Longhorn Capital, Bloomberg, Zero Hedge, St. Louis Federal Reserve, yale.edu/shiller

Dear Shareholder,

We are pleased to present the semi-annual report for the Absolute Opportunities Fund (the "Fund") for the period ended September 30, 2013. For new investors, the Fund was created as a complement to the Absolute Strategies Fund to capture a variety of investment opportunities and market inefficiencies that are not driven by overall market performance. The Fund utilizes a limited number of managers with highly flexible investment strategies and thus, is intended to have a more concentrated, idiosyncratic risk profile than the Strategies Fund. Many of the Fund's positions are catalyst or event driven and at times may include highly contrarian investments. As such, the Fund is not intended to perform in line with other asset classes and it may not have return or risk drivers that correlate strongly with movements in the equity and bond markets. Due to the limited number of managers, the exposures of one or two managers can drive Fund performance; the Fund was designed with this intention.

The Fund's primary focus continues to revolve around special situation equities on the long side and concentrated positions in investment grade credit on the short side. Overall, the Fund's exposures remain highly contrarian. Special situation investments tend to favor unique companies and situations requiring complex fundamental analysis. Investments may follow various themes including: new companies resulting from capital structure changes (spin-offs, mergers, divestitures); companies going through operational changes (REIT or MLP conversions); or companies in various stages of individual value creating initiatives, such as a new product or line of business. Many of these investments have performed well, but the uniqueness of the ideas has been overshadowed by a momentum driven equity market.

While the long portfolio has performed well, the strategy for shorting individual investment grade securities continues to be a tough task and has been a drag on the Fund's performance. We believe the corporate bond market is overpriced and highly illiquid as investors take on more credit and interest rate risk for less reward. As interest rate spreads have tightened further and volatility has collapsed, we believe that this strategy has become even more attractive. Additionally, non-financial investment grade companies have higher net leverage than before the start of the last recession. This means that companies have already re-leveraged themselves and used up balance sheet capacity BEFORE cyclical stresses. Usually leverage increases during and after a recession when companies need to bridge the gap for cash flow deficiencies. Where will they turn for funding when they really need it? Given the overall risk in bonds, a concentrated portfolio of individual security credit risk may offer one of the most asymmetric opportunities available for investors seeking diversification.

Additionally, specific investment grade issuers with high fixed costs have been enjoying tight spreads as investors bid up the overall price of corporate bonds. This has facilitated more new debt to fund share repurchases or expensive acquisitions, as opposed to new productive capacity and job creation. Companies may soon find that leveraging their businesses in an effort to hit short-term earnings per share targets was a poor strategic move. With overall corporate top-line revenue growth almost non-existent and profit growth having turned negative for many companies, operating margins are now under pressure. Credit spreads (spreads between U.S. treasuries and corporate debt securities) could widen sharply for many companies. The Fund continues to hold a sizable allocation to concentrated short exposure in the corporate debt of individual securities in retailing, transportation and leisure – industries where both margins and price pressure could become intense. The Fund could potentially benefit from this strategy should individual company credit spreads widen toward normal levels. While timing such investments can be a bit complex, these are the types of opportunities the Fund seeks.

Beyond shorting investment grade credit, most broad investing areas are over-priced and are likely exposed to significant price and market risk with little long-term reward. As such, the Fund is avoiding many traditional investing themes. We have made a few changes to the Fund in order to improve the balance of strategies that focus on attractive opportunities. Most recently we added Harvest Capital as a new sub-adviser. Harvest manages a concentrated equity long-short strategy focused on an entire range of agricultural related businesses. The manager's goal is to capitalize on long-term secular tailwinds as well as shorter-term dislocations along supply chain dynamics. Long positions are focused on companies that can positively impact productivity, have thoughtful management teams, exhibit strong financial metrics, and have the potential for significant long-term earnings power. Short positions are focused on companies with inadequate capital structures, weakening financial metrics,

or disruptions to their business model. The strategy also seeks to take advantage of movements in commodity prices and the effect of volatility on individual companies. We are excited with this new addition and believe the strategy could have a very positive impact on long-term performance. We are also in the process of analyzing other potential changes, including manager strategies and allocations.

As illustrated in the Absolute Strategies Fund commentary, we believe asset prices of both bonds and stocks are at levels that are approaching some of the highest risk points in history, and during a time of stagnant earnings growth. In fact, global operating earnings *peaked* in the 3<sup>rd</sup> quarter of 2011, as measured by the MSCI World Equity Index. In terms of general U.S. equity valuations, the Shiller PE (CAPE) Ratio, price to sales, price to EBITDA (cash flow), and equity market capitalization to Gross Domestic Product are all at levels that are *double* the historical average. As such, we are amazed at the eagerness of many investors to buy securities that are priced high and have risen the most, and yet they have no interest in buying things that are low in price and on sale, or have underperformed. The higher prices go, the more enthusiastic the buyer becomes. Simply incredible.

This could not be more at odds with how we view successful investing. Many investors are allowing themselves to be deceived by a Federal Reserve (“Fed”) whose primary tool is psychological. Even Fed President James Bullard recently stated in a Bloomberg interview, “The Fed seeks to push people into riskier assets.” This defies all logic and is happening in full view for everyone to see. Aren’t we STILL recovering from the last bout of excessive risk taking? Many even acknowledge it. Yet, why is nobody doing anything to anticipate and prepare for the inevitable result? Perhaps they will just use the excuse that “everyone saw it coming.” At some point, Fed credibility and their mystical efforts will likely wane and the push into riskier assets may backfire, possibly at a time when liquidity windows are constricted. At that juncture, nobody will be left to purchase those riskier assets and everyone will want liquidity at the same time. This is not a difficult concept.

While we acknowledge the frustrations with our Fund’s recent performance, it is largely a result of muted market volatility and our efforts to avoid areas that are crowded, overpriced, and highly correlated. We believe the price of patience or the cost of maintaining idiosyncratic positions is necessary to achieve long-term investment gains that are achieved over a full market cycle. We are very optimistic that the recent liquidity-induced, distorted market environment is exceptionally rare, and in time will be proven an historical outlier. *Eventually*, fundamental market forces will reassert themselves and will likely revert toward a path reminiscent of finance and capitalism. Unfortunately, the path from here to there could happen sooner than many believe and it may be quite volatile. We firmly believe our persistence will be well-rewarded despite what has been a very challenging environment for our strategy.

Sincerely,



Jay Compson  
Portfolio Manager  
Absolute Investment Advisers LLC



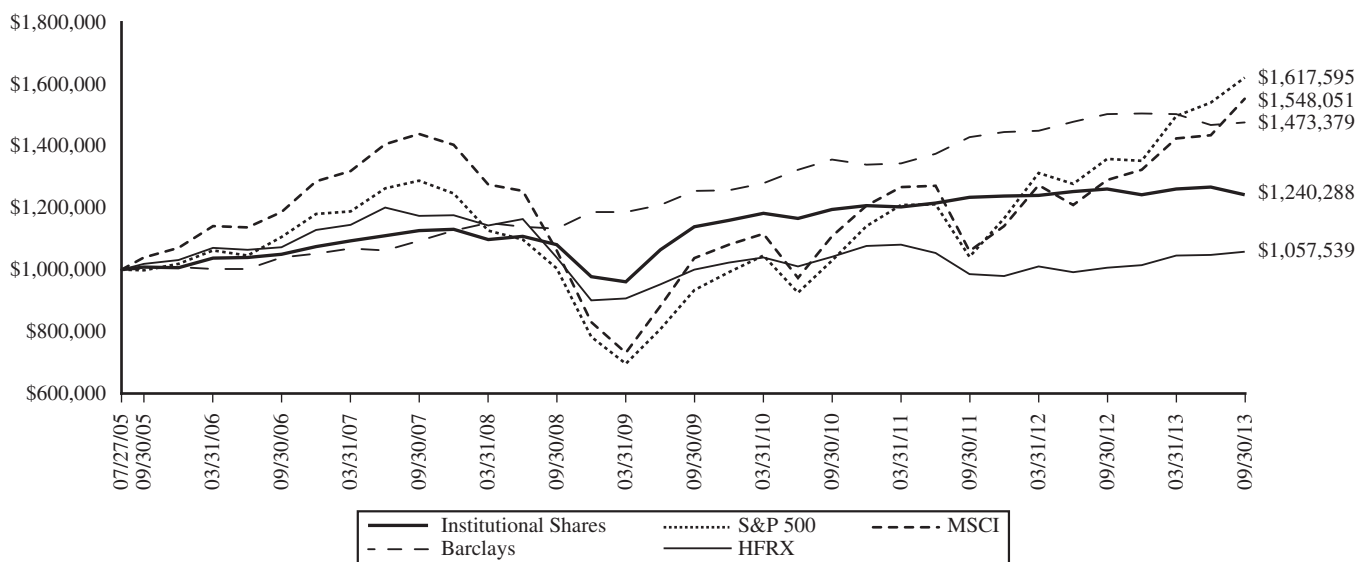
**ABSOLUTE STRATEGIES FUND**

PERFORMANCE CHART AND ANALYSIS

SEPTEMBER 30, 2013

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 the Absolute Strategies Fund (the "Fund") compared with the performance of the benchmarks, the 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") since inception. 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 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  
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 Return as of 09/30/13**

Absolute Strategies Fund — Institutional Shares
S&P 500 Index
Barclays Capital U.S. Aggregate Bond Index
HFRX Global Hedge Fund Index
MSCI World Index

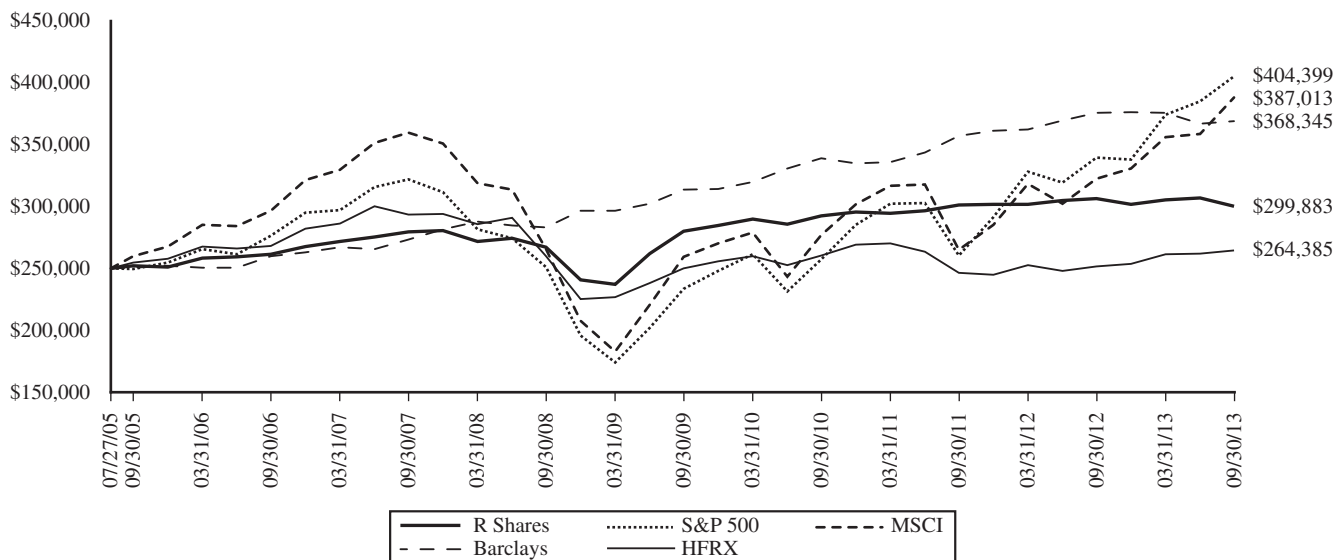
**One Year      Five Years**

-1.51%	2.80%
19.34%	10.02%
-1.68%	5.41%
5.13%	0.38%
20.21%	7.84%

**Commencement of Investment  
Operations 07/27/05**

2.67%
6.06%
4.85%
0.69%
5.49%

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



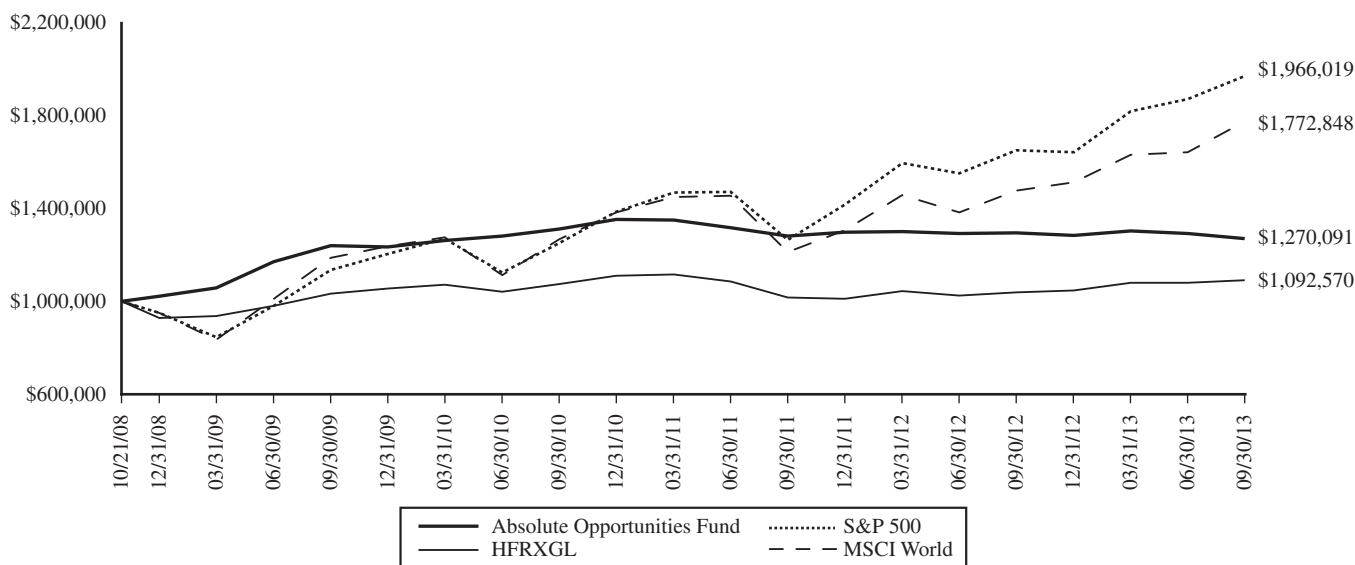
<u>Average Annual Total Return as of 09/30/13</u>	<u>One Year</u>	<u>Five Years</u>	<u>Commencement of Investment Operations 07/27/05</u>
Absolute Strategies Fund — R Shares	-1.96%	2.36%	2.25%
S&P 500 Index	19.34%	10.02%	6.06%
Barclays Capital U.S. Aggregate Bond Index	-1.68%	5.41%	4.85%
HFRX Global Hedge Fund Index	5.13%	0.38%	0.69%
MSCI World Index	20.21%	7.84%	5.49%

**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 2.47% and 2.87%, respectively. Excluding the effect of expenses attributable to dividends and interest on short sales, the Fund's total annual operating expense ratios would be 1.74% and 2.14% for Institutional Shares and R Shares, respectively. 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 OPPORTUNITIES FUND**  
**PERFORMANCE CHART AND ANALYSIS**  
**SEPTEMBER 30, 2013**

The following chart reflects the change in the value of a hypothetical \$1,000,000 investment in Institutional Shares, including reinvested dividends and distributions, in the Absolute Opportunities Fund (the “Fund”) compared with the performance of the benchmarks, the S&P 500 Index (“S&P 500”), HFRX Global Hedge Fund Index (“HFRX”), and the MSCI World Index (“MSCI World”), since inception. 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 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 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 Opportunities Fund vs. S&P 500 Index,  
 HFRX Global Hedge Fund Index and MSCI World Index**



<b>Average Annual Total Return as of 09/30/13</b>	<b>One Year</b>	<b>Commencement of Investment Operations 10/21/08</b>
Absolute Opportunities Fund — Institutional Shares	-1.90%	4.96%
S&P 500 Index	19.34%	14.66%
HFRX Global Hedge Fund Index	5.13%	1.81%
MSCI World Index	20.21%	12.28%

**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 4.00%. Excluding the effect of expenses attributable to dividends and interest on short sales, the Fund’s total annual operating expense ratio would be 3.01%. However, the Fund’s adviser has agreed to contractually waive a portion of its fees and to reimburse expenses such that total operating expenses do not exceed 2.95% (excluding all interest, taxes, portfolio transaction expenses, dividends and interest expense on short sales, acquired fund fees and expenses, proxy expenses, and extraordinary expenses), which is in effect until July 31, 2014. 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  
 SEPTEMBER 30, 2013

<b>Portfolio Breakdown (% of Net Assets)</b>	
Long Positions	
Equity Securities	38.9%
Asset Backed Obligations	8.2%
Corporate Convertible Bonds	20.8%
Corporate Non-Convertible Bonds	2.6%
Exchange Traded Notes	0.0%
Foreign Government Bonds	0.0%
Interest Only Bonds	0.1%
Municipal Bonds	0.3%
Syndicated Loans	0.1%
U.S. Government & Agency Obligations	2.1%
Rights	0.0%
Investment Companies	8.3%
Purchased Options	1.6%
Short Positions	
Equity Securities	-32.7%
Written Options	-1.1%
Other Assets less Liabilities*	50.8%
	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 33.7% of net assets. See Note 2.

<b>Sector Breakdown</b>	<b>(% of Equity Holdings)</b>	
	Long	Short
Consumer Discretionary	20.4%	19.5%
Consumer Staples	15.1%	6.9%
Energy	5.6%	2.7%
Financial	21.4%	22.5%
Healthcare	9.2%	10.6%
Industrial	8.2%	18.9%
Information Technology	11.1%	10.6%
Materials	1.6%	4.3%
Telecommunication Services	6.9%	3.9%
Utilities	0.5%	0.1%
	100.0%	100.0%

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Shares	Security Description	Value	Shares	Security Description	Value
<b>Long Positions - 83.0%</b>			<b>Consumer Staples - 5.7%</b>		
<b>Equity Securities - 38.9%</b>					
<b>Common Stock - 37.1%</b>					
<b>Consumer Discretionary - 7.8%</b>					
16,800	Aaron's, Inc. (a)	\$ 465,360	33,800	Addus HomeCare Corp. (a)(b)	\$ 979,186
147,000	Apollo Group, Inc., Class A (b)	3,059,070	290,000	Avon Products, Inc.	5,974,000
220,000	Bed Bath & Beyond, Inc. (a)(b)	17,019,200	70,000	Campbell Soup Co.	2,849,700
17,800	Best Buy Co., Inc. (a)	667,500	13,500	Celgene Corp. (a)(b)	2,078,055
22,000	Brown Shoe Co., Inc. (a)	516,340	33,100	Consolidated Graphics, Inc. (a)(b)	1,855,586
10,000	Capella Education Co. (a)(b)	565,600	20,100	Humana, Inc. (a)	1,875,933
411,400	CarMax, Inc. (b)(c)	19,940,558	79,700	LHC Group, Inc. (a)(b)	1,869,762
55,700	Cash America International, Inc.	2,522,096	375,000	Molson Coors Brewing Co., Class B	18,798,750
48,100	CEC Entertainment, Inc. (a)	2,205,866	58,700	MoneyGram International, Inc. (a)(b)	1,149,346
243,000	Coach, Inc. (a)(d)	13,250,790	58,600	Omega Protein Corp. (a)(b)	595,962
48,100	CTC Media, Inc. (a)	505,531	426,000	PepsiCo, Inc. (c)(d)	33,867,000
554,536	CVS Caremark Corp. (a)(c)(d)	31,469,918	156,900	PharMerica Corp. (a)(b)	2,082,063
23,200	Deckers Outdoor Corp. (a)(b)	1,529,344	11,400	Questcor Pharmaceuticals, Inc. (a)	661,200
34,000	Destination Maternity Corp. (a)	1,081,200	6,800	Sanderson Farms, Inc. (a)	443,632
290,000	DIRECTV (b)(d)	17,327,500	330,400	Sciclone Pharmaceuticals, Inc. (a)(b)	1,675,128
39,800	Express, Inc. (a)(b)	938,882	1,416,400	Sysco Corp. (a)	45,084,012
27,400	GameStop Corp., Class A (a)	1,360,410	100,000	The Clorox Co.	8,172,000
20,800	Google, Inc., Class A (a)(b)(c)	18,218,928	640,000	The Coca-Cola Co. (c)(d)	24,243,200
97,463	Hertz Global Holdings, Inc. (b)	2,159,780	23,900	The Kroger Co. (a)	964,126
29,500	hhgregg, Inc. (a)(b)	528,345	370,000	The Procter & Gamble Co. (c)(d)	27,968,300
90,400	Ingram Micro, Inc., Class A (a)(b)	2,083,720	77,000	The Providence Service Corp. (a)(b)	2,209,130
8,700	Jarden Corp. (a)(b)	421,080	820,000	The Western Union Co.	15,301,200
275,454	JC Penney Co., Inc. (b)	2,429,504	130,891	TherapeuticsMD, Inc. (b)	383,511
101,600	Kirkland's, Inc. (a)(b)	1,873,504	26,900	Tyson Foods, Inc., Class A (a)	760,732
370,785	Kohl's Corp. (a)(d)	19,188,124	105,984	Xueda Education Group, ADR (b)	447,252
28,000	Lear Corp. (a)	2,003,960			<u>202,288,766</u>
15,900	Libbey, Inc. (a)(b)	378,102	<b>Energy - 1.8%</b>		
101,800	Meritor, Inc. (a)(b)	800,148	225,000	Apache Corp. (c)(d)	19,156,500
59,900	Modine Manufacturing Co. (a)(b)	876,337	100,000	ConocoPhillips (c)	6,951,000
13,400	Oshkosh Corp. (a)(b)	656,332	33,400	Dawson Geophysical Co. (a)(b)	1,084,498
129,700	PetMed Express, Inc. (a)	2,112,813	120,000	Exxon Mobil Corp. (d)	10,324,800
333,350	Robert Half International, Inc. (a)	13,010,651	133,400	Gran Tierra Energy, Inc. (a)(b)	945,806
68,606	Sequential Brands Group, Inc. (b)	380,763	22,500	Green Plains Renewable Energy, Inc. (a)	361,125
342,650	Target Corp. (a)(c)	21,922,747	167,800	Newpark Resources, Inc. (a)(b)	2,124,348
26,000	The Childrens Place Retail Stores, Inc. (a)(b)	1,504,360	15,700	Oceaneering International, Inc. (a)	1,275,468
91,700	The Goodyear Tire & Rubber Co. (a)(b)	2,058,665	200,600	Parker Drilling Co. (a)(b)	1,143,420
35,100	The Ryland Group, Inc. (a)	1,422,954	24,000	Renewable Energy Group, Inc. (a)(b)	363,600
193,600	The Walt Disney Co. (a)(c)	12,485,264	28,900	SM Energy Co. (a)	2,230,791
92,900	Tower International, Inc. (a)(b)	1,857,071	400,000	Spectra Energy Corp.	13,692,000
150,000	Viacom, Inc., Class B	12,537,000	42,500	Stone Energy Corp. (a)(b)	1,378,275
415,800	Walgreen Co. (a)(c)	22,370,040	347,200	Vaalco Energy, Inc. (a)(b)	1,937,376
243,100	Wal-Mart Stores, Inc. (a)(c)	17,979,676	40,000	Whiting Petroleum Corp. (a)(b)	2,394,000
60,500	Weight Watchers International, Inc. (c)(d)	2,260,885			<u>65,363,007</u>
		<u>277,945,918</u>	<b>Financial - 7.6%</b>		
			35,000	AerCap Holdings NV (a)(b)	681,100
			256,000	American Express Co. (a)(c)(d)	19,333,120
			490,700	American International Group, Inc. (a)	23,862,741
			63,100	Aon PLC	4,697,164
			53,100	Ashford Hospitality Trust, Inc. REIT (a)	655,254
			36,700	Assurant, Inc. (a)	1,985,470

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Shares	Security Description	Value	Shares	Security Description	Value
224,000	Bancorp, Inc. (b)	\$ 3,969,280	<b>Industrial - 3.2%</b>		
1,422,000	Bank of America Corp. (a)(c)	19,623,600	72,800	AAR Corp. (a)	\$ 1,989,624
58,000	Banner Corp. (a)	2,213,280	58,900	AECOM Technology Corp. (a)(b)	1,841,803
144	Berkshire Hathaway, Inc., Class A (a)(b)	24,539,040	20,500	Alliant Techsystems, Inc. (a)	1,999,980
217,000	Berkshire Hathaway, Inc., Class B (a)(b)(c)(d)	24,631,670	20,900	Argan, Inc. (a)(b)	459,173
15,100	Everest Re Group, Ltd. (a)	2,195,691	190,000	Celestica, Inc. (a)(b)	2,095,700
470	Fairfax Financial Holdings, Ltd.	191,548	95,000	CH Robinson Worldwide, Inc.	5,658,200
105,600	Fifth Third Bancorp (a)	1,905,024	77,800	Coleman Cable, Inc. (a)	1,642,358
8,473	First Republic Bank	395,096	129,700	Comfort Systems USA, Inc. (a)	2,180,257
292,590	Franklin Resources, Inc. (a)	14,790,424	29,200	Ducommun, Inc. (a)(b)	837,456
222,345	Hannon Armstrong Sustainable Infrastructure Capital, Inc.	2,534,733	79,700	Dycom Industries, Inc. (a)(b)	2,230,803
59,300	Health Net, Inc. (a)(b)	1,879,810	127,700	Exelis, Inc. (a)	2,006,167
32,000	KeyCorp (a)	364,800	565,600	Expeditors International of Washington, Inc. (a)	24,920,336
26,200	Lakeland Financial Corp. (a)	855,430	12,700	Huntington Ingalls Industries, Inc. (a)	855,980
583,200	Leucadia National Corp. (a)	15,886,368	10,000	Hyster-Yale Materials Handling, Inc. (a)	896,700
2	ORIX Corp., ADR	164	197,400	Kratos Defense & Security Solutions, Inc. (a)(b)	1,634,472
17,300	Outerwall ,Inc. (a)(b)	864,827	22,100	L-3 Communications Holdings, Inc. (a)	2,088,450
250,000	Paychex, Inc.	10,160,000	59,300	Myers Industries, Inc. (a)	1,192,523
650,000	People's United Financial, Inc.	9,347,000	41,100	Northwest Pipe Co. (a)(b)	1,351,368
200,000	Resource America, Inc., Class A	1,606,000	96,100	Pacer International, Inc. (a)(b)	594,859
571,600	The Bank of New York Mellon Corp. (a)(c)	17,256,604	33,100	Packaging Corp. of America (a)	1,889,679
62,900	The Goldman Sachs Group, Inc. (a)(c)(d)	9,951,409	50,368	Rock-Tenn Co., Class A (a)	5,100,767
72,500	The Travelers Cos., Inc.	6,145,825	186,100	Smith & Wesson Holding Corp. (a)(b)	2,045,239
785,650	Wells Fargo & Co. (a)(c)	32,463,058	31,100	Stoneridge, Inc. (a)(b)	336,191
5,500	World Acceptance Corp. (a)(b)	494,560	34,000	Sturm Ruger & Co., Inc. (a)	2,129,420
375,000	WR Berkley Corp.	16,072,500	156,800	The Boeing Co. (a)(c)	18,424,000
		<u>271,552,590</u>	128,290	Trinity Industries, Inc.	5,817,952
			73,900	Tutor Perini Corp. (a)(b)	1,575,548
<b>Healthcare - 3.4%</b>			98,050	United Parcel Service, Inc., Class B (a)(c)(d)	8,958,828
200,700	Abbott Laboratories (a)	6,661,233	28,400	URS Corp. (a)	1,526,500
34,800	AmerisourceBergen Corp. (a)	2,126,280	70,600	Vishay Intertechnology, Inc. (a)(b)	910,034
17,100	Amgen, Inc. (a)(c)(d)	1,914,174	250,000	Xylem, Inc.	6,982,500
145,000	Becton Dickinson and Co.	14,502,900			<u>112,172,867</u>
9,000	Biogen Idec, Inc. (a)(b)	2,166,840	<b>Information Technology - 4.3%</b>		
165,000	CR Bard, Inc.	19,008,000	198,100	Accenture PLC, Class A (a)(d)	14,588,084
140,000	Johnson & Johnson (c)(d)	12,136,600	39,900	Apple, Inc. (a)(d)	19,022,325
27,600	Magellan Health Services, Inc. (a)(b)	1,654,896	120,000	Blackberry, Ltd. (b)	954,000
16,300	McKesson Corp. (a)	2,091,290	162,500	Check Point Software Technologies, Ltd. (b)	9,191,000
250,000	Medtronic, Inc. (c)(d)	13,312,500	59,000	Cirrus Logic, Inc. (a)(b)	1,338,120
75,600	Myriad Genetics, Inc. (a)(b)	1,776,600	167,700	Compuware Corp. (a)	1,878,240
190,000	Novartis AG, ADR	14,574,900	340,000	Corning, Inc.	4,960,600
38,500	Omnicare, Inc. (a)	2,136,750	435,000	Dell, Inc.	5,989,950
248,600	PDL BioPharma, Inc. (a)	1,981,342	62,700	Digital River, Inc. (a)(b)	1,120,449
195,000	Stryker Corp.	13,180,050	102,400	Electronic Arts, Inc. (b)	2,616,320
46,600	Triple-S Management Corp., Class B (a)(b)	856,974	325,000	EMC Corp. (c)(d)	8,307,000
25,300	United Therapeutics Corp. (a)(b)	1,994,905	125,800	Hewlett-Packard Co. (c)	2,639,284
74,000	Warner Chilcott PLC, Class A (a)	1,690,900	91,340	International Business Machines Corp. (a)(d)	16,914,341
83,800	WellPoint, Inc. (a)	7,006,518			
		<u>120,773,652</u>			



**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Shares	Security Description	Rate	Value	Principal	Security Description	Rate	Maturity	Value	
<b>Industrial - 0.0%</b>				\$ 1,270,965	Adjustable Rate Mortgage Trust, Series 2006-1 2A1 (h)	3.15%	03/25/36	\$ 997,494	
38,297	Continental Airlines Finance Trust II (a)	6.00%	\$ 1,705,411						
<b>Materials - 0.1%</b>				71,034	Adjustable Rate Mortgage Trust, Series 2006-1 3A3 (h)	3.01	03/25/36	52,447	
80,697	ArcelorMittal, Series MTUS (a)	6.00	1,734,178						
<b>Telecommunication Services - 0.0%</b>				400,000	Alm Loan Funding, Series 2012-7A A1 (e)(h)	1.69	10/19/24	401,632	
11,940	Iridium Communications, Inc. (a)(e)	7.00	1,169,374						
<b>Utilities - 0.1%</b>				869,914	Alta Wind Holdings, LLC (e)	7.00	06/30/35	927,255	
64,296	CenterPoint Energy, Inc. (a)(g)	3.55	3,206,763						
Total Preferred Stock (Cost \$47,532,584)									<b>62,433,615</b>
<b>Total Equity Securities (Cost \$1,030,258,976)</b>									<b>1,383,701,827</b>
Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
<b>Fixed Income Securities - 34.2%</b>					2,000,000	American Airlines 2013-2 Class A Pass Through Trust (a)(e)	4.95	01/15/23	2,015,000
<b>Asset Backed Obligations - 8.2%</b>					267,929	American Home Mortgage Assets Trust, Series 2007-4 A2 (h)	0.37	08/25/37	238,096
\$ 2,934,394	ACE Securities Corp. Home Equity Loan Trust, Series 2006-ASP3 A2C (h)	0.33	06/25/36	2,028,171	1,024,201	ARES XII CLO, Ltd., Series 2007-12A A (e)(h)	0.89	11/25/20	1,018,430
1,775,000	ACE Securities Corp. Home Equity Loan Trust, Series 2006-HE1 A2D (h)	0.48	02/25/36	1,300,195	1,300,000	ARES XXVI CLO, Ltd., Series 2013-1A E (e)(h)	5.29	04/15/25	1,158,501
506,102	ACE Securities Corp. Home Equity Loan Trust, Series 2007-HE1 A2A (h)	0.27	01/25/37	281,704	1,330,300	Asset Backed Funding Certificates, Series 2007-NC1 M2 (e)(h)	1.43	05/25/37	9,775
1,017,532	ACS Pass Through Trust, Series 2007-1A G1 (a)(e)(h)	0.49	06/14/37	919,442	1,430,328	Asset Backed Funding Certificates, Series 2007-WMC1 A2B (h)	1.18	06/25/37	929,215
1,808,955	Adjustable Rate Mortgage Trust, Series 2005-11 2A41 (h)	2.71	02/25/36	1,682,762	2,035,000	Astoria Depositor Corp. (e)	8.14	05/01/21	2,014,650
101,974	Adjustable Rate Mortgage Trust, Series 2005-12 2A1 (h)	2.99	03/25/36	78,523	1,140,000	Avalon IV Capital, Ltd., Series 2012-1A C (a)(e)(h)	3.87	04/17/23	1,145,791
131,316	Adjustable Rate Mortgage Trust, Series 2005-3 8A32 (a)(h)	0.50	07/25/35	130,154	801,800	AWAS Aviation Capital, Ltd. (e)	7.00	10/17/16	829,863
					500,000	Axis Equipment Finance Receivables, LLC, Series 2012-1I D (a)(f)	5.50	11/20/15	482,652
					500,000	Axis Equipment Finance Receivables, LLC, Series 2012-1I E1 (a)(f)	6.25	04/20/16	450,152



**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 550,000	Axis Equipment Finance Receivables, LLC, Series 2012-1l E2 (a)(f)	7.00%	03/20/17	\$ 467,667	\$ 3,700,000	Bayview Commercial Asset Trust, Series 2008-4 A3 (e)(h)	2.93%	07/25/38	\$ 3,333,513
1,244,603	Banc of America Alternative Loan Trust, Series 2005-2 4A1	5.50	03/25/20	1,307,879	1,225,000	Bayview Commercial Mortgage Pass-Through Trust, Series 2006-SP1 M1 (a)(e)(h)	0.63	04/25/36	1,002,893
237,390	Banc of America Alternative Loan Trust, Series 2005-8 2CB1	6.00	09/25/35	221,226	62,344	Bayview Financial Mortgage Pass-Through Trust, Series 2005-D AF3 (a)(h)	5.50	12/28/35	63,187
55,225	Banc of America Funding Corp., Series 2006-E 2A1 (h)	2.82	06/20/36	45,092	2,302,775	BCAP, LLC Trust, Series 2007-AA1 1A2 (h)	0.34	02/25/47	1,976,099
235,311	Banc of America Funding Corp., Series 2006-F 1A1 (h)	2.73	07/20/36	225,467	2,729,145	BCAP, LLC, Series 2013-RR2 6A1 (e)(h)	3.00	06/26/37	2,743,496
68,196	Banc of America Funding Corp., Series 2006-G 2A3 (a)(h)	0.35	07/20/36	67,803	90,253	Beacon Container Finance, LLC, Series 2012-1A A (a)(e)	3.72	09/20/27	90,721
186,187	Banc of America Funding Corp., Series 2006-H 6A1 (h)	0.37	10/20/36	122,436	2,954,533	Bear Stearns Adjustable Rate Mortgage Trust, Series 2005-2 A1 (h)	2.60	03/25/35	2,991,671
119,045	Banc of America Funding Corp., Series 2007-E 4A1 (h)	2.69	07/20/47	91,987	206,281	Bear Stearns Adjustable Rate Mortgage Trust, Series 2007-5 1A1 (h)	2.68	08/25/47	145,479
3,026,363	Banc of America Funding Trust, Series 2006-3 5A3	5.50	03/25/36	2,894,250	221,185	Bear Stearns ALT-A Trust, Series 2005-4 1A1 (h)	0.62	04/25/35	198,854
175,000	Banc of America Merrill Lynch Commercial Mortgage, Inc., Series 2005-2 A5 (a)(h)	4.86	07/10/43	183,607	198,463	Bear Stearns Alt-A Trust, Series 2005-8 11A1 (h)	0.72	10/25/35	159,391
1,630,260	Bayview Commercial Asset Trust, Series 2004-3 A1 (e)(h)	0.55	01/25/35	1,487,184	413,611	Bear Stearns Alt-A Trust, Series 2006-1 22A1 (h)	2.58	02/25/36	295,862
					1,954,737	Bear Stearns Alt-A Trust, Series 2006-2 21A1 (h)	2.77	03/25/36	1,231,795
					186,721	Bear Stearns Alt-A Trust, Series 2006-2 23A1 (h)	2.75	03/25/36	125,711
					1,222,776	Bear Stearns Alt-A Trust, Series 2006-3 1A1 (h)	0.56	05/25/36	761,984

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 1,360,778	Bear Stearns Alt-A Trust, Series 2006-4 11A1 (h)	0.50%	08/25/36	\$ 882,384	\$ 1,200,000	Citicorp Residential Mortgage Securities, Inc., Series 2006-2 A5 (g)	6.04%	09/25/36	\$ 1,149,952
107,119	Bear Stearns Asset Backed Securities Trust, Series 2005-TC2 A3 (a)(h)	0.55	08/25/35	105,922	1,200,000	Citicorp Residential Mortgage Securities, Inc., Series 2007-1 A5 (g)	6.05	03/25/37	1,095,517
3,680,377	Bear Stearns Asset Backed Securities Trust, Series 2006-AC2 21A3	6.00	03/25/36	3,146,361	327,543	Citigroup Mortgage Loan Trust, Inc., Series 2006-WF1 A2D (g)	5.77	03/25/36	223,602
1,640,000	Bear Stearns Commercial Mortgage Securities Trust, Series 2005-T20 A4A (h)	5.29	10/12/42	1,756,078	562,946	Citigroup Mortgage Loan Trust, Inc., Series 2007-AR8 2A1A (h)	2.78	07/25/37	467,051
77,283	BNC Mortgage Loan Trust, Series 2007-1 A2 (a)(h)	0.24	03/25/37	75,762	4,585,500	Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH1 A4 (h)	0.38	01/25/37	3,718,047
1,500,000	BNC Mortgage Loan Trust, Series 2007-3 A3 (h)	0.31	07/25/37	1,380,358	579,520	Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH3 A2 (h)	0.34	06/25/37	536,346
85,123	BNC Mortgage Loan Trust, Series 2007-4 A3A (h)	0.43	11/25/37	84,672	3,140,505	Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH4 A2B (h)	1.23	07/25/37	2,695,072
3,000,000	Brazos Higher Education Authority, Series 2010-1 A2 (h)	1.46	02/25/35	2,985,237	285,000	Citigroup Mortgage Loan Trust, Inc., Series 2007-WFH4 A2C (h)	1.48	07/25/37	184,968
382,496	Centex Home Equity Loan Trust, Series 2005-C AF6 (g)	4.64	06/25/35	377,479	140,289	CitiMortgage Alternative Loan Trust, Series 2006-A7 1A12	6.00	12/25/36	117,772
1,700,000	Centex Home Equity Loan Trust, Series 2006-A AV4 (h)	0.43	06/25/36	1,471,544	54,411	CitiMortgage Alternative Loan Trust, Series 2007-A4 1A6	5.75	04/25/37	44,961
937,039	Chase Mortgage Finance Trust, Series 2007-A1 8A1 (h)	2.85	02/25/37	944,067	1,140,000	ColumbusNova CLO IV, Ltd., Series 2007-2A D (e)(h)	4.77	10/15/21	1,140,399
333,768	ChaseFlex Trust, Series 2007-1 2A9	6.00	02/25/37	280,662	906,082	Conseco Finance Home Equity Loan Trust, Series 2002-C BF1 (h)	8.00	06/15/32	1,001,026
100,000	CIFC Funding Ltd., Series 2012-2A A1L (a)(e)(h)	1.66	12/05/24	100,193					
2,761,567	CIT Education Loan Trust, Series 2007-1 A (e)(h)	0.34	03/25/42	2,531,653					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 872,592	Conseco Finance Securitizations Corp., Series 2001-4 A4 (a)	7.36%	08/01/32	\$ 936,606	\$ 1,469,054	Countrywide Asset-Backed Certificates, Series 2007-13 2A1 (h)	1.08%	10/25/47	\$ 1,243,466
466,948	Continental Airlines Pass Through Trust, Series 2007-1 B (a)	6.90	04/19/22	478,014	1,338,819	Countrywide Home Loan Mortgage Pass Through Trust, Series 2004-HYB5 3A1 (h)	2.66	04/20/35	1,167,083
682,390	Continental Airlines Pass Through Trust, Series 2009-1 (a)	9.00	07/08/16	779,631	272,132	Countrywide Home Loan Mortgage Pass Through Trust, Series 2007-HY3 4A1 (h)	5.40	06/25/47	247,140
733,862	Coso Geothermal Power Holdings LLC (e)	7.00	07/15/26	414,632	85,105	Countrywide Home Loan Mortgage Pass Through Trust, Series 2007-HY5 1A1 (h)	2.85	09/25/47	69,753
63,605	Countrywide Alternative Loan Trust, Series 2004-J10 4CB1	6.50	10/25/34	66,947	19,885	Credit Suisse First Boston Mortgage Securities Corp., Series 2003-AR24 2A4 (h)	2.56	10/25/33	18,857
69,645	Countrywide Alternative Loan Trust, Series 2005-50CB 1A1	5.50	11/25/35	60,519	984,927	Credit Suisse First Boston Mortgage Securities Corp., Series 2005-11 8A9	5.25	12/25/35	992,444
245,691	Countrywide Alternative Loan Trust, Series 2005-73CB 1A8	5.50	01/25/36	225,156	92,491	Credit Suisse First Boston Mortgage Securities Corp., Series 2005-6 8A1 (a)	4.50	07/25/20	94,151
750,043	Countrywide Alternative Loan Trust, Series 2005-J10 1A16	5.50	10/25/35	669,892	94,385	Credit Suisse Mortgage Capital Certificates, Series 2006-8 3A1	6.00	10/25/21	90,720
498,955	Countrywide Alternative Loan Trust, Series 2005-J12 2A1 (h)	0.45	08/25/35	299,713	1,422,789	Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB7 A5 (h)	0.42	10/25/36	888,772
286,056	Countrywide Alternative Loan Trust, Series 2006-36T2 1A1 (h)	0.50	12/25/36	175,898	1,467,164	Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB8 A2B (h)	0.29	10/25/36	1,363,528
32,965	Countrywide Alternative Loan Trust, Series 2006-7CB 3A1	5.25	05/25/21	28,267					
315,428	Countrywide Alternative Loan Trust, Series 2007-16CB 4A7	6.00	08/25/37	273,027					
243,589	Countrywide Alternative Loan Trust, Series 2007-19 1A34	6.00	08/25/37	192,131					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 5,559,398	Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB9 A2 (h)	0.29%	11/25/36	\$ 2,923,159	\$ 125,297	DBRR Trust, Series 2012-EZ1 A (a)(e)	0.95%	09/25/45	\$ 125,239
6,748,121	Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB9 A3 (h)	0.33	11/25/36	3,567,812	130,471	DBRR Trust, Series 2013-EZ2 A (a)(e)(h)	0.85	02/25/45	130,005
3,174,737	Credit-Based Asset Servicing and Securitization, LLC, Series 2006-CB9 A4 (h)	0.41	11/25/36	1,697,113	1,057,339	Delta Air Lines Pass Through Trust, Series 2002-1 G-1 (a)	6.72	01/02/23	1,152,499
2,474,080	Credit-Based Asset Servicing and Securitization, LLC, Series 2007-CB2 A2B (g)	5.06	02/25/37	1,806,821	720,837	Deutsche Alt-A Securities, Inc. Mortgage Loan Trust, Series 2007-AR1 A4 (h)	0.34	01/25/47	486,319
2,769,273	Credit-Based Asset Servicing and Securitization, LLC, Series 2007-CB2 A2E (a)(g)	5.06	02/25/37	2,021,763	256,565	Deutsche Alt-B Securities, Inc. Mortgage Loan Trust, Series 2006-AB2 A5B (g)	6.09	06/25/36	197,586
1,396,145	Credit-Based Asset Servicing and Securitization, LLC, Series 2007-CB5 A3 (h)	0.43	04/25/37	873,923	1,200,000	Dryden XXII Senior Loan Fund, Series 2013-30A C (e)(f)(h)	3.11	11/15/25	1,168,445
520,000	Cronos Containers Program, Ltd., Series 2012-1A A (e)	4.21	05/18/27	527,765	1,000,000	Dryden XXVI Senior Loan Fund, Series 2013-26A C (e)(h)	2.77	07/15/25	949,558
450,000	Cronos Containers Program, Ltd., Series 2012-2A A (e)	3.81	09/18/27	457,541	2,920,000	Equifirst Loan Securitization Trust, Series 2007-1 A2B (h)	0.37	04/25/37	1,811,714
903,505	CSAB Mortgage Backed Trust, Series 2007-1 1A1A (h)	5.90	05/25/37	546,603	70,083	Equity One Mortgage Pass-Through Trust, Series 2002-4 M1 (h)	5.22	02/25/33	65,892
1,633,197	CSMC Trust, Series 2013-3R 5A1 (e)(h)	2.69	10/27/36	1,643,578	3,661,000	First Franklin Mortgage Loan Trust, Series 2006-FF13 A2D (h)	0.42	10/25/36	2,251,563
75,000	DBRR Trust, Series 2011-LC2 A4A (a)(e)(h)	4.54	07/12/44	80,410	2,953,441	First Franklin Mortgage Loan Trust, Series 2006-FF18 A2B (h)	0.29	12/25/37	1,706,271
					838,047	First Franklin Mortgage Loan Trust, Series 2007-FF1 A2C (h)	0.32	01/25/38	489,148
					1,218,741	First Horizon Alternative Mortgage Securities Trust, Series 2005-AA3 2A1 (h)	2.35	05/25/35	955,581

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 426,274	First Horizon Alternative Mortgage Securities Trust, Series 2006-FA8 1A1	6.25%	02/25/37	\$ 353,998	\$ 423,299	Green Tree Financial Corp., Series 1997-1 A6 (a)	7.29%	03/15/28	\$ 434,333
502,303	First Horizon Alternative Mortgage Securities Trust, Series 2006-FA8 1A8 (h)	0.55	02/25/37	317,878	918,463	Green Tree, Series 2008-MH1 A2 (a)(e)(h)	8.97	04/25/38	1,013,654
4,610,000	First NLC Trust, Series 2005-4 A4 (h)	0.57	02/25/36	2,918,139	891,858	Green Tree, Series 2008-MH1 A3 (a)(e)(h)	8.97	04/25/38	984,293
217,950	FNMA, Series 2012-M15, Class A (a)(h)	2.74	10/25/22	211,942	3,131,909	GreenPoint Mortgage Funding Trust, Series 2006-AR8 1A2A (h)	0.36	01/25/47	2,772,384
171,503	FPL Energy National Wind Portfolio, LLC (e)	6.13	03/25/19	145,954	1,157,318	Greenwich Capital Commercial Mortgage Trust, Series 2004-GG1 A7 (h)	5.32	06/10/36	1,168,657
4,065,000	GCO Education Loan Funding Trust, Series 2006-2AR A1RN (a)(e)(f)(h)	0.83	08/27/46	3,841,478	250,000	GS Mortgage Securities Trust, Series 2011-GC5 A4 (a)	3.71	08/10/44	258,656
1,198,428	GE Business Loan Trust, Series 2003-2A A (e)(h)	0.55	11/15/31	1,152,355	325,868	GSAA Home Equity Trust, Series 2005-12 AF3 (h)	5.07	09/25/35	302,788
970,574	GE Business Loan Trust, Series 2004-1 A (a)(e)(h)	0.47	05/15/32	933,252	1,411,801	GSAA Home Equity Trust, Series 2006-20 1A1 (h)	0.25	12/25/46	706,551
994,000	GE Business Loan Trust, Series 2005-1A A3 (a)(e)(h)	0.43	06/15/33	930,641	1,251,362	GSAA Home Equity Trust, Series 2007-5 2A3A (h)	0.50	04/25/47	727,382
1,218,466	GE Business Loan Trust, Series 2005-2A A (a)(e)(h)	0.42	11/15/33	1,122,759	2,503,163	GSAA Trust, Series 2007-3 1A1B (h)	0.28	03/25/47	323,855
53,914	GE Business Loan Trust, Series 2005-2A B (a)(e)(h)	0.68	11/15/33	46,598	360,875	GSR Mortgage Loan Trust, Series 2004-14 3A2 (h)	3.07	12/25/34	312,999
81,667	GE Seaco Finance SRL, Series 2004-1A A (e)(h)	0.48	04/17/19	81,415	1,525,000	GSR Mortgage Loan Trust, Series 2004-9 5A7 (h)	2.59	08/25/34	1,453,334
780,000	GE Seaco Finance SRL, Series 2005-1A A (a)(e)(h)	0.43	11/17/20	770,925	202,699	GSR Mortgage Loan Trust, Series 2005-AR5 1A1 (h)	2.82	10/25/35	175,300
123,908	Goal Capital Funding Trust, Series 2006-1 A3 (a)(h)	0.38	11/25/26	122,271	3,110,775	GSR Mortgage Loan Trust, Series 2005-AR6 2A1 (h)	2.66	09/25/35	3,099,986
					1,080,910	GSR Mortgage Loan Trust, Series 2007-AR2 2A1 (h)	2.77	05/25/47	953,772

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 15,639	HarborView Mortgage Loan Trust, Series 2004-8 2A4A (a)(h)	0.58%	11/19/34	\$ 12,882	\$ 80,892	Indymac Index Mortgage Loan Trust, Series 2006-AR25 3A1 (h)	2.73%	09/25/36	\$ 57,535
1,149,000	Hewett's Island Clo V, Ltd., Series 2006-5A D (e)(h)	1.71	12/05/18	1,095,755	157,928	Indymac Index Mortgage Loan Trust, Series 2006-AR29 A1 (h)	0.35	11/25/36	113,436
253,270	HomeBanc Mortgage Trust, Series 2004-1 2A (h)	1.04	08/25/29	233,684	202,555	Indymac Index Mortgage Loan Trust, Series 2006-AR33 3A1 (h)	4.94	01/25/37	170,578
900,000	HSBC Home Equity Loan Trust, Series 2006-3 A4 (h)	0.42	03/20/36	871,290	2,583,107	Indymac Index Mortgage Loan Trust, Series 2006-AR41 A3 (h)	0.36	02/25/37	1,794,916
242,217	HSBC Home Equity Loan Trust, Series 2006-4 A3V (h)	0.33	03/20/36	239,508	775,513	Indymac Index Mortgage Loan Trust, Series 2006-AR7 1A1 (h)	2.94	05/25/36	554,933
1,826,320	HSBC Home Equity Loan Trust, Series 2007-3 APT (a)(h)	1.38	11/20/36	1,822,388	3,223,375	Indymac Index Mortgage Loan Trust, Series 2006-AR7 3A1 (h)	2.72	05/25/36	2,422,321
220,588	HSI Asset Loan Obligation Trust, Series 2007-AR2 2A1 (h)	2.78	09/25/37	169,507	406,468	Indymac Index Mortgage Loan Trust, Series 2006-AR7 4A1 (h)	3.08	05/25/36	268,401
2,204,323	Impac CMB Trust, Series 2004-4 1A2 (h)	0.80	09/25/34	2,160,985	450,000	Indymac Index Mortgage Loan Trust, Series 2006-R1 A3 (h)	4.79	12/25/35	333,363
1,180,271	Indiantown Cogeneration LP, Series A-10 (a)	9.77	12/15/20	1,300,437	3,349,433	Indymac Index Mortgage Loan Trust, Series 2007-AR7 2A1 (h)	2.18	06/25/37	2,425,134
213,120	Indymac INDA Mortgage Loan Trust, Series 2007-AR7 1A1 (h)	3.07	11/25/37	192,419	367,080	Indymac Index Mortgage Loan Trust, Series 2007-FLX2 A1C (h)	0.37	04/25/37	237,153
1,160,257	Indymac Index Mortgage Loan Trust, Series 2004-AR12 A1 (h)	0.96	12/25/34	823,741	818,545	Indymac Manufactured Housing Contract, Series 1998-2 A4 (a)(h)	6.64	08/25/29	816,359
582,235	Indymac Index Mortgage Loan Trust, Series 2004-AR7 A2 (h)	1.04	09/25/34	466,662	250,000	ING Investment Management Co., Series 2012-4A A1 (e)(h)	1.66	10/15/23	250,453
342,755	Indymac Index Mortgage Loan Trust, Series 2005-AR5 1A1 (h)	2.45	05/25/35	242,576	862,831	JetBlue Airways Pass Through Trust, Series 2004-2 G1 (h)	0.64	08/15/16	827,239
1,683,765	Indymac Index Mortgage Loan Trust, Series 2006-AR19 1A2 (a)(h)	2.81	08/25/36	1,152,244					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 2,000,000	JetBlue Airways Pass Through Trust, Series 2004-2 G-2 (h)	0.71%	11/15/16	\$ 1,802,000	\$ 1,036,979	JP Morgan Mortgage Trust, Series 2007-A1 5A2 (a)(h)	2.91%	07/25/35	\$ 1,041,222
2,928,305	JP Morgan Alternative Loan Trust, Series 2006-A2 3A1 (h)	2.67	05/25/36	2,219,432	48,367	JP Morgan Mortgage Trust, Series 2007-A2 4A1M (h)	5.03	04/25/37	43,979
2,978,199	JP Morgan Mortgage Acquisition Trust, Series 2006-WMC3 A4 (h)	0.33	08/25/36	1,503,964	1,500,000	KKR Financial CLO Corp., Series 2005-1A B (e)(h)	0.71	04/26/17	1,463,380
4,256,818	JP Morgan Mortgage Acquisition Trust, Series 2007-CH3 A4 (a)(h)	0.39	03/25/37	3,320,833	1,150,000	LCM XIV LP, Series 14A D (e)(h)	3.78	07/15/25	1,090,561
1,110,000	JP Morgan Mortgage Acquisition Trust, Series 2007-CH4 A5 (h)	0.42	05/25/37	592,918	1,026,314	Lehman ABS Manufactured Housing Contract Trust, Series 2001-B A6 (a)(h)	6.47	04/15/40	1,116,355
2,590,000	JP Morgan Mortgage Acquisition Trust, Series 2007-HE1 AF2 (g)	4.65	03/25/47	1,908,265	144,750	Lehman Mortgage Trust, Series 2006-1 3A3	5.50	02/25/36	143,928
3,632,097	JP Morgan Mortgage Acquisition Trust, Series 2007-HE1 AF6 (g)	4.65	03/25/47	2,836,090	204,336	Lehman XS Trust, Series 2005-6 1A1 (h)	0.44	11/25/35	129,869
2,938,000	JP Morgan Mortgage Acquisition Trust, Series 2007-HE1 AV4 (h)	0.46	03/25/47	1,543,328	4,263,067	Lehman XS Trust, Series 2006-10N 1A3A (h)	0.39	07/25/46	3,142,891
205,522	JP Morgan Mortgage Trust, Series 2005-A5 TA1 (h)	5.57	08/25/35	205,279	1,730,375	Lehman XS Trust, Series 2006-13 1A2 (h)	0.35	09/25/36	1,358,796
207,288	JP Morgan Mortgage Trust, Series 2005-S2 2A9	5.50	09/25/35	207,058	896,930	Lehman XS Trust, Series 2006-14N 3A2 (h)	0.30	08/25/36	594,733
1,708,321	JP Morgan Mortgage Trust, Series 2006-A3 2A1 (h)	2.83	05/25/36	1,368,802	1,695,573	Lehman XS Trust, Series 2006-19 A2 (h)	0.35	12/25/36	1,309,384
2,721,036	JP Morgan Mortgage Trust, Series 2006-S2 2A2	5.88	06/25/21	2,726,775	1,915,658	Lehman XS Trust, Series 2006-9 A1B (h)	0.34	05/25/46	1,500,292
					301,978	MASTR Adjustable Rate Mortgages Trust, Series 2007-R5 A1 (e)(h)	2.49	11/25/35	199,502
					3,806,000	MASTR Asset Backed Securities Trust, Series 2006-AM2 A4 (e)(h)	0.44	06/25/36	1,800,259
					885,000	MASTR Asset Backed Securities Trust, Series 2007-HE1 A3 (h)	0.39	05/25/37	531,081

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 16,809	MASTR Seasoned Securitization Trust, Series 2004-1 4A1 (a)(h)	2.71%	10/25/32	\$ 16,623	\$ 1,835,000	Morgan Stanley Capital I, Inc. Trust, Series 2006-T21 A4 (a)(h)	5.16%	10/12/52	\$ 1,967,237
1,098,157	Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-1 A2C (h)	0.43	04/25/37	610,827	175,000	Morgan Stanley Capital I, Inc. Trust, Series 2006-T23 A4 (a)(h)	5.99	08/12/41	193,864
63,355	Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-1 A2D (h)	0.52	04/25/37	35,677	165,000	Morgan Stanley Capital I, Inc. Trust, Series 2007-T27 A4 (a)(h)	5.82	06/11/42	186,695
1,510,708	Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-3 A2B (h)	0.31	06/25/37	1,054,181	150,000	Morgan Stanley Capital I, Inc. Trust, Series 2011-C3 A4 (a)	4.12	07/15/49	159,022
3,941,000	Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-3 A2C (h)	0.36	06/25/37	2,284,192	2,975,000	Morgan Stanley Capital I, Inc. Trust, Series 2006-HE1 A4 (h)	0.47	01/25/36	2,216,765
4,700,000	Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-3 A2D (h)	0.43	06/25/37	2,752,052	4,400,000	Morgan Stanley Capital I, Inc. Trust, Series 2006-NC2 A2D (h)	0.47	02/25/36	3,537,310
2,969,614	Merrill Lynch First Franklin Mortgage Loan Trust, Series 2007-4 2A4 (h)	0.43	07/25/37	1,662,010	1,713,039	Morgan Stanley Mortgage Loan Trust, Series 2006-11 1A3 (g)	6.42	08/25/36	866,258
795,781	Mid-State Capital Corp. Trust, Series 2006-1A (e)	5.79	10/15/40	844,458	2,445,048	Morgan Stanley Mortgage Loan Trust, Series 2006-7 5A2 (h)	5.96	06/25/36	1,450,532
337,473	Mirant Mid Atlantic Pass Through Trust, Series B	9.13	06/30/17	359,409	231,141	Morgan Stanley Mortgage Loan Trust, Series 2007-13 6A1	6.00	10/25/37	179,707
662,520	Mirant Mid Atlantic Pass Through Trust, Series C	10.06	12/30/28	727,530	1,482,651	Morgan Stanley Mortgage Loan Trust, Series 2007-7AX 2A1 (h)	0.30	04/25/37	695,352
200,000	Morgan Stanley ABS Capital I, Inc. Trust, Series 2004-NC7 M2 (a)(h)	1.11	07/25/34	187,483	2,813,867	Morgan Stanley Reremic Trust, Series 2013-R3 12A (e)(h)	2.88	01/26/47	2,838,947
1,905,555	Morgan Stanley ABS Capital I, Inc. Trust, Series 2007-HE1 A2C (h)	0.33	11/25/36	1,042,958	2,920,000	Nationstar Home Equity Loan Trust, Series 2006-B AV4 (h)	0.46	09/25/36	2,471,891
1,660,000	Morgan Stanley Capital I, Inc. Trust, Series 2005-T19 A4A	4.89	06/12/47	1,755,120	1,058,659	Nelnet Student Loan Trust, Series 2012-5A A (e)(h)	0.78	10/27/36	1,053,881
					375,762	Nomura Asset Acceptance Corp. Alternative Loan Trust, Series 2007-1 1A1A (g)	6.00	03/25/47	280,642



**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 1,470,873	Nomura Home Equity Loan, Inc. Home Equity Loan Trust, Series 2005-HE1 M3 (h)	0.66%	09/25/35	\$ 1,232,837	\$ 366,843	Residential Accredit Loans, Inc., Series 2007-QS1 1A1	6.00%	01/25/37	\$ 295,743
1,367,909	NovaStar Mortgage Funding Trust, Series 2006-2 A2C (h)	0.33	06/25/36	710,693	184,509	Residential Accredit Loans, Inc., Series 2007-QS5 A1	5.50	03/25/37	143,626
985,015	Oakwood Mortgage Investors, Inc., Series 1999-B A4	6.99	12/15/26	1,057,680	751,171	Residential Accredit Loans, Inc., Series 2007-QS8 A6	6.00	06/25/37	564,728
113,837	Opteum Mortgage Acceptance Corp. Asset Backed Pass-Through Certificates, Series 2005-5 2A1B (h)	5.64	12/25/35	112,968	22,154	Residential Asset Mortgage Products, Inc., Series 2004-RZ1 A17 (a)(h)	4.03	01/25/33	23,041
651,891	Origen Manufactured Housing Contract Trust, Series 2004-A M2 (a)(h)	6.64	01/15/35	721,426	425,993	Residential Asset Mortgage Products, Inc., Series 2004-SL3 A4	8.50	12/25/31	411,085
5,054,972	Ownit Mortgage Loan Trust, Series 2006-6 A2C (h)	0.34	09/25/37	2,556,499	431,244	Residential Asset Securitization Trust, Series 2006-A10 A5	6.50	09/25/36	305,091
1,845,000	Popular ABS Mortgage Pass-Through Trust, Series 2007-A A3 (h)	0.49	06/25/47	852,820	1,213,382	Residential Asset Securitization Trust, Series 2007-A5 1A2 (h)	0.58	05/25/37	360,658
1,030,000	Prudential Holdings, LLC (e)	8.70	12/18/23	1,296,355	2,469,789	Saxon Asset Securities Trust, Series 2005-4 A1B (h)	0.56	11/25/37	2,245,349
537,407	Residential Accredit Loans, Inc., Series 2005-Q03 A1 (h)	0.58	10/25/45	386,503	3,635,000	Saxon Asset Securities Trust, Series 2006-3 A3 (h)	0.35	10/25/46	2,724,669
669,568	Residential Accredit Loans, Inc., Series 2005-Q05 A1 (a)(h)	1.15	01/25/46	475,094	1,365,000	Saxon Asset Securities Trust, Series 2007-1 A2C (h)	0.33	01/25/47	826,873
478,106	Residential Accredit Loans, Inc., Series 2006-QS10 A1	6.00	08/25/36	374,201	2,350,990	Securitized Asset Backed Receivables, LLC Trust, Series 2007-BR5 A2C (h)	0.53	05/25/37	1,307,110
242,332	Residential Accredit Loans, Inc., Series 2006-QS17 A4	6.00	12/25/36	184,357	226,561	Securitized Asset Backed Receivables, LLC Trust, Series 2007-NC1 A2B (h)	0.33	12/25/36	115,064
					2,361,394	Securitized Asset Backed Receivables, LLC Trust, Series 2007-NC2 A2B (h)	0.32	01/25/37	1,417,826

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 1,232,373	SLC Student Loan Trust, Series 2004-1 B (h)	0.55%	08/15/31	\$ 1,091,682	\$ 106,314	Structured Adjustable Rate Mortgage Loan Trust, Series 2006-1 7A3 (h)	5.22%	02/25/36	\$ 104,479
989,313	SLC Student Loan Trust, Series 2005-2 B (h)	0.53	03/15/40	860,856	786,153	Structured Adjustable Rate Mortgage Loan Trust, Series 2006-1 7A4 (h)	5.22	02/25/36	628,002
1,384,720	SLC Student Loan Trust, Series 2006-1 B (h)	0.46	03/15/39	1,166,248	68,735	Structured Adjustable Rate Mortgage Loan Trust, Series 2007-3 3A1 (h)	5.08	04/25/47	52,067
1,100,000	SLC Student Loan Trust, Series 2006-2 A5 (h)	0.35	09/15/26	1,074,914	3,431,782	Structured Asset Mortgage Investments II Trust, Series 2007-AR6 A1 (h)	1.65	08/25/47	2,796,134
1,233,537	SLM Student Loan Trust, Series 2004-2 B (h)	0.74	07/25/39	1,111,169	188,019	Structured Asset Securities Corp. Mortgage Loan Trust, Series 2005-4XS 2A1A (a)(h)	1.93	03/25/35	183,571
1,263,000	SLM Student Loan Trust, Series 2005-4 B (h)	0.45	07/25/40	1,094,166	1,141,960	Structured Asset Securities Corp. Mortgage Pass-Through Certificates, Series 2003-26A 3A5 (a)(h)	2.45	09/25/33	1,114,376
1,364,849	SLM Student Loan Trust, Series 2005-9 B (h)	0.57	01/25/41	1,155,491	1,700,000	Structured Receivables Finance, LLC, Series 2010-A B (e)(f)	7.61	01/16/46	2,003,968
1,300,000	SLM Student Loan Trust, Series 2006-2 A6 (h)	0.44	01/25/41	1,132,431	900,000	Structured Receivables Finance, LLC, Series 2010-B B (e)(f)	7.97	08/15/36	1,074,272
1,300,000	SLM Student Loan Trust, Series 2006-8 A6 (h)	0.43	01/25/41	1,132,451	1,315,000	Symphony CLO IX, LP, Series 2012-9A C (a)(e)(h)	3.52	04/16/22	1,319,869
3,200,000	SLM Student Loan Trust, Series 2008-4 A4 (h)	1.92	07/25/22	3,345,456	825,000	Symphony CLO, Ltd., Series 2013-12A C (e)(f)(h)	3.00	10/15/25	804,543
1,425,000	Sound Point CLO, Ltd., Series 2012-1A C (a)(e)(h)	3.57	10/20/23	1,418,710	232,500	TAL Advantage I, LLC, Series 2006-1A (a)(e)(h)	0.37	04/20/21	229,265
959,316	Soundview Home Loan Trust, Series 2006-EQ2 A4 (h)	0.42	01/25/37	572,492	378,958	TAL Advantage I, LLC, Series 2010-2A A (e)	4.30	10/20/25	380,336
1,200,000	Soundview Home Loan Trust, Series 2007-NS1 A4 (h)	0.48	01/25/37	626,533	183,333	TAL Advantage I, LLC, Series 2011-1A A (e)	4.60	01/20/26	185,746
3,349,000	Soundview Home Loan Trust, Series 2007-OPT2 2A4 (h)	0.43	07/25/37	1,741,795					
870,007	Spirit Master Funding, LLC, Series 2005-1 A1 (a)(e)	5.05	07/20/23	878,707					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 10,742	Terwin Mortgage Trust, Series 2005-1SL M1 (e)(h)	1.05%	02/25/35	\$ 10,761	\$ 177,084	WaMu Mortgage Pass Through Certificates, Series 2006-AR16 1A1 (h)	2.35%	12/25/36	\$ 149,596
158,333	Textainer Marine Containers, Ltd., Series 2005-1A A (a)(e)(h)	0.43	05/15/20	156,659	331,979	WaMu Mortgage Pass Through Certificates, Series 2007-HY3 4A1 (h)	2.54	03/25/37	311,068
544,515	Trinity Rail Leasing LP, Series 2006-1A A1 (a)(e)	5.90	05/14/36	603,432	2,800,115	WaMu Mortgage Pass Through Certificates, Series 2007-OA1 A1A (h)	0.85	02/25/47	2,216,297
793,009	Trip Rail Master Funding, LLC, Series 2011-1A A1A (a)(e)	4.37	07/15/41	844,200	621,080	Washington Mutual Mortgage Pass-Through Certificates, Series 2005-3 2A3 (h)	0.73	05/25/35	416,632
485,767	Triton Container Finance, LLC, Series 2006-1A (a)(e)(h)	0.35	11/26/21	476,810	386,532	Washington Mutual Mortgage Pass-Through Certificates, Series 2005-4 CB13 (h)	0.68	06/25/35	287,688
239,063	Triton Container Finance, LLC, Series 2007-1A (a)(e)(h)	0.32	02/26/19	236,963	1,324,426	Washington Mutual Mortgage Pass-Through Certificates, Series 2006-1 4CB	6.50	02/25/36	870,271
693,333	Triton Container Finance, LLC, Series 2012-1A A (e)	4.21	05/14/27	703,937	483,058	Washington Mutual Mortgage Pass-Through Certificates, Series 2006-7 A1A (g)	5.06	09/25/36	281,378
493,051	UAL Pass Through Trust, Series 2009-1	10.40	11/01/16	555,915	2,155,069	Washington Mutual Mortgage Pass-Through Certificates, Series 2006-AR2 A1A (h)	1.09	04/25/46	1,588,519
180,000	US Airways Pass Through Trust, Series 2012-2A	4.63	06/03/25	173,700	2,124,821	Washington Mutual Mortgage Pass-Through Certificates, Series 2006-AR7 A1A (h)	1.07	09/25/46	1,204,266
1,830,000	Wachovia Bank Commercial Mortgage Trust, Series 2005-C20 A7 (a)(h)	5.12	07/15/42	1,939,856					
12,367	WaMu Mortgage Pass Through Certificates, Series 2002-AR18 A (a)(h)	2.50	01/25/33	12,453					
897,881	WaMu Mortgage Pass Through Certificates, Series 2005-AR17 A1A1 (h)	0.45	12/25/45	814,233					
1,321,816	WaMu Mortgage Pass Through Certificates, Series 2005-AR7 A2 (h)	2.42	08/25/35	1,330,820					
290,583	WaMu Mortgage Pass Through Certificates, Series 2006-AR12 2A3 (h)	3.20	10/25/36	230,607					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 2,400,446	Washington Mutual Mortgage Pass-Through Certificates, Series 2007-OA2 2A (h)	0.85%	01/25/47	\$ 1,500,041	\$ 2,083,000	Live Nation Entertainment, Inc.	2.88%	07/15/27	\$ 2,133,773
2,126,123	Washington Mutual Mortgage Pass-Through Certificates, Series 2007-OA3 2A (h)	0.90	02/25/47	1,300,281	4,750,000	M/I Homes, Inc. (a)	3.25	09/15/17	5,474,375
43,202	Wells Fargo Alternative Loan Trust, Series 2005-2 A4 (a)(h)	0.52	10/25/35	43,111	1,081,000	Meritage Homes Corp. (a)	1.88	09/15/32	1,169,507
245,135	Wells Fargo Home Equity Asset-Backed Securities Trust, Series 2006-3 A2 (h)	0.33	01/25/37	222,593	1,781,000	Meritor, Inc. (a)(e)	7.88	03/01/26	2,242,947
115,000	WF-RBS Commercial Mortgage Trust, Series 2011-C5 A4 (a)	3.67	11/15/44	117,371	7,350,000	Navistar International Corp. (a)	3.00	10/15/14	7,483,219
Total Asset Backed Obligations (Cost \$257,897,082)				<b>292,643,428</b>	5,200,000	priceline.com, Inc. (a)	1.25	03/15/15	17,277,000
<b>Corporate Convertible Bonds - 20.8%</b>					7,500,000	Regis Corp. (a)	5.00	07/15/14	8,292,187
<b>Consumer Discretionary - 3.3%</b>					7,340,000	Standard Pacific Corp. (a)	1.25	08/01/32	9,092,425
997,000	Callaway Golf Co. (a)	3.75	08/15/19	1,115,394	2,319,000	Tesla Motors, Inc. (a)	1.50	06/01/18	3,919,110
5,650,000	Chemed Corp. (a)	1.88	05/15/14	5,936,031	1,621,000	The Ryland Group, Inc. (a)	1.63	05/15/18	2,363,621
1,048,000	DR Horton, Inc., Series DHI (a)	2.00	05/15/14	1,595,580	6,463,000	Titan Machinery, Inc. (a)	3.75	05/01/19	5,776,306
9,391,000	Equinix, Inc. (a)	3.00	10/15/14	15,712,317	1,800,000	Volkswagen International Finance NV (e)	5.50	11/09/15	2,681,152
1,000,000	Exide Technologies (a)(f)(h)(i)	0.00	09/18/13	150,000	1,800,000	Wabash National Corp. (a)	3.38	05/01/18	2,359,125
969,000	Hawaiian Holdings, Inc. (a)	5.00	03/15/16	1,136,153	1,384,000	WESCO International, Inc. (a)	6.00	09/15/29	3,805,135
4,737,000	Home Inns & Hotels Management, Inc. (a)	2.00	12/15/15	4,497,189	1,024,000	XM Satellite Radio, Inc. (a)(e)	7.00	12/01/14	2,213,760
1,787,000	Iconix Brand Group, Inc. (a)	2.50	06/01/16	2,205,828	<b>Consumer Staples - 1.3%</b>				
2,244,000	JAKKS Pacific, Inc. (a)	4.50	11/01/14	2,130,398	5,450,000	Array BioPharma, Inc. (a)	3.00	06/01/20	6,284,531
4,000,000	JAKKS Pacific, Inc. (a)(e)	4.25	08/01/18	3,050,000	2,433,000	Ascent Capital Group, Inc. (a)	4.00	07/15/20	2,566,815
466,000	JetBlue Airways Corp., Series A-C (a)	6.75	10/15/39	680,069	1,116,000	Chiquita Brands International, Inc. (a)	4.25	08/15/16	1,098,563
1,015,000	KB Home (a)	1.38	02/01/19	1,035,934	5,000,000	Healthways, Inc. (a)(e)	1.50	07/01/18	5,565,625
2,041,000	Lennar Corp. (a)(e)	2.75	12/15/20	3,464,597	2,000,000	Protalix BioTherapeutics, Inc. (a)(e)(f)	4.50	09/15/18	1,998,200
					953,000	ServiceSource International, Inc. (a)(e)	1.50	08/01/18	998,863
					5,500,000	United Rentals, Inc. (a)	4.00	11/15/15	28,799,375
					<b>Energy - 1.0%</b>				
					442,000	Alon USA Energy, Inc.(a)(e)	3.00	09/15/18	438,409
					770,000	Alpha Appalachia Holdings, Inc. (a)	3.25	08/01/15	723,800
									<u>118,993,132</u>
									<u>47,311,972</u>

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 475,000	BPZ Resources, Inc. (a)	8.50%	10/01/17	\$ 439,375	\$ 315,000	iStar Financial, Inc. (a)	3.00%	11/15/16	\$ 393,553
920,000	Chesapeake Energy Corp.	2.50	05/15/37	908,500	921,000	Jefferies Group LLC (a)	3.88	11/01/29	968,777
2,000,000	Clean Energy Fuels Corp. (a)(e)	5.25	10/01/18	2,050,000	1,807,000	Leucadia National Corp.	3.75	04/15/14	2,351,359
3,784,000	Cobalt International Energy, Inc. (a)	2.63	12/01/19	4,006,310	3,772,000	Meadowbrook Insurance Group, Inc. (a)(e)	5.00	03/15/20	3,840,367
894,000	Goodrich Petroleum Corp. (a)	5.00	10/01/32	994,575	1,048,000	MGIC Investment Corp. (a)(e)	9.00	04/01/63	1,157,385
3,900,000	Green Plains Renewable Energy, Inc. (a)	5.75	11/01/15	5,052,937	1,456,000	Portfolio Recovery Associates, Inc. (a)(e)	3.00	08/01/20	1,698,970
5,269,000	Green Plains Renewable Energy, Inc. (a)(e)	3.25	10/01/18	5,483,053	1,845,000	Radian Group, Inc. (a)	2.25	03/01/19	2,700,619
1,291,000	Newpark Resources, Inc. (a)	4.00	10/01/17	1,790,456	1,015,000	Toll Brothers Finance Corp. (a)	0.50	09/15/32	1,025,150
461,000	Peabody Energy Corp.	4.75	12/15/41	372,258	2,758,000	Walter Investment Management Corp. (a)	4.50	11/01/19	2,902,795
695,000	Pengrowth Energy Corp.	6.25	03/31/17	688,219					70,510,147
6,000,000	SEACOR Holdings, Inc. (a)(e)	2.50	12/15/27	7,312,500	<b>Healthcare - 4.2%</b>				
2,078,000	Vantage Drilling Co. (a)(e)	5.50	07/15/43	2,209,174	8,125,000	Accuray, Inc. (a)	3.75	08/01/16	8,551,562
756,000	Western Refining, Inc. (a)	5.75	06/15/14	2,370,532	3,575,000	Akorn, Inc.	3.50	06/01/16	8,224,734
				<u>34,840,098</u>	1,530,000	Akorn, Inc. (a)	3.50	06/01/16	3,519,956
<b>Financial - 2.0%</b>					875,000	Allscripts Healthcare Solutions, Inc. (a)(e)	1.25	07/01/20	957,031
725,000	American Equity Investment Life Holding Co. (a)(e)	5.25	12/06/29	1,628,078	5,757,000	Cubist Pharmaceuticals, Inc. (a)	2.50	11/01/17	12,964,044
1,968,000	Amtrust Financial Services, Inc. (a)	5.50	12/15/21	3,088,530	2,100,000	Cubist Pharmaceuticals, Inc. (a)(e)	1.88	09/01/20	2,265,375
10,930,000	CBIZ, Inc. (a)(e)	4.88	10/01/15	12,733,450	6,226,000	Endo Health Solutions, Inc. (a)	1.75	04/15/15	9,887,666
1,670,000	DFC Global Corp. (a)	3.25	04/15/17	1,531,181	611,000	Exelixis, Inc. (a)	4.25	08/15/19	718,307
5,961,000	Encore Capital Group, Inc. (a)(e)	3.00	11/27/17	9,314,062	3,401,000	Illumina, Inc. (a)(e)	0.25	03/15/16	3,889,894
4,942,000	Encore Capital Group, Inc. (a)(e)	3.00	07/01/20	5,862,447	259,000	Incyte Corp., Ltd. (a)	4.75	10/01/15	1,131,830
921,000	Forest City Enterprises, Inc. (a)	4.25	08/15/18	1,027,491	2,550,000	Insulet Corp. (a)	3.75	06/15/16	3,700,688
1,189,000	Forest City Enterprises, Inc. (a)(e)	3.63	08/15/20	1,209,808	900,000	Isis Pharmaceuticals, Inc. (a)	2.75	10/01/19	2,108,813
7,400,000	Forestar Group, Inc. (a)	3.75	03/01/20	8,588,625	9,335,000	Molina Healthcare, Inc. (a)	3.75	10/01/14	11,458,712
7,000,000	FXCM, Inc. (a)(e)	2.25	06/15/18	8,487,500	9,975,000	Mylan, Inc. (a)	3.75	09/15/15	28,958,672
					1,007,000	Omnicare, Inc. (a)	3.75	12/15/25	2,144,281
					5,350,000	Teleflex, Inc. (a)	3.88	08/01/17	7,560,219
					1,717,000	The Medicines Co. (a)(e)	1.38	06/01/17	2,303,999

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 3,718,000	Theravance, Inc. (a)	2.13%	01/15/23	\$ 6,064,987	\$ 1,377,000	Concur Technologies, Inc. (a)(e)	2.50%	04/15/15	\$ 2,927,846
9,359,000	ViroPharma, Inc. (a)	2.00	03/15/17	20,104,302	4,000,000	Cornerstone OnDemand, Inc. (a)(e)	1.50	07/01/18	4,710,000
1,500,000	Vivus, Inc. (a)(e)	4.50	05/01/20	1,337,813	819,000	Electronic Arts, Inc. (a)	0.75	07/15/16	893,222
3,022,000	Volcano Corp. (a)	2.88	09/01/15	3,280,759	7,600,000	GT Advanced Technologies, Inc. (a)	3.00	10/01/17	9,941,750
4,975,000	Volcano Corp. (a)	1.75	12/01/17	5,167,781	563,000	Medidata Solutions, Inc. (a)(e)	1.00	08/01/18	628,801
1,459,000	Wright Medical Group, Inc. (a)	2.00	08/15/17	1,790,011	8,150,000	Mentor Graphics Corp. (a)	4.00	04/01/31	10,717,250
				<u>148,091,436</u>	2,241,000	Microchip Technology, Inc. (a)	2.13	12/15/37	3,522,572
<b>Industrial - 2.8%</b>					1,560,000	Micron Technology, Inc., Series A (a)	1.50	08/01/31	2,889,900
3,900,000	AAR Corp., Series B (a)	2.25	03/01/16	4,080,375	4,000,000	Mindspeed Technologies, Inc. (a)	6.75	06/15/17	3,843,680
7,782,000	AirTran Holdings, Inc. (a)	5.25	11/01/16	11,600,044	2,193,000	Novellus Systems, Inc. (a)	2.63	05/15/41	3,482,758
8,000,000	Altra Holdings, Inc. (a)	2.75	03/01/31	9,550,000	1,600,000	ON Semiconductor Corp., Series B (a)	2.63	12/15/26	1,737,000
2,000,000	AM Castle & Co. (a)(e)	7.00	12/15/17	3,435,000	3,200,000	Photronics, Inc. (a)	5.50	10/01/14	5,230,000
1,859,000	Bristow Group, Inc. (a)	3.00	06/15/38	2,288,894	9,708,000	Photronics, Inc. (a)	3.25	04/01/16	10,848,690
2,909,000	Cemex SAB de CV (a)	3.75	03/15/18	3,788,973	5,600,000	Quantum Corp. (a)(e)	4.50	11/15/17	6,195,000
6,978,000	Covanta Holding Corp. (a)	3.25	06/01/14	9,625,279	5,000,000	Radisys Corp. (a)(f)	4.50	02/15/15	4,701,500
9,000,000	EnerSys, Inc. (a)(g)	3.38	06/01/38	13,961,295	2,000,000	Rambus, Inc. (a)(e)	1.13	08/15/18	2,076,250
1,860,000	Genco Shipping & Trading, Ltd. (a)	5.00	08/15/15	896,288	5,000,000	Rudolph Technologies, Inc. (a)(e)	3.75	07/15/16	5,771,875
3,035,000	General Cable Corp. (a)(g)	4.50	11/15/29	3,439,034	1,552,000	SanDisk Corp. (a)	1.50	08/15/17	2,060,280
8,500,000	Griffon Corp. (a)(e)	4.00	01/15/17	9,493,437	1,201,000	Spansion, LLC (a)(e)	2.00	09/01/20	1,157,464
9,729,000	Kaman Corp. (a)(e)	3.25	11/15/17	12,191,653	756,000	Take-Two Interactive Software, Inc. (a)	1.75	12/01/16	900,585
1,189,000	PHH Corp. (a)	6.00	06/15/17	2,414,413	5,000,000	Take-Two Interactive Software, Inc. (a)	1.00	07/01/18	5,537,500
7,150,000	RTI International Metals, Inc. (a)	1.63	10/15/19	7,436,000	2,323,000	VeriSign, Inc. (a)	3.25	08/15/37	3,647,110
5,147,000	Vishay Intertechnology, Inc. (a)(e)	2.25	06/01/42	6,166,749					<u>129,560,144</u>
				<u>100,367,434</u>					
<b>Information Technology - 3.6%</b>									
1,098,000	Bottomline Technologies (de), Inc. (a)	1.50	12/01/17	1,268,876					
7,299,000	CACI International, Inc. (a)	2.13	05/01/14	9,324,472					
625,000	CACI International, Inc. (a)(e)	2.13	05/01/14	798,438					
6,019,000	Cadence Design Systems, Inc. (a)	2.63	06/01/15	10,962,104					
7,450,000	Ciena Corp. (a)(e)	4.00	03/15/15	10,155,281					
2,396,000	Ciena Corp. (a)(e)	4.00	12/15/20	3,629,940					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
<b>Materials - 0.8%</b>					<b>Consumer Staples - 0.1%</b>				
\$ 1,689,000	B2Gold Corp. (a)(e)	3.25%	10/01/18	\$ 1,617,218	\$ 2,000,000	Monitronics International, Inc. (a)	9.13%	04/01/20	\$ 2,105,000
8,920,000	Horsehead Holding Corp. (a)	3.80	07/01/17	9,683,775	1,500,000	North Shore Long Island Jewish Health Care, Inc.	6.15	11/01/43	1,592,631
9,000,000	Silver Standard Resources, Inc. (a)(e)	2.88	02/01/33	6,806,250	100,000	NYU Hospitals Center (a)	5.75	07/01/43	103,568
3,850,000	Steel Dynamics, Inc. (a)	5.13	06/15/14	4,215,750	1,000,000	Reynolds Group Issuer, Inc. / Reynolds Group Issuer, LLC / Reynolds Group Issuer Lu	7.88	08/15/19	1,105,000
2,228,000	Sterlite Industries India, Ltd. (a)	4.00	10/30/14	2,193,187					<u>4,906,199</u>
2,537,000	Stillwater Mining Co. (a)	1.75	10/15/32	2,676,535					
				<u>27,192,715</u>					
<b>Telecommunication Services - 1.8%</b>					<b>Energy - 0.2%</b>				
9,000,000	Alaska Communications Systems Group, Inc. (a)(e)	6.25	05/01/18	7,796,250	1,420,000	Arch Coal, Inc.	7.00	06/15/19	1,114,700
509,058	Alcatel-Lucent/France, Series ALU (e)	4.25	07/01/18	1,923,959	470,000	CenterPoint Energy Resources Corp.	6.15	05/01/16	526,974
9,972,000	Blucora, Inc. (a)(e)	4.25	04/01/19	12,552,255	2,830,000	Energy Transfer Partners LP (e)(h)	3.28	11/01/66	2,557,612
8,100,000	Comtech Telecommunications Corp. (a)	3.00	05/01/29	8,272,125	910,000	Newfield Exploration Co.	5.63	07/01/24	884,975
4,000,000	Dealertrack Technologies, Inc. (a)	1.50	03/15/17	5,167,500	170,000	Petrobras Global Finance BV (a)(h)	1.88	05/20/16	169,575
3,750,000	Infinera Corp. (a)(e)	1.75	06/01/18	4,298,437	130,000	Plains Exploration & Production Co. (a)	6.88	02/15/23	140,075
4,078,000	InterDigital, Inc. (a)	2.50	03/15/16	4,284,449	210,000	The Williams Cos., Inc.	7.88	09/01/21	250,822
2,457,000	Move, Inc. (a)(e)	2.75	09/01/18	2,850,120					<u>5,644,733</u>
1,720,000	Qihoo 360 Technology Co., Ltd. (a)(e)	2.50	09/15/18	1,943,600	<b>Financial - 1.7%</b>				
1,321,000	SBA Communications Corp. (a)	4.00	10/01/14	3,519,639	1,850,000	Abbey National Treasury Services PLC (a)(e)	3.88	11/10/14	1,909,424
2,700,000	Web.com Group, Inc. (a)	1.00	08/15/18	3,079,687	945,000	Bank of America Corp. (a)	5.63	10/14/16	1,054,435
6,175,000	WebMD Health Corp. (a)	2.25	03/31/16	6,078,516	1,150,000	Bank of America Corp., MTN (a)	7.38	05/15/14	1,197,142
3,338,000	WebMD Health Corp. (a)	2.50	01/31/18	3,160,669	20,000	Bank of America Corp., MTN, Series L	5.65	05/01/18	22,594
				<u>64,927,206</u>	750,000	Bank of America NA BKNT	5.30	03/15/17	827,233
Total Corporate Convertible Bonds (Cost \$596,592,368)				<b>741,794,284</b>	1,500,000	Bank of America NA BKNT (a)	6.10	06/15/17	1,682,041
<b>Corporate Non-Convertible Bonds - 2.6%</b>					750,000	Bank of America NA BKNT (h)	0.55	06/15/17	727,486
<b>Consumer Discretionary - 0.0%</b>									
1,416,000	Jarden Corp.	7.50	05/01/17	1,621,320					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 1,540,000	Chase Capital III, Series C (a)(h)	0.81%	03/01/27	\$ 1,262,800	\$ 35,000	Health Care REIT, Inc.	6.50%	03/15/41	\$ 37,453
925,000	Chase Capital VI (h)	0.89	08/01/28	758,500	1,409,000	Healthcare Realty Trust, Inc. REIT	6.50	01/17/17	1,582,277
2,475,000	CIT Group, Inc. (a)(e)	6.63	04/01/18	2,734,875	540,000	Healthcare Realty Trust, Inc. REIT	5.75	01/15/21	586,993
400,000	Citigroup, Inc. (a)(h)	0.55	11/05/14	399,537	1,475,000	International Lease Finance Corp. (e)	6.75	09/01/16	1,626,187
150,000	Citigroup, Inc.	5.85	08/02/16	167,221	725,000	JP Morgan Chase Capital XIII (h)	1.20	09/30/34	572,750
90,000	Citigroup, Inc.	6.13	05/15/18	104,204	150,000	JPMorgan Chase & Co.	4.50	01/24/22	156,736
1,328,000	Citigroup, Inc. (a)(h)	1.96	05/15/18	1,380,333	3,340,000	JPMorgan Chase Capital XXI, Series U (h)	1.22	02/02/37	2,521,700
3,250,000	Citigroup, Inc. (a)(h)	0.81	08/25/36	2,660,440	450,000	JPMorgan Chase Capital XXIII (h)	1.26	05/15/47	335,250
500,000	Credit Suisse New York	6.00	02/15/18	563,461	1,600,000	Lloyds Bank PLC	4.88	01/21/16	1,729,973
965,000	Discover Financial Services	3.85	11/21/22	922,436	830,000	Macquarie Bank, Ltd. (e)	5.00	02/22/17	905,908
925,000	Duke Realty LP REIT	7.38	02/15/15	998,749	700,000	Macquarie Bank, Ltd. (e)	6.63	04/07/21	764,348
800,000	Farmers Exchange Capital (a)(e)	7.05	07/15/28	970,673	80,000	Merrill Lynch & Co., Inc., MTN (h)	8.68	05/02/17	89,304
500,000	Ford Motor Credit Co., LLC	7.00	04/15/15	543,785	80,000	Merrill Lynch & Co., Inc., MTN (h)	8.95	05/18/17	90,000
200,000	Ford Motor Credit Co., LLC (a)	1.70	05/09/16	200,106	80,000	Merrill Lynch & Co., Inc., MTN (h)	9.57	06/06/17	91,904
1,500,000	Ford Motor Credit Co., LLC (h)	1.52	05/09/16	1,521,403	1,645,000	Morgan Stanley	6.00	05/13/14	1,695,301
207,000	General Electric Capital Corp.	5.63	05/01/18	237,762	90,000	Morgan Stanley	4.20	11/20/14	93,136
150,000	General Electric Capital Corp. MTN	3.10	01/09/23	140,600	925,000	Morgan Stanley, MTN (a)(h)	0.72	10/18/16	910,534
150,000	General Electric Capital Corp., MTN	5.38	10/20/16	167,349	1,250,000	Nationwide Health Properties, Inc.	6.00	05/20/15	1,351,674
900,000	General Electric Capital Corp., MTN (a)(h)	0.65	05/05/26	830,585	2,575,000	Nationwide Mutual Insurance Co. (a)(e)(h)	5.81	12/15/24	2,623,281
3,700,000	General Electric Capital Corp., MTN (h)	0.74	08/15/36	2,980,787	2,282,000	Nuveen Investments, Inc.	5.50	09/15/15	2,224,950
400,000	General Electric Capital Corp., MTN, Series A (h)	0.51	09/15/14	401,220	770,000	Raymond James Financial, Inc.	8.60	08/15/19	973,572
150,000	HBOS PLC, MTN (e)	6.75	05/21/18	167,429	900,000	Royal Bank of Scotland Group PLC	6.10	06/10/23	909,590
100,000	HCP, Inc.	2.63	02/01/20	95,018	1,600,000	SL Green Realty Corp. / SL Green Operating Partnership / Reckson Operating Partnership	5.00	08/15/18	1,712,875
232,000	HCP, Inc. REIT	5.63	05/01/17	259,406					
1,000,000	HCP, Inc., MTN REIT	6.30	09/15/16	1,131,523					
1,380,000	Health Care REIT, Inc. (a)	4.95	01/15/21	1,463,636					
60,000	Health Care REIT, Inc.	5.25	01/15/22	64,226					



**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 250,000	The Bear Stearns Cos., LLC	5.70%	11/15/14	\$ 263,965	\$ 1,120,000	Intelsat Jackson Holdings SA	8.50%	11/01/19	\$ 1,223,600
250,000	The Goldman Sachs Group, Inc.	6.25	09/01/17	285,474	980,000	Intelsat Jackson Holdings SA	7.25	10/15/20	1,051,050
355,000	The Goldman Sachs Group, Inc.	6.15	04/01/18	406,435	1,082,000	Verizon Communications, Inc. (a)	6.55	09/15/43	1,225,787
480,000	The Goldman Sachs Group, Inc.	7.50	02/15/19	580,627	745,000	Windstream Corp.	8.13	09/01/18	804,600
1,500,000	The Goldman Sachs Group, Inc. (a)	6.00	06/15/20	1,705,624					<u>6,012,037</u>
100,000	The Goldman Sachs Group, Inc., MTN, Series B (h)	0.67	07/22/15	99,510	<b>Utilities - 0.2%</b>				
477,000	Thornburg Mortgage, Inc. (f)(i)	8.00	05/15/13	51,278	1,570,000	Edison Mission Energy (i)	7.00	05/15/17	1,047,975
1,100,000	Wachovia Corp. (a)(h)	0.61	10/28/15	1,095,849	1,590,000	FirstEnergy Corp., Series A	2.75	03/15/18	1,547,981
15,000	WEA Finance, LLC / WT Finance Aust Pty, Ltd. (e)	6.75	09/02/19	17,857	2,850,000	GenOn Americas Generation, LLC	9.13	05/01/31	3,006,750
100,000	ZFS Finance USA Trust II (a)(e)(h)	6.45	12/15/65	106,250	150,000	Metropolitan Edison Co. (e)	3.50	03/15/23	143,093
				<u>58,746,984</u>	145,000	Oncor Electric Delivery Co., LLC	6.80	09/01/18	173,906
<b>Healthcare - 0.1%</b>					1,710,000	PNM Resources, Inc. (a)	9.25	05/15/15	1,925,887
1,290,000	CHS/Community Health Systems, Inc.	8.00	11/15/19	1,359,338	80,000	Public Service Co. of New Mexico	7.95	05/15/18	96,396
1,463,000	HCA, Inc. (a)	7.25	09/15/20	1,594,670	600,000	Sabine Pass LNG LP (e)	7.50	11/30/16	634,500
				<u>2,954,008</u>	200,000	Sabine Pass LNG LP	7.50	11/30/16	221,000
									<u>8,797,488</u>
<b>Industrial - 0.1%</b>					Total Corporate Non-Convertible Bonds (Cost \$84,801,618)				<b>92,207,318</b>
1,800,000	Maxim Crane Works LP / Maxim Finance Corp. (e)	12.25	04/15/15	1,872,000	<b>Exchange Traded Notes - 0.0%</b>				
1,000,000	Sydney Airport Finance Co Pty, Ltd. (e)	5.13	02/22/21	1,052,776	20,500	iPATH S&P 500 VIX Mid-Term Futures ETN (a)(b) (Cost \$948,087)			<b>384,375</b>
125,000	Sydney Airport Finance Co. Pty, Ltd. (e)	3.90	03/22/23	119,424	<b>Foreign Government Bonds - 0.0%</b>				
				<u>3,044,200</u>	220,000	Kommunalbanken AS (a)(e)(h)	0.23	08/28/14	219,990
<b>Materials - 0.0%</b>					230,000	Kommuninvest I Sverige AB (a)(e)(h)	0.25	09/12/14	229,979
400,000	ArcelorMittal	6.75	02/25/22	423,000	Total Foreign Government Bonds (Cost \$450,000)				<b>449,969</b>
65,000	Barrick Gold Corp. (a)	4.10	05/01/23	57,349	<b>Interest Only Bonds - 0.1%</b>				
				<u>480,349</u>	24,851,468	Lehman ABS Manufactured Housing Contract Trust, Series 2001-B AIOC (h)	0.55	04/15/40	559,060
<b>Telecommunication Services - 0.2%</b>									
40,000	Cablevision Systems Corp.	5.88	09/15/22	39,400					
1,760,000	CenturyLink, Inc. (a)	5.80	03/15/22	1,667,600					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 57,662,269	Residential Accredit Loans, Inc., Series 2006-QS11 AV (h)	0.33%	08/25/36	\$ 822,725	\$ 730,540	Texas Competitive Electric Holdings Co., LLC (h)	4.68%	10/10/17	\$ 494,484
27,981,282	Residential Accredit Loans, Inc., Series 2006-QS6 1AV (h)	0.74	06/25/36	894,408	750,320	Texas Competitive Electric Holdings Co., LLC (h)	4.77	10/10/17	507,873
62,717,197	Residential Accredit Loans, Inc., Series 2007-QS2 AV (h)	0.32	01/25/37	890,898	519,140	Texas Competitive Electric Holdings Co., LLC (h)	4.68	10/10/17	351,393
63,061,719	Residential Accredit Loans, Inc., Series 2007-QS3 AV (h)	0.32	02/25/37	877,125	Total Syndicated Loans (Cost \$3,173,501)				
				<b>4,044,216</b>	<b>3,239,980</b>				
<b>Municipal Bonds - 0.3%</b>					<b>U.S. Government &amp; Agency Obligations - 2.1%</b>				
<b>California - 0.1%</b>					<b>Agency - 0.5%</b>				
60,000	State of California	6.20	03/01/19	70,175	4,500,000	FHLB	0.50	01/08/16	4,495,617
2,065,000	State of California	5.70	11/01/21	2,355,690	220,000	FHLB (a)(g)	0.75	05/26/28	211,160
70,000	State of California (a)	6.65	03/01/22	83,730	2,255,000	FHLMC	0.75	10/05/16	2,255,002
750,000	State of California	7.95	03/01/36	869,145	4,575,000	FNMA	0.50	01/29/16	4,571,153
55,000	State of California (a)	7.30	10/01/39	69,271	4,520,000	FNMA	0.63	05/23/16	4,514,160
				<b>3,448,011</b>	<b>16,047,092</b>				
<b>Illinois - 0.1%</b>					<b>Interest Only Bonds - 0.4%</b>				
1,625,000	City of Chicago IL	6.05	01/01/29	1,659,304	5,327,322	FHLMC, Series 3262, Class KS (h)	6.23	01/15/37	734,978
75,000	State of Illinois	5.67	03/01/18	81,869	7,887,372	FHLMC, Series 3271, Class SB (h)	5.87	02/15/37	991,017
1,000,000	State of Illinois	6.20	07/01/21	1,084,600	4,262,329	FHLMC, Series 3404, Class AS (h)	5.71	01/15/38	649,620
2,030,000	State of Illinois	4.95	06/01/23	2,016,724	5,603,501	FHLMC, Series 4030, Class HS (h)	6.43	04/15/42	872,823
185,000	State of Illinois	5.10	06/01/33	164,211	3,676,300	FNMA, Series 2005-92, Class US (h)	5.92	10/25/25	435,818
				<b>5,006,708</b>	5,457,005	FNMA, Series 2006-125, Class SM (h)	7.02	01/25/37	894,613
<b>North Carolina - 0.1%</b>					380,171	FNMA, Series 2006-27, Class SH (a)(h)	6.52	04/25/36	58,428
3,300,000	North Carolina State Education Assistance Authority, Series 2011-1 A3 (h)	1.17	10/25/41	3,170,937	6,434,890	FNMA, Series 2007-52, Class LS (h)	5.87	06/25/37	908,427
<b>Texas - 0.0%</b>					1,554,358	FNMA, Series 2007-68, Class SC (h)	6.52	07/25/37	241,250
100,000	City of Houston TX	6.29	03/01/32	112,903	565,411	FNMA, Series 2007-77, Class SK (a)(h)	5.69	08/25/37	65,276
Total Municipal Bonds (Cost \$11,943,908)				<b>11,738,559</b>	6,793,530	FNMA, Series 2009-115, Class SB (h)	6.07	01/25/40	949,995
<b>Syndicated Loans - 0.1%</b>									
1,384,268	HCA, Inc.	2.93	05/01/18	1,385,709					
500,000	HCA, Inc.	2.93	05/01/18	500,521					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 2,539,208	FNMA, Series 2010-112, Class PI	6.00%	10/25/40	\$ 364,119	\$ 215,000	FHLMC Multifamily Structured Pass Through Certificates, Series K020, Class A2 (a)	2.37%	05/25/22	\$ 203,339
1,720,516	FNMA, Series 2010-35, Class IA	5.00	07/25/38	91,548	14,110	FHLMC, Series 2433, Class SA (a)(h)	20.46	02/15/32	24,103
2,875,206	GNMA, Series 2007-78, Class SG (h)	6.36	12/20/37	374,254	27,431	FHLMC, Series 2929, Class PE (a)	5.00	05/15/33	27,645
4,073,668	GNMA, Series 2008-51, Class GS (h)	6.05	06/16/38	697,657	446,827	FHLMC, Series 3442, Class MT (h)	0.18	07/15/34	407,343
354,558	GNMA, Series 2009-106, Class KS (a)(h)	6.22	11/20/39	53,109	1,030,000	FNCI3 - FNMA TBA	3.00	10/15/28	1,066,694
665,037	GNMA, Series 2010-158, Class EI (a)	4.00	12/16/25	70,246	510,000	FNCI3 - FNMA TBA	3.00	10/15/28	528,169
246,788	GNMA, Series 2010-4, Class NS (h)	6.21	01/16/40	39,735	135,000	FNCL35 - FNMA TBA	3.50	10/15/43	137,468
3,230,135	GNMA, Series 2010-4, Class SL (h)	6.22	01/16/40	522,429	300,000	FNCL35 - FNMA TBA	3.50	10/15/43	305,484
7,115,744	GNMA, Series 2011-146, Class EI	5.00	11/16/41	1,623,694	285,000	FNCL35 - FNMA TBA	3.50	10/15/43	290,210
6,051,744	GNMA, Series 2011-69, Class GI	5.00	05/16/40	885,526	275,000	FNCL35 - FNMA TBA	3.50	10/15/43	280,027
9,166,383	GNMA, Series 2012-7, Class PI	3.50	01/20/38	1,147,544	410,000	FNCL4 - FNMA TBA	4.00	10/15/43	430,180
				<u>12,672,106</u>	315,000	FNCL4 - FNMA TBA	4.00	10/15/43	330,504
					410,000	FNCL4 - FNMA TBA	4.00	10/15/43	430,180
					405,000	FNCL4 - FNMA TBA	4.00	10/15/43	424,934
<b>Mortgage Securities - 0.4%</b>					72,230	FNMA Pool #545639 (a)	6.50	04/01/32	82,580
192,076	FHLMC Gold Pool #A96411	4.00	01/01/41	201,894	2,826	FNMA Pool #673743 (a)(h)	2.76	11/01/32	2,839
69,449	FHLMC Gold Pool #G01864 (a)	5.00	01/01/34	75,444	108,419	FNMA Pool #734922	4.50	09/01/33	115,888
132,956	FHLMC Gold Pool #G05866	4.50	02/01/40	143,402	60,963	FNMA Pool #735646	4.50	07/01/20	64,917
163,851	FHLMC Gold Pool #G06361	4.00	03/01/41	172,502	45,512	FNMA Pool #735861 (a)	6.50	09/01/33	51,809
63,492	FHLMC Gold Pool #G13475 (a)	6.00	01/01/24	69,826	42,500	FNMA Pool #735881 (a)	6.00	11/01/34	47,123
9,680	FHLMC Gold Pool #H03161 (a)	6.50	08/01/37	10,647	19,048	FNMA Pool #764388 (a)(h)	5.03	03/01/34	20,285
377,944	FHLMC Gold Pool #J13884	3.50	12/01/25	398,452	68,211	FNMA Pool #776708 (a)	5.00	05/01/34	75,062
209,233	FHLMC Gold Pool #Q20178	3.50	07/01/43	213,061	107,276	FNMA Pool #888219	5.50	03/01/37	116,964
175,000	FHLMC Multifamily Structured Pass Through Certificates, Series K010, Class A2 (a)	4.33	10/25/20	191,518	28,228	FNMA Pool #895606 (a)(h)	5.78	06/01/36	29,955
					110,876	FNMA Pool #897164	6.50	08/01/36	122,600
					195,409	FNMA Pool #962723	5.50	04/01/38	213,175

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 258,731	FNMA Pool #963997	5.50%	06/01/38	\$ 286,046	<b>U.S. Treasury Securities - 0.8%</b>				
42,725	FNMA Pool #974148	5.50	02/01/38	46,564	4 132,000	U.S. Treasury Bill (j)	0.00-0.04%	12/05/13	\$ 132,000
159,747	FNMA Pool #AB1613	4.00	10/01/40	168,457	70,000	U.S. Treasury Bond (a)	2.75	08/15/42	58,040
168,184	FNMA Pool #AB3864	3.50	11/01/41	171,584	8,850,000	U.S. Treasury Inflation Indexed Bond (a)	2.00	07/15/14	11,250,203
525,943	FNMA Pool #AB5215	3.00	05/01/27	545,330	14,110,000	U.S. Treasury Inflation Indexed Bond (a)	0.50	04/15/15	15,548,554
162,803	FNMA Pool #AD0791 (a)	4.76	02/01/20	181,805	685,000	U.S. Treasury Inflation Indexed Bond (a)	0.13	04/15/16	744,467
163,040	FNMA Pool #AE0600 (a)	3.98	11/01/20	176,424	865,000	U.S. Treasury Inflation Indexed Bond (a)	0.13	04/15/17	917,940
163,855	FNMA Pool #AE0605 (a)	4.67	07/01/20	182,369	610,000	U.S. Treasury Inflation Indexed Bond (a)	0.13	04/15/18	635,403
383,334	FNMA Pool #AH3428	3.50	01/01/26	405,814	220,000	U.S. Treasury Inflation Indexed Bond (a)	2.13	02/15/41	278,691
166,821	FNMA Pool #AJ0764	4.50	09/01/41	178,798	360,000	U.S. Treasury Note	1.38	09/30/18	359,761
252,858	FNMA Pool #AL0149	4.00	02/01/41	266,244	215,000	U.S. Treasury Note	1.75	05/15/23	199,253
165,260	FNMA Pool #AL0851	6.00	10/01/40	180,663					<u>30,124,312</u>
213,307	FNMA Pool #AL3306	2.46	04/01/23	202,258	Total U.S. Government & Agency Obligations (Cost \$69,232,435)				
361,580	FNMA Pool #MA1278	2.50	12/01/22	372,214					<b>72,895,848</b>
420,573	FNMA Pool #MA1490	3.00	07/01/33	421,006	<b>Total Fixed Income Securities (Cost \$1,027,502,162)</b>				
426,702	FNMA Pool #MA1527	3.00	08/01/33	427,141					<b>1,219,397,977</b>
43,205	FNMA, Series 2001-52, Class YZ (a)	6.50	10/25/31	49,162	<b>Shares Security Description Value</b>				
20,048	FNMA, Series 2001-81, Class QG (a)	6.50	01/25/32	22,466	<b>Rights - 0.0%</b>				
736,246	FNMA, Series 2003-64, Class KS (h)	9.41	07/25/18	823,358	150,000	Comdisco Holding Co., Inc. (b)(k)			<b>10,500</b>
165,551	FNMA, Series 2006-4, Class WE	4.50	02/25/36	176,820	<b>Investment Companies - 8.3%</b>				
200,000	G2SF35 - GNMA TBA	3.50	10/15/43	206,375	37,632	BlackRock Credit Allocation Income Trust			490,721
7,567	GNMA II Pool #080610 (a)(h)	1.63	06/20/32	7,892	61,990	BlackRock Floating Rate Income Fund			878,398
21,277	GNMA II Pool #081136 (a)(h)	2.13	11/20/34	22,122	146,000	Consumer Staples Select Sector SPDR Fund			5,810,800
23,965	GNMA II Pool #081432 (a)(h)	1.75	08/20/35	24,937	71,620	DoubleLine Income Solutions Fund			1,572,059
21,208	GNMA II Pool #081435 (a)(h)	1.75	08/20/35	22,069	55,320	DoubleLine Opportunistic Credit Fund			1,265,722
				<u>12,874,141</u>	69,698	Eaton Vance Limited Duration Income Fund			1,090,077
<b>Principal Only Bonds - 0.0%</b>					125,350	Invesco Senior Income Trust			658,088
1,286,615	FHLMC, Series 3885, Class PO	0.00	11/15/33	<u>1,178,197</u>	21,000	iShares Barclays TIPS Bond Fund			2,364,180
					41,200	Montgomery Street Income Securities, Inc.			647,252
					70,200	Nuveen Credit Strategies Income Fund			656,370
					92,598	PCM Fund, Inc.			1,060,247
					57,500	PIMCO Dynamic Credit Income Fund			1,279,375

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Shares	Security Description		Value	Contracts	Security Description	Strike Price	Exp. Date	Value	
45,200	PIMCO Dynamic Income Fund	\$	1,296,788	385	Green Mountain Coffee Roasters, Inc.	\$ 75.00	01/14	\$ 386,540	
38,380	PIMCO Income Opportunity Fund		1,055,066	385	Green Mountain Coffee Roasters, Inc.	70.00	01/14	306,075	
98,012	PIMCO Income Strategy Fund II		999,722	550	Green Mountain Coffee Roasters, Inc.	55.00	01/14	176,000	
8,750	ProShares UltraShort 20+ Year Treasury (a)(b)		658,613	1,060	iShares Russell 2000 Index Fund	102.00	12/13	249,100	
1,491,062	SPDR S&P 500 ETF Trust		250,647,522	860	Netflix, Inc.	285.00	12/13	1,526,500	
2,100,000	Sprott Physical Gold Trust (b)		23,121,000	424	SPDR S&P 500 ETF Trust	162.00	12/13	120,416	
27,400	Western Asset Mortgage Defined Opportunity Fund, Inc.		616,500	27,000	SPDR S&P 500 ETF Trust	162.00	01/14	9,666,000	
<b>Total Investment Companies</b>			<b>296,168,500</b>	11,700	SPDR S&P 500 ETF Trust	147.00	01/14	1,404,000	
<b>(Cost \$222,840,738)</b>				28,600	SPDR S&P 500 ETF Trust	95.00	01/14	28,600	
Contracts	Security Description	Strike Price	Exp. Date	Value	211	Toronto Dominion Bank	72.50	01/14	5,275
<b>Purchased Options - 1.6%</b>					Total Put Options Purchased (Premiums Paid \$42,077,519)				<b>13,922,714</b>
<b>Call Options Purchased - 1.2%</b>					<b>Total Purchased Options (Premiums Paid \$66,525,357)</b>				<b>58,411,477</b>
18	Accenture PLC, Class A	\$ 55.00	01/15	35,316	<b>Total Long Positions - 83.0% (Cost \$2,347,171,015)*</b>				<b>\$2,957,690,281</b>
1,330	Bed Bath & Beyond, Inc.	45.00	01/14	4,312,525	<b>Total Short Positions - (32.7)% (Cost \$(1,053,018,035))*</b>				<b>(1,163,126,363)</b>
4,185	General Motors Co.	20.00	01/15	6,842,475	<b>Total Written Options - (1.1)% (Premiums Received \$(32,784,037))*</b>				<b>(40,264,740)</b>
3,303	Johnson & Johnson	55.00	01/15	10,453,995	<b>Other Assets &amp; Liabilities, Net - 50.8%</b>				<b>1,807,734,858</b>
3,950	Potash Corp. of Saskatchewan, Inc.	32.00	01/14	635,950	<b>Net Assets - 100.0%</b>				<b>\$3,562,034,036</b>
7,207	Powershares DB U.S. Dollar Index Bullish Fund	23.00	01/14	36,035					
75	Target Corp.	45.00	01/15	142,875					
905	The Bank of New York Mellon Corp.	20.00	01/14	923,100					
513	The Boeing Co.	60.00	01/14	2,956,162					
2,835	The Coca-Cola Co.	30.00	01/14	2,353,050					
857	The Walt Disney Co.	35.00	01/15	2,528,150					
147	United Parcel Service, Inc., Class B	60.00	01/15	461,580					
1,410	Walgreen Co.	25.00	01/14	4,096,050					
1,770	Wal-Mart Stores, Inc.	55.00	01/15	3,389,550					
3,260	Wells Fargo & Co.	25.00	01/15	5,321,950					
Total Call Options Purchased (Premiums Paid \$24,447,838)			<b>44,488,763</b>						
<b>Put Options Purchased - 0.4%</b>									
423	Bank of Montreal	55.00	12/13	9,518					
423	Bank of Nova Scotia	50.00	12/13	9,517					
169	Canadian Imperial Bank of Commerce	70.00	12/13	5,493					
424	CurrencyShares Euro Trust	125.00	03/14	29,680					

**ABSOLUTE STRATEGIES FUND**  
**SCHEDULE OF SECURITIES SOLD SHORT**  
**SEPTEMBER 30, 2013**

Shares	Security Description	Value	Shares	Security Description	Value
<b>Short Positions - (32.7)%</b>					
<b>Equity Securities - (32.7)%</b>					
<b>Common Stock - (32.6)%</b>					
<b>Consumer Discretionary - (6.3)%</b>					
(49,100)	America's Car-Mart, Inc.	\$ (2,214,901)	(15,921)	United Continental Holdings, Inc.	\$ (488,934)
(142,700)	Barnes & Noble, Inc.	(1,846,538)	(97,700)	Wabash National Corp.	(1,139,182)
(328,700)	bebe stores, inc.	(2,001,783)	(40,500)	Weight Watchers International, Inc.	(1,513,485)
(169,300)	Black Diamond, Inc.	(2,058,688)	(46,535)	WESCO International, Inc.	(3,561,324)
(74,100)	Brookdale Senior Living, Inc.	(1,948,830)	(98,000)	Yum! Brands, Inc.	(6,996,220)
(103,200)	Burger King Worldwide, Inc.	(2,014,464)			<u>(225,290,804)</u>
(364,092)	Callaway Golf Co.	(2,592,335)	<b>Consumer Staples - (2.2)%</b>		
(21,500)	Chemed Corp.	(1,537,250)	(53,700)	Acadia Healthcare Co., Inc.	(2,117,391)
(47,000)	Choice Hotels International, Inc.	(2,029,930)	(51,200)	ACCO Brands Corp.	(339,968)
(93,100)	Dick's Sporting Goods, Inc.	(4,969,678)	(280,300)	Adecoagro SA	(2,077,023)
(28,100)	DISH Network Corp., Class A	(1,264,781)	(445,100)	Antares Pharma, Inc.	(1,807,106)
(126,998)	DR Horton, Inc.	(2,467,571)	(596,600)	Array BioPharma, Inc.	(3,710,852)
(107,700)	Emeritus Corp.	(1,995,681)	(17,871)	Ascent Capital Group, Inc., Class A	(1,440,760)
(102,460)	Equinix, Inc.	(18,816,779)	(103,900)	AVANIR Pharmaceuticals, Inc.	(440,536)
(47,000)	Exide Technologies	(17,625)	(213,900)	Biodel, Inc.	(673,785)
(148,500)	Fastenal Co.	(7,462,125)	(384,900)	BioDelivery Sciences International, Inc.	(2,090,007)
(19,400)	Fossil Group, Inc.	(2,255,056)	(16,642)	Bunge, Ltd.	(1,263,294)
(112,500)	Genuine Parts Co.	(9,100,125)	(92,700)	Capital Senior Living Corp.	(1,960,605)
(127,750)	Harley-Davidson, Inc.	(8,206,660)	(83,600)	Cardiovascular Systems, Inc.	(1,676,180)
(79,351)	Hawaiian Holdings, Inc.	(590,371)	(345,400)	Cerus Corp.	(2,317,634)
(61,000)	HNI Corp.	(2,206,980)	(9,706)	Chiquita Brands International, Inc.	(122,878)
(33,900)	Home Inns & Hotels Management, Inc., ADR	(1,125,480)	(808,100)	Discovery Laboratories, Inc.	(1,583,876)
(40,654)	Iconix Brand Group, Inc.	(1,350,526)	(30,900)	Endocyte, Inc.	(411,897)
(174,113)	JAKKS Pacific, Inc.	(781,767)	(394,500)	EnteroMedics, Inc.	(493,125)
(147,900)	JC Penney Co., Inc.	(1,304,478)	(38,300)	Exact Sciences Corp.	(452,323)
(80,931)	JetBlue Airways Corp.	(539,000)	(183,917)	Healthways, Inc.	(3,404,304)
(191,250)	Johnson Controls, Inc.	(7,936,875)	(73,200)	Iron Mountain, Inc.	(1,977,864)
(22,234)	KB Home	(400,657)	(46,300)	Ironwood Pharmaceuticals, Inc.	(548,655)
(184,400)	L Brands, Inc.	(11,266,840)	(102,800)	NewLink Genetics Corp.	(1,930,584)
(47,300)	Lamar Advertising Co., Class A	(2,224,519)	(41,200)	Novadaq Technologies, Inc.	(683,096)
(108,945)	Lennar Corp., Class A	(3,856,653)	(504,500)	Novavax, Inc.	(1,594,220)
(146,400)	M/I Homes, Inc.	(3,018,768)	(37,500)	Pacira Pharmaceuticals, Inc.	(1,803,375)
(10,227)	Meritage Homes Corp.	(439,250)	(351,700)	Pain Therapeutics, Inc.	(956,624)
(96,477)	Meritor, Inc.	(758,309)	(17,293)	Post Holdings, Inc.	(698,118)
(271,300)	Morgans Hotel Group Co.	(2,086,297)	(36,122)	Protalix BioTherapeutics, Inc.	(163,633)
(39,800)	Navistar International Corp.	(1,451,904)	(511,100)	Rigel Pharmaceuticals, Inc.	(1,829,738)
(40,900)	Nordstrom, Inc.	(2,298,580)	(35,641)	ServiceSource International, Inc.	(430,543)
(57,600)	Nu Skin Enterprises, Inc., Class A	(5,514,624)	(23,300)	Spectranetics Corp.	(390,974)
(262,900)	Pacific Sunwear of California, Inc.	(788,700)	(88,100)	Standard Parking Corp.	(2,369,009)
(21,858)	priceline.com, Inc.	(22,097,345)	(80,200)	The Estee Lauder Cos., Inc., Class A	(5,605,980)
(86,950)	Pricesmart, Inc.	(8,281,118)	(47,500)	The Female Health Co.	(468,825)
(65,000)	PulteGroup, Inc.	(1,072,500)	(494,300)	United Rentals, Inc.	(28,812,747)
(250,300)	Quiksilver, Inc.	(1,759,609)	(23,914)	Universal Corp.	(1,217,940)
(74,650)	Rackspace Hosting, Inc.	(3,938,534)			<u>(79,865,469)</u>
(272,700)	Regis Corp.	(4,003,236)	<b>Energy - (0.9)%</b>		
(105,500)	Signet Jewelers, Ltd.	(7,559,075)	(16,177)	Alon USA Energy, Inc.	(165,167)
(373,000)	Southwest Airlines Co.	(5,430,880)	(824,850)	BPZ Resources, Inc.	(1,608,458)
(628,230)	Standard Pacific Corp.	(4,969,299)	(62,500)	Cheniere Energy, Inc.	(2,133,750)
(15,817)	Tesla Motors, Inc.	(3,059,324)	(77,514)	Chesapeake Energy Corp.	(2,006,062)
(38,974)	The Goodyear Tire & Rubber Co.	(874,966)	(67,836)	Cobalt International Energy, Inc.	(1,686,403)
(69,380)	The Home Depot, Inc.	(5,262,473)	(77,683)	Energy XXI Bermuda, Ltd.	(2,346,027)
(50,513)	The Interpublic Group of Cos., Inc.	(867,813)	(421,900)	FX Energy, Inc.	(1,451,336)
(39,477)	The Ryland Group, Inc.	(1,600,398)	(11,609)	Goodrich Petroleum Corp.	(281,983)
(4,198)	Time Warner Cable, Inc.	(468,497)	(269,080)	Green Plains Renewable Energy, Inc.	(4,318,734)
(50,722)	Titan Machinery, Inc.	(815,103)	(13,600)	Gulfport Energy Corp.	(875,024)
(42,918)	Toll Brothers, Inc.	(1,391,831)	(228,600)	Miller Energy Resources, Inc.	(1,659,636)
(24,500)	Ultra Salon Cosmetics & Fragrance, Inc.	(2,926,770)	(83,343)	Newpark Resources, Inc.	(1,055,122)
(131,800)	Under Armour, Inc., Class A	(10,471,510)	(186,493)	Penn Virginia Corp.	(1,240,178)
			(95,484)	Sanchez Energy Corp.	(2,521,732)
			(107,865)	SandRidge Energy, Inc.	(632,089)
			(50,256)	SEACOR Holdings, Inc.	(4,545,153)

**ABSOLUTE STRATEGIES FUND**  
**SCHEDULE OF SECURITIES SOLD SHORT**  
**SEPTEMBER 30, 2013**

<b>Shares</b>	<b>Security Description</b>	<b>Value</b>	<b>Shares</b>	<b>Security Description</b>	<b>Value</b>
(426,188)	Vantage Drilling Co.	\$ (737,305)			
(77,967)	Western Refining, Inc.	(2,342,129)			
		<u>(31,606,288)</u>			
<b>Financial - (7.3)%</b>			<b>Healthcare - (3.5)%</b>		
(7,818)	Affiliated Managers Group, Inc.	(1,427,880)	(656,600)	Accuray, Inc.	\$ (4,852,274)
(10,967,000)	Agricultural Bank of China, Ltd., Class H	(5,048,052)	(546,900)	Akorn, Inc.	(10,762,992)
(11,214)	Alexandria Real Estate Equities, Inc. REIT	(716,014)	(27,374)	Alere, Inc.	(836,823)
(73,485)	American Equity Investment Life Holding Co.	(1,559,352)	(34,543)	Allscripts Healthcare Solutions, Inc.	(513,654)
(60,025)	Amtrust Financial Services, Inc.	(2,344,576)	(196,189)	Cubist Pharmaceuticals, Inc.	(12,467,811)
(2,019,087)	Banco Santander SA, ADR	(16,495,941)	(186,920)	Endo Health Solutions, Inc.	(8,493,645)
(611,850)	Bank of America Corp.	(8,443,530)	(84,437)	Exelixis, Inc.	(491,423)
(15,145,000)	Bank of China, Ltd., Class H	(6,912,583)	(42,486)	HealthSouth Corp.	(1,464,917)
(7,114,000)	Bank of Communications Co., Ltd., Class H	(5,228,252)	(18,865)	Illumina, Inc.	(1,524,858)
(750,708)	Barclays PLC, ADR	(12,792,064)	(28,931)	Incyte Corp., Ltd.	(1,103,718)
(300,000)	BB&T Corp.	(10,125,000)	(69,800)	Insulet Corp.	(2,529,552)
(126,800)	Beneficial Mutual Bancorp, Inc.	(1,264,196)	(47,327)	Isis Pharmaceuticals, Inc.	(1,776,656)
(1,141,522)	CBIZ, Inc.	(8,492,924)	(205,800)	Molina Healthcare, Inc.	(7,326,480)
(10,387,000)	China CITIC Bank Corp, Ltd., Class H	(5,383,739)	(733,600)	Mylan, Inc.	(28,001,512)
(8,367,000)	China Construction Bank Corp., Class H	(6,440,386)	(65,085)	Omnicare, Inc.	(3,612,218)
(2,688,000)	China Merchants Bank Co., Ltd., Class H	(4,886,706)	(68,200)	Teleflex, Inc.	(5,611,496)
(122,700)	Customers Bancorp, Inc.	(1,975,470)	(43,027)	The Medicines Co.	(1,442,265)
(303,373)	Deutsche Bank AG	(13,918,753)	(129,635)	Theravance, Inc.	(5,300,775)
(39,720)	DFC Global Corp.	(436,523)	(446,700)	ViroPharma, Inc.	(17,555,310)
(239,597)	Encore Capital Group, Inc.	(10,987,918)	(7,100)	Vivus, Inc.	(66,172)
(470,500)	Erste Group Bank AG	(14,869,017)	(182,320)	Volcano Corp.	(4,361,094)
(46,575)	Forest City Enterprises, Inc., Class A	(882,131)	(37,702)	Wright Medical Group, Inc.	(983,268)
(212,451)	Forestar Group, Inc.	(4,574,070)	(367,800)	XenoPort, Inc.	(2,089,104)
(242,225)	FXCM, Inc., Class A	(4,783,944)			<u>(123,168,017)</u>
(1,996,909)	Grupo Financiero Banorte SAB de CV, Class O	(12,442,637)	<b>Industrial - (6.2)%</b>		
(33,559)	Health Care REIT, Inc.	(2,093,410)	(49,900)	AAR Corp.	(1,363,767)
(9,947,000)	Industrial & Commercial Bank of China, Ltd., Class H	(6,938,366)	(90,600)	Aerovironment, Inc.	(2,092,860)
(126,077)	iStar Financial, Inc., REIT	(1,517,967)	(207,100)	Altra Holdings, Inc.	(5,573,061)
(81,000)	Kennedy-Wilson Holdings, Inc.	(1,503,360)	(174,999)	AM Castle & Co.	(2,817,484)
(28,311)	KeyCorp	(322,745)	(610,000)	American Superconductor Corp.	(1,427,400)
(5,009)	Leucadia National Corp.	(136,445)	(533,100)	Atlas Copco AB, Class A	(15,611,343)
(272,476)	Meadowbrook Insurance Group, Inc.	(1,771,094)	(17,197)	Bristow Group, Inc.	(1,251,254)
(10,176)	MetLife, Inc.	(477,763)	(1,719,300)	Capstone Turbine Corp.	(2,028,774)
(17,078)	MGIC Investment Corp.	(124,328)	(117,000)	Casella Waste Systems, Inc.	(672,750)
(1,017,000)	Nordea Bank AB	(12,264,070)	(57,100)	Caterpillar, Inc.	(4,760,427)
(97,954)	OFG Bancorp	(1,585,875)	(242,690)	Cemex SAB de CV, ADR	(2,713,274)
(644,500)	OTP Bank PLC	(12,752,821)	(245,100)	Coffax Corp.	(13,845,699)
(116,700)	Plum Creek Timber Co., Inc. REIT	(5,465,061)	(372,362)	Covanta Holding Corp.	(7,961,100)
(15,570)	Portfolio Recovery Associates, Inc.	(933,266)	(255,500)	Diana Containerships, Inc.	(968,345)
(283,909)	Radian Group, Inc.	(3,954,852)	(267,800)	Donaldson Co., Inc.	(10,211,214)
(165,500)	Royal Bank of Canada	(10,626,755)	(254,500)	DryShips, Inc.	(900,930)
(470,000)	Swedbank AB, Class A	(10,947,920)	(174,907)	Eaton Corp. PLC	(12,040,598)
(87,800)	The St. Joe Co.	(1,722,636)	(191,975)	Emerson Electric Co.	(12,420,782)
(138,500)	Walker & Dunlop, Inc.	(2,203,535)	(181,600)	EnerSys, Inc.	(11,010,408)
(29,744)	Walter Investment Management Corp. REIT	(1,176,078)	(91,100)	Fluidigm Corp.	(1,998,734)
(267,300)	Wells Fargo & Co.	(11,044,836)	(112,925)	Fluor Corp.	(8,013,158)
(282,700)	Weyerhaeuser Co. REIT	(8,093,701)	(78,100)	GasLog, Ltd.	(1,166,033)
(39,981)	Wintrust Financial Corp.	(1,642,020)	(53,792)	Genco Shipping & Trading, Ltd.	(211,403)
		<u>(261,730,562)</u>	(70,637)	General Cable Corp.	(2,242,725)
			(242,700)	General Electric Co.	(5,798,103)
			(174,450)	Greif, Inc., Class A	(8,553,283)
			(289,479)	Griffon Corp.	(3,630,067)
			(145,500)	Headwaters, Inc.	(1,308,045)
			(74,500)	Imax Corp.	(2,252,880)
			(200,331)	Kaman Corp.	(7,584,532)
			(67,800)	Layne Christensen Co.	(1,353,288)
			(251,400)	Nordic American Tankers, Ltd.	(2,071,536)
			(80,506)	PHH Corp.	(1,911,212)
			(16,800)	Raytheon Co.	(1,294,776)
			(118,239)	RTI International Metals, Inc.	(3,788,378)
			(583,700)	Sandvik AB	(8,065,190)
			(80,000)	Ship Finance International, Ltd.	(1,221,600)
			(433,300)	SKF AB, Class B	(12,061,769)





**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF CALL AND PUT OPTIONS WRITTEN

SEPTEMBER 30, 2013

Contracts	Security Description	Strike Price	Exp. Date	Value	Contracts	Security Description	Strike Price	Exp. Date	Value
<b>Written Options - (1.1)%</b>					(155)	FedEx Corp.	\$ 115.00	01/14	\$ (82,150)
<b>Call Options Written - (1.0)%</b>					(1,881)	Ford Motor Co.	15.00	01/14	(398,772)
(345)	3M Co.	\$ 110.00	01/14	\$ (376,050)	(180)	General Dynamics Corp.	80.00	01/14	(152,100)
(1,019)	Altria Group, Inc.	40.00	01/14	(4,076)	(5,304)	General Electric Co.	25.00	01/14	(228,072)
(178)	Amazon.com, Inc.	310.00	01/14	(368,460)	(762)	Gilead Sciences, Inc.	45.00	01/14	(1,424,940)
(155)	Amazon.com, Inc.	295.00	01/14	(456,475)	(80)	Google, Inc., Class A	850.00	01/14	(441,600)
(246)	American Electric Power Co., Inc.	50.00	01/14	(1,230)	(385)	Green Mountain Coffee Roasters, Inc.	92.50	01/14	(148,225)
(509)	American Express Co.	70.00	01/14	(348,665)	(306)	Green Mountain Coffee Roasters, Inc.	85.00	01/14	(179,928)
(395)	Amgen, Inc.	100.00	01/14	(553,000)	(458)	Halliburton Co.	40.00	01/14	(399,834)
(252)	Anadarko Petroleum Corp.	90.00	01/14	(191,520)	(980)	Hewlett-Packard Co.	20.00	01/14	(205,800)
(196)	Apache Corp.	90.00	01/14	(47,040)	(387)	Honeywell International, Inc.	75.00	01/14	(353,331)
(2,980)	AT&T, Inc.	40.00	01/14	(14,900)	(2,533)	Intel Corp.	25.00	01/14	(96,254)
(221)	Baker Hughes, Inc.	50.00	01/14	(48,178)	(1,391)	International Game Technology	17.00	01/14	(382,525)
(5,473)	Bank of America Corp.	15.00	01/14	(186,082)	(633)	Iron Mountain, Inc.	37.50	01/14	(26,903)
(280)	Baxter International, Inc.	80.00	01/14	(1,680)	(4,226)	iShares MSCI Hong Kong Index Fund	22.00	01/14	(63,390)
(880)	Berkshire Hathaway, Inc., Class B	110.00	01/14	(537,680)	(2,884)	iShares Russell 2000 Index Fund	96.00	01/14	(3,371,396)
(842)	Bristol-Myers Squibb Co.	40.00	01/14	(529,618)	(2,102)	Johnson & Johnson	80.00	01/14	(1,544,970)
(382)	Capital One Financial Corp.	70.00	01/14	(97,410)	(1,920)	JPMorgan Chase & Co.	55.00	01/14	(182,400)
(2,000)	CarMax, Inc.	48.00	10/13	(280,000)	(241)	Kinder Morgan Energy Partners LP	95.00	01/14	(964)
(57)	CarMax, Inc.	50.00	01/14	(12,825)	(166)	Lockheed Martin Corp.	115.00	01/14	(228,250)
(979)	Chevron Corp.	130.00	01/14	(84,194)	(55)	Mastercard, Inc., Class A	600.00	01/14	(454,437)
(115)	Chipotle Mexican Grill, Inc.	330.00	01/14	(1,137,350)	(511)	McDonald's Corp.	105.00	01/14	(19,929)
(811)	Cintas Corp.	50.00	01/14	(194,640)	(519)	Medtronic, Inc.	50.00	01/14	(212,790)
(2,637)	Cisco Systems, Inc.	25.00	01/14	(131,850)	(1,534)	Merck & Co., Inc.	50.00	01/14	(127,322)
(1,474)	Citigroup, Inc.	50.00	01/14	(318,384)	(540)	MetLife, Inc.	40.00	01/14	(399,600)
(437)	Cognizant Technology Solutions Corp., Class A	85.00	01/14	(174,800)	(3,743)	Microsoft Corp.	30.00	01/14	(1,310,050)
(480)	Colgate-Palmolive Co.	62.50	01/14	(36,960)	(110)	Mohawk Industries, Inc.	125.00	02/14	(151,800)
(1,337)	Comcast Corp., Class A	45.00	01/14	(279,433)	(892)	Mondelez International, Inc., Class A	30.00	01/14	(208,728)
(628)	ConocoPhillips	65.00	01/14	(320,280)	(263)	Monsanto Co.	115.00	01/14	(32,875)
(213)	Costco Wholesale Corp.	115.00	01/14	(99,045)	(336)	Monsanto Co.	110.00	01/14	(84,336)
(378)	Cummins, Inc.	125.00	01/14	(449,442)	(752)	Morgan Stanley	25.00	01/14	(215,072)
(640)	CVS Caremark Corp.	60.00	01/14	(69,760)	(216)	National Oilwell Varco, Inc.	80.00	01/14	(65,880)
(206)	Devon Energy Corp.	60.00	01/14	(42,642)	(172)	Netflix, Inc.	250.00	12/13	(1,135,200)
(466)	E.I. du Pont de Nemours & Co.	55.00	01/14	(210,166)	(1,055)	News Corp., Class A	30.00	01/14	(780,700)
(586)	eBay, Inc.	60.00	01/14	(101,378)	(755)	NIKE, Inc., Class B	60.00	01/14	(996,600)
(512)	Eli Lilly & Co.	60.00	01/14	(5,120)					
(1,048)	EMC Corp.	30.00	01/14	(16,768)					
(371)	Emerson Electric Co.	65.00	01/14	(92,750)					
(428)	Exelon Corp.	35.00	01/14	(3,210)					
(724)	Fastenal Co.	54.50	01/14	(83,260)					

**ABSOLUTE STRATEGIES FUND**

## SCHEDULE OF CALL AND PUT OPTIONS WRITTEN

SEPTEMBER 30, 2013

Contracts	Security Description	Strike Price	Exp. Date	Value	Contracts	Security Description	Strike Price	Exp. Date	Value
(162)	Norfolk Southern Corp.	\$ 75.00	01/14	\$ (72,900)	(434)	Walgreen Co.	\$ 45.00	01/14	\$ (401,450)
(410)	Occidental Petroleum Corp.	95.00	01/14	(147,600)	(863)	Wal-Mart Stores, Inc.	80.00	01/14	(31,931)
(776)	PepsiCo, Inc.	80.00	01/14	(185,464)	(605)	Weight Watchers International, Inc.	45.00	01/15	(223,850)
(3,756)	Pfizer, Inc.	30.00	01/14	(161,508)	(2,666)	Wells Fargo & Co.	40.00	01/14	(637,174)
(856)	Philip Morris International, Inc.	100.00	01/14	(14,552)	(1,430)	Whole Foods Market, Inc.	49.00	01/14	(1,421,420)
(3,950)	Potash Corp. of Saskatchewan, Inc.	40.00	01/14	(67,150)	(317)	Yum! Brands, Inc.	75.00	01/14	(49,769)
(788)	Salesforce.com, Inc.	47.50	01/14	(535,840)	Total Call Options Written (Premiums Received \$(15,222,044))				<b>(35,164,508)</b>
(682)	Schlumberger, Ltd.	85.00	01/14	(422,840)	<b>Put Options Written - (0.1)%</b>				
(151)	Simon Property Group, Inc. REIT	185.00	01/14	(2,265)	(520)	3M Co.	75.00	01/14	(7,540)
(434)	Southern Co.	50.00	01/14	(434)	(483)	Accenture PLC, Class A	55.00	01/14	(12,075)
(383)	Starbucks Corp.	65.00	01/14	(484,495)	(1,534)	Altria Group, Inc.	25.00	01/14	(15,340)
(327)	Target Corp.	70.00	01/14	(15,696)	(268)	Amazon.com, Inc.	215.00	01/14	(26,800)
(577)	Texas Instruments, Inc.	35.00	01/14	(302,925)	(371)	American Electric Power Co., Inc.	35.00	01/14	(7,420)
(247)	The Allstate Corp.	50.00	01/14	(62,491)	(767)	American Express Co.	50.00	01/14	(9,204)
(601)	The Bank of New York Mellon Corp.	32.00	01/14	(43,873)	(596)	Amgen, Inc.	70.00	01/14	(10,728)
(371)	The Boeing Co.	85.00	01/14	(1,215,025)	(295)	Apache Corp.	65.00	01/14	(9,735)
(1,050)	The Coca-Cola Co.	42.50	01/14	(15,750)	(266)	Apache Corp.	75.00	04/14	(67,830)
(598)	The Dow Chemical Co.	40.00	01/14	(81,926)	(755)	Apple, Inc.	415.00	01/14	(573,800)
(439)	The Goldman Sachs Group, Inc.	155.00	01/14	(460,950)	(4,499)	AT&T, Inc.	25.00	01/14	(53,988)
(771)	The Home Depot, Inc.	75.00	01/14	(289,125)	(333)	Baker Hughes, Inc.	35.00	01/14	(6,660)
(1,368)	The Procter & Gamble Co.	80.00	01/14	(125,856)	(1,324)	Berkshire Hathaway, Inc., Class B	75.00	01/14	(21,184)
(880)	The Walt Disney Co.	70.00	01/14	(78,320)	(1,266)	Bristol-Myers Squibb Co.	28.00	01/14	(12,660)
(892)	The Walt Disney Co.	57.50	01/14	(687,732)	(446)	Capital One Financial Corp.	50.00	01/14	(12,711)
(318)	The Williams Cos., Inc.	40.00	01/14	(22,260)	(495)	Caterpillar, Inc.	75.00	01/14	(67,320)
(484)	Time Warner, Inc.	55.00	01/14	(540,870)	(1,476)	Chevron Corp.	90.00	01/14	(54,612)
(955)	U.S. Bancorp	40.00	01/14	(21,965)	(2,215)	Citigroup, Inc.	35.00	01/14	(42,085)
(239)	Union Pacific Corp.	150.00	01/14	(228,245)	(355)	Coach, Inc.	50.00	02/14	(78,100)
(477)	United Parcel Service, Inc., Class B	90.00	01/14	(183,645)	(724)	Colgate-Palmolive Co.	42.50	01/14	(6,878)
(454)	United Technologies Corp.	100.00	01/14	(440,380)	(2,011)	Comcast Corp., Class A	30.00	01/14	(22,121)
(514)	UnitedHealth Group, Inc.	60.00	01/14	(627,080)	(322)	Costco Wholesale Corp.	80.50	01/14	(4,991)
(360)	USG Corp.	30.00	01/14	(64,800)	(966)	CVS Caremark Corp.	42.00	01/14	(15,456)
(2,268)	Verizon Communications, Inc.	50.00	01/14	(115,668)	(688)	Darden Restaurants, Inc.	42.00	04/14	(144,480)
(252)	Visa, Inc., Class A	185.00	01/14	(321,300)	(463)	Deere & Co.	80.00	01/15	(422,487)
(214)	Visa, Inc., Class A	180.00	01/14	(344,540)	(310)	Devon Energy Corp.	45.00	01/14	(7,750)
					(156)	DIRECTV	60.00	01/14	(54,600)
					(704)	E.I. du Pont de Nemours & Co.	35.00	01/14	(4,928)
					(888)	eBay, Inc.	40.00	01/14	(19,536)
					(769)	Eli Lilly & Co.	45.00	01/14	(48,447)
					(1,576)	EMC Corp.	20.00	01/14	(20,488)
					(560)	Emerson Electric Co.	45.00	01/14	(11,200)



**ABSOLUTE STRATEGIES FUND**

 NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN  
 SEPTEMBER 30, 2013

ADR	American Depositary Receipt		assets.
BKNT	Bank Note	(f)	Security fair valued in accordance with procedures adopted by the Board of Trustees. At the period end, the value of these securities amounted to \$17,194,155 or 0.5% of net assets.
ETF	Exchange Traded Fund		
ETN	Exchange Traded Note		
FHLB	Federal Home Loan Bank		
FHLMC	Federal Home Loan Mortgage Corporation	(g)	Debt obligation initially issued at one coupon rate which converts to higher coupon rate at a specified date. Rate presented is as of September 30, 2013.
FNMA	Federal National Mortgage Association		
GNMA	Government National Mortgage Association		
LLC	Limited Liability Company	(h)	Variable rate security. Rate presented is as of September 30, 2013.
LP	Limited Partnership		
MTN	Medium Term Note	(i)	Security is currently in default and is on scheduled interest or principal payment.
PLC	Public Limited Company		
REIT	Real Estate Investment Trust	(j)	Rate presented is yield to maturity.
(a)	All or a portion of this security is held as collateral for securities sold short.	(k)	Holders of Comdisco Holding Co., Inc. were issued contingent equity distribution rights pursuant to the Comdisco, Inc. First Amended Joint Plan of Reorganization. Accordingly, there is no associated strike price or expiration date.
(b)	Non-income producing security.		
(c)	Subject to call option written by the Fund.		
(d)	Subject to put option written by the Fund.		
(e)	Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$296,988,717 or 8.3% of net		

At September 30, 2013, the Fund held the following credit default swap agreement:

**Credit Default Swap – Sell Protection**

Counterparty	Reference Entity / Obligation	Receive Rate	Termination Date	Credit Spread	Notional Amount	Net Unrealized Appreciation
				as of 09/30/13 <sup>(1)</sup>		
Barclays Capital, Inc.	Index CDX HY CDS	5.00%	06/20/17	2.84%	\$ (990,000)	\$ 133,760

<sup>(1)</sup> 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.

The notional amounts are equal to the potential payment that the Fund could be required to make as a seller of credit protection.

The Fund enters contracts to sell protection to create a long credit position. Credit events that could require payment are bankruptcy, failure to pay, restructuring, obligation acceleration, obligation default, or repudiation/moratorium.

At September 30, 2013, the Fund held the following futures contracts:

Contracts	Type	Expiration Date	Notional Contract Value	Net Unrealized Appreciation (Depreciation)
3	U.S. 10-year Note Future	12/31/13	\$ 372,819	\$ 6,353
7	U.S. 5-year Note Future	12/31/13	847,427	(99)
6	U.S. Ultra Bond Future	12/31/13	841,347	11,216
(800)	Euro FX Currency Future	12/18/13	(132,716,800)	(2,553,200)
(5,400)	Russell 2000 Mini Future	12/20/13	(565,317,565)	(13,238,435)
(4,900)	S&P 500 Emini Future	12/20/13	(409,017,676)	(1,173,574)
(30)	U.S. 10-year Note Future	12/31/13	(3,682,500)	(109,219)
(40)	U.S. 2-year Note Future	12/31/13	(8,768,128)	(42,497)
(345)	U.S. 5-year Note Future	12/31/13	(40,947,188)	(813,984)
(20)	U.S. Long Bond Future	12/31/13	(2,585,624)	(81,876)
(12)	U.S. Ultra Bond Future	12/31/13	(1,643,493)	(61,632)
			<u>\$ (1,162,617,381)</u>	<u>\$ (18,056,947)</u>

\* Cost for federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$	724,671,038
Gross Unrealized Depreciation		(231,740,803)
Net Unrealized Appreciation	\$	<u>492,930,235</u>

**ABSOLUTE STRATEGIES FUND**NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN  
SEPTEMBER 30, 2013

The following is a summary of the inputs used to value the Fund's investments and other financial instruments and liabilities as of September 30, 2013.

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>
<b>Assets</b>				
<b>Investments At Value</b>				
Common Stock				
Consumer Discretionary	\$ 277,945,918	\$ -	\$ -	\$ 277,945,918
Consumer Staples	202,288,766	-	-	202,288,766
Energy	65,363,007	-	-	65,363,007
Financial	271,552,590	-	-	271,552,590
Healthcare	120,773,652	-	-	120,773,652
Industrial	112,172,867	-	-	112,172,867
Information Technology	153,701,495	-	-	153,701,495
Materials	19,889,049	-	-	19,889,049
Telecommunication Services	93,688,681	-	-	93,688,681
Utilities	3,892,187	-	-	3,892,187
Preferred Stock				
Consumer Discretionary	4,260,471	-	-	4,260,471
Consumer Staples	1,944,540	4,533,720	-	6,478,260
Energy	4,158,673	8,583,193	-	12,741,866
Financial	16,033,742	8,720,125	-	24,753,867
Healthcare	1,642,376	4,741,049	-	6,383,425
Industrial	1,705,411	-	-	1,705,411
Materials	1,734,178	-	-	1,734,178
Telecommunication Services	-	1,169,374	-	1,169,374
Utilities	3,206,763	-	-	3,206,763
Asset Backed Obligations	-	282,350,251	10,293,177	292,643,428
Corporate Convertible Bonds	-	734,944,584	6,849,700	741,794,284
Corporate Non-Convertible Bonds	-	92,156,040	51,278	92,207,318
Exchange Traded Notes	384,375	-	-	384,375
Foreign Government Bonds	-	449,969	-	449,969
Interest Only Bonds	-	4,044,216	-	4,044,216
Municipal Bonds	-	11,738,559	-	11,738,559
Syndicated Loans	-	3,239,980	-	3,239,980
U.S. Government & Agency Obligations	-	72,895,848	-	72,895,848
Rights	10,500	-	-	10,500
Investment Companies	296,168,500	-	-	296,168,500
Purchased Options	58,411,477	-	-	58,411,477
<b>Total Investments At Value</b>	<b>\$ 1,710,929,218</b>	<b>\$ 1,229,566,908</b>	<b>\$ 17,194,155</b>	<b>\$ 2,957,690,281</b>
<b>Other Financial Instruments**</b>				
Credit Default Swaps	-	133,760	-	133,760
Futures	17,569	-	-	17,569
<b>Total Other Financial Instruments</b>	<b>\$ 17,569</b>	<b>\$ 133,760</b>	<b>\$ -</b>	<b>\$ 151,329</b>
<b>Total Assets</b>	<b>\$ 1,710,946,787</b>	<b>\$ 1,229,700,668</b>	<b>\$ 17,194,155</b>	<b>\$ 2,957,841,610</b>

**ABSOLUTE STRATEGIES FUND**

NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN  
 SEPTEMBER 30, 2013

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Liabilities</b>				
<b>Securities Sold Short</b>				
Common Stock	\$ (1,161,066,282)	\$ -	\$ -	\$ (1,161,066,282)
Preferred Stock	(2,060,081)	-	-	(2,060,081)
<b>Total Securities Sold Short</b>	<b>\$ (1,163,126,363)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,163,126,363)</b>
<b>Other Financial Instruments**</b>				
Written Options	(40,262,722)	(2,018)	-	(40,264,740)
Futures	(18,074,516)	-	-	(18,074,516)
<b>Total Other Financial Instruments</b>	<b>\$ (58,337,238)</b>	<b>\$ (2,018)</b>	<b>\$ -</b>	<b>\$ (58,339,256)</b>
<b>Total Liabilities</b>	<b>\$ (1,221,463,601)</b>	<b>\$ (2,018)</b>	<b>\$ -</b>	<b>\$ (1,221,465,619)</b>

\*\* 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 period end.

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

	<u>Asset Backed Obligations</u>	<u>Corporate Convertible Bonds</u>	<u>Corporate Non Convertible Bonds</u>	<u>U.S. Government &amp; Agency Obligations</u>
<b>Balance as of 03/31/13</b>	\$ 1,953,489	\$ 4,796,000	\$ 38,160	\$ 216,839
Accrued Accretion / (Amortization)	29,847	11,692	-	(12)
Change in Unrealized Appreciation / (Depreciation)	22,059	(147,992)	13,118	(12,873)
Purchases	8,898,896	2,040,000	-	-
Sales	(581,400)	-	-	-
Paydowns	(29,714)	-	-	(1,696)
Transfers In / (Out)	-	150,000	-	(202,258)
<b>Balance as of 09/30/13</b>	<b>\$ 10,293,177</b>	<b>\$ 6,849,700</b>	<b>\$ 51,278</b>	<b>\$ -</b>
Net change in unrealized appreciation / (depreciation) from investments held as of 09/30/13***	\$ 22,059	\$ (960,066)	\$ 13,118	\$ (12,873)

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

The Fund utilizes the end of period methodology when determining transfers in or out of the Level 3 category.

There were no transfers between Level 1 and Level 2 for the period ended September 30, 2013.

**ABSOLUTE OPPORTUNITIES FUND**

PORTFOLIO HOLDINGS SUMMARY

SEPTEMBER 30, 2013

<b>Portfolio Breakdown (% of Net Assets)</b>	
Long Positions	
Equity Securities	48.8%
Asset Backed Obligations	0.7%
Corporate Convertible Bonds	0.3%
Corporate Non-Convertible Bonds	1.2%
Syndicated Loans	0.1%
U.S. Government & Agency Obligations	8.2%
Warrants	2.5%
Short-Term Investments	10.4%
Purchased Options	0.0%
Short Positions	
Equity Securities	-9.4%
Investment Companies	-8.8%
Other Assets less Liabilities*	46.0%
	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 19.8% of net assets. See Note 2.

<b>Sector Breakdown</b>	<b>(% of Equity Holdings)</b>	
	Long	Short
Consumer Discretionary	14.0%	26.5%
Consumer Staples	5.1%	30.1%
Energy	27.2%	2.6%
Financial	10.5%	0.7%
Healthcare	0.0%	1.4%
Industrial	17.0%	19.8%
Information Technology	7.2%	10.7%
Materials	4.5%	6.5%
Telecommunication Services	12.4%	1.7%
Utilities	2.1%	0.0%
	100.0%	100.0%

**ABSOLUTE OPPORTUNITIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Shares	Security Description	Value	Shares	Security Description	Value
<b>Long Positions - 72.2%</b>			708,722	Orco Property Group (a)	\$ 2,233,992
<b>Equity Securities - 48.8%</b>			38,515	Ryman Hospitality Properties, Inc. REIT	1,329,153
<b>Common Stock - 48.8%</b>					<u>15,513,283</u>
<b>Consumer Discretionary - 6.8%</b>			<b>Industrial - 8.3%</b>		
12,416	Arctic Cat, Inc.	\$ 708,333	13,512	AGCO Corp.	816,395
8,566	Buffalo Wild Wings, Inc. (a)	952,711	64,358	Blount International, Inc. (a)(b)	779,376
10,708	Bunge, Ltd.	812,844	174,049	Builders FirstSource, Inc. (a)(b)	1,023,408
90,962	General Motors Co. (a)	3,271,903	142,700	Darling International, Inc. (a)(b)	3,019,532
17,091	Hanesbrands, Inc. (b)	1,064,940	77,165	EnPro Industries, Inc. (a)(b)	4,646,105
228,190	Inergy LP (b)	3,142,176	123,876	GenCorp, Inc. (a)	1,985,732
15,399	Lithia Motors, Inc., Class A	1,123,511	10,655	Genesee & Wyoming, Inc., Class A (a)(b)	990,595
76,485	Luby's, Inc. (a)	549,162	299,371	Great Lakes Dredge & Dock Corp. (b)	2,221,333
45,147	Motorcar Parts of America, Inc. (a)	572,013	57,914	ITT Corp. (b)	2,082,008
3,545	Motors Liquidation Co. GUC Trust (a)	125,670	3,451	Rock-Tenn Co., Class A (b)	349,483
54,963	Office Depot, Inc. (a)	265,471	58,001	Spirit Aerosystems Holdings, Inc., Class A (a)	1,405,944
44,141	OfficeMax, Inc. (b)	564,564	64,000	The Babcock & Wilcox Co.	2,158,080
86,640	PHH Corp. (a)	2,056,834	47,166	Trimble Navigation, Ltd. (a)	1,401,302
63,738	Ruby Tuesday, Inc. (a)	478,035	104,068	Tutor Perini Corp. (a)(b)	2,218,730
22,377	Tempur Sealy International, Inc. (a)(b)	983,693			<u>25,098,023</u>
317,500	Tigrent, Inc. (a)	60,325	<b>Information Technology - 3.5%</b>		
12,880	Time Warner Cable, Inc. (b)	1,437,408	2,992	Apple, Inc.	1,426,436
30,019	Titan Machinery, Inc. (a)	482,405	44,280	Eastman Kodak Co. (a)	1,107,000
15,042	Tractor Supply Co.	1,010,371	67,952	Himax Technologies, Inc., ADR	679,520
24,220	Vitamin Shoppe, Inc. (a)	1,059,625	196,233	Marvell Technology Group, Ltd.	2,256,680
		<u>20,721,994</u>	33,004	OmniVision Technologies, Inc. (a)	505,291
<b>Consumer Staples - 2.5%</b>			127,019	Skyworks Solutions, Inc. (a)(b)	3,155,152
44,218	Amira Nature Foods, Ltd. (a)	572,181	40,324	Verint Systems, Inc. (a)(b)	1,495,012
32,702	Blyth, Inc.	452,269			<u>10,625,091</u>
26,770	Calavo Growers, Inc.	809,525	<b>Materials - 2.2%</b>		
62,972	Diamond Foods, Inc. (a)(b)	1,484,880	4,207	CF Industries Holdings, Inc.	886,962
41,047	Pilgrim's Pride Corp. (a)	689,179	89,663	Constellium NV, Class A (a)	1,739,462
178,355	QLT, Inc. (a)	825,784	19,130	Kaiser Aluminum Corp. (b)	1,363,012
20,141	Safeway, Inc.	644,310	11,626	Monsanto Co.	1,213,406
23,965	Tyson Foods, Inc., Class A	677,730	27,162	Noranda Aluminum Holding Corp.	66,819
43,342	Zoetis, Inc.	1,348,803	15,297	Potash Corp. of Saskatchewan, Inc.	478,490
		<u>7,504,661</u>	25,495	Rentech Nitrogen Partners LP	625,137
<b>Energy - 13.3%</b>			14,434	Tronox, Ltd., Class A	353,200
147,202	Energy XXI Bermuda, Ltd. (b)	4,445,500			<u>6,726,488</u>
68,442	Inergy Midstream LP (b)	1,511,199	<b>Telecommunication Services - 6.1%</b>		
57,603	Kinder Morgan, Inc. (b)	2,048,939	11,939	Charter Communications, Inc., Class A (a)(b)	1,608,900
167,541	Kodiak Oil & Gas Corp. (a)(b)	2,020,545	135,227	Comverse, Inc. (a)(b)	4,320,503
65,903	MPLX LP (b)	2,401,505	317,625	News Corp., Class A (a)(b)	5,101,057
37,690	Phillips 66 Partners LP (a)(b)	1,159,344	15,399	OpenTable, Inc. (a)	1,077,622
165,253	Primary Energy Recycling Corp.	776,491	134,955	RF Micro Devices, Inc. (a)	761,146
197,000	QEP Midstream Partners LP (a)(b)	4,460,080	31,706	Tribune Co. (a)(b)	2,000,332
118,444	QEP Resources, Inc. (b)	3,279,714	98,663	Vodafone Group PLC, ADR	3,470,964
76,252	Rose Rock Midstream LP (b)	2,436,251			<u>18,340,524</u>
82,280	SemGroup Corp., Class A (b)	4,691,606	<b>Utilities - 1.0%</b>		
126,982	Summit Midstream Partners LP (b)	4,311,039	82,918	Western Gas Equity Partners LP (b)	3,083,720
166,619	SunCoke Energy, Inc. (a)	2,832,523			
165,375	Tallgrass Energy Partners LP (b)	3,853,238			
		<u>40,227,974</u>	<b>Total Common Stock (Cost \$124,496,839)</b>		
<b>Financial - 5.1%</b>					<u>147,841,758</u>
173,175	American Homes 4 Rent, Class A REIT (a)	2,796,776	<b>Total Equity Securities (Cost \$124,496,839)</b>		
132,731	Chambers Street Properties REIT	1,165,378			<u>147,841,758</u>
163,445	Coventree, Inc. (a)(c)	39,669			
95,842	DFC Global Corp. (a)(b)	1,053,304			
126,241	E*TRADE Financial Corp. (a)	2,082,977			
848,993	Gramercy Property Trust, Inc. REIT (a)(b)	3,523,321			
38,735	Lender Processing Services, Inc.	1,288,713			



**ABSOLUTE OPPORTUNITIES FUND**

## SCHEDULE OF INVESTMENTS

SEPTEMBER 30, 2013

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
<b>Fixed Income Securities - 10.5%</b>					<b>Short-Term Investments - 10.4%</b>				
<b>Asset Backed Obligations - 0.7%</b>					<b>Commercial Paper (g) - 10.4%</b>				
\$ 770,000	Punch Taverns Finance B, Ltd. (d)	8.44%	06/30/25	\$ 828,958	\$ 3,000,000	Arrow Electronics, Inc.	0.70%	10/30/13	\$ 2,998,308
1,174,000	Punch Taverns Finance B, Ltd.	6.96	06/30/28	1,263,892	3,000,000	Canadian Natural Resources	0.30	10/17/13	2,999,600
Total Asset Backed Obligations (Cost \$1,749,393)				<b>2,092,850</b>	2,500,000	Duke Energy Corp.	0.30	11/12/13	2,499,125
<b>Corporate Convertible Bonds - 0.3%</b>					3,000,000	Eastman Chemical Co.	0.28	10/08/13	2,999,837
<b>Financial - 0.3%</b>					2,500,000	Hewlett-Packard Co.	0.36	10/21/13	2,499,500
900,000	IVG Finance BV (Cost \$758,952)	1.75	03/29/17	<b>918,166</b>	3,000,000	Molson Coors Brewing Co.	0.44	10/21/13	2,999,267
<b>Corporate Non-Convertible Bonds - 1.2%</b>					3,000,000	Oneok, Inc.	0.32	10/24/13	2,999,387
<b>Consumer Staples - 0.5%</b>					3,000,000	Safeway, Inc.	0.55	10/21/13	2,999,083
267,000	Novasep Holding SAS (d)	8.00	12/15/16	245,640	3,000,000	Thermo Fisher Scientific	0.30	10/18/13	2,999,575
1,442,000	Novasep Holding SAS (d)	8.00	12/15/16	1,326,640	2,500,000	TransCanada Pipeline USA	0.33	10/29/13	2,499,358
				<b>1,572,280</b>	3,000,000	Wyndham Worldwide Corp.	0.50	10/02/13	2,999,958
<b>Financial - 0.2%</b>					Total Commercial Paper (Cost \$31,492,998)				
578,526	Orco Property Group, MTN (c) (e)	0.00	02/28/18	694,610	<b>31,492,998</b>				
<b>Industrial - 0.5%</b>					<b>Total Short-Term Investments (Cost \$31,492,998)</b>				
1,397,000	Signature Group Holdings, Inc.	9.00	12/31/16	1,394,381	<b>31,492,998</b>				
Total Corporate Non-Convertible Bonds (Cost \$2,952,017)					<b>3,661,271</b>				
<b>Syndicated Loans - 0.1%</b>					<b>Contracts Security Description Strike Price Exp. Date Value</b>				
2,506,684	Cinram International, Inc. (f) (Cost \$1,624,456)	10.25	12/31/13	<b>166,068</b>	<b>Purchased Options - 0.0%</b>				
<b>U.S. Government &amp; Agency Obligations - 8.2%</b>					<b>Put Options Purchased - 0.0%</b>				
<b>U.S. Treasury Securities - 8.2%</b>					136 Sears Holdings Corp.				
10,000,000	U.S. Treasury Bill (b)(g)	0.04	10/10/13	9,999,960	\$ 55.42	02/14	89,760		
5,000,000	U.S. Treasury Bill (b)(g)	0.03	10/17/13	4,999,955	145 Westport Innovation	28.00	01/14	78,300	
10,000,000	U.S. Treasury Bill (b)(g)	0.04	10/31/13	9,999,770	Total Put Options Purchased (Premiums Paid \$216,633)				
				<b>24,999,685</b>	<b>168,060</b>				
Total U.S. Government & Agency Obligations (Cost \$24,999,467)					<b>168,060</b>				
<b>Total Fixed Income Securities (Cost \$32,084,285)</b>					<b>Total Purchased Options (Premiums Paid \$216,633)</b>				
				<b>31,838,040</b>	<b>168,060</b>				
<b>Warrants - 2.5%</b>					<b>Total Long Positions - 72.2% (Cost \$190,593,550)*</b>				
1,520,031	Kinder Morgan, Inc. (a)(b)			7,554,554	<b>Total Short Positions - (18.2)% (Cost \$(52,680,960))*</b>				
3,690	Orco Property Group (a)(c)			1,498	<b>Other Assets &amp; Liabilities, Net - 46.0%</b>				
Total Warrants (Cost \$2,302,795)				<b>7,556,052</b>	<b>139,274,901</b>				
					<b>Net Assets - 100.0%</b>				
					<b>\$ 303,057,506</b>				

**ABSOLUTE OPPORTUNITIES FUND**  
**SCHEDULE OF SECURITIES SOLD SHORT**  
**SEPTEMBER 30, 2013**

<b>Shares</b>	<b>Security Description</b>	<b>Value</b>	<b>Shares</b>	<b>Security Description</b>	<b>Value</b>
<b>Short Positions - (18.2)%</b>			<b>Industrial - (1.9)%</b>		
<b>Common Stock - (9.4)%</b>					
<b>Consumer Discretionary - (2.5)%</b>					
(3,401)	Bravo Brio Restaurant Group, Inc.	\$ (51,355)	(5,452)	American Railcar Industries, Inc.	\$ (213,882)
(8,350)	Chemed Corp.	(597,025)	(22,449)	Briggs & Stratton Corp.	(451,674)
(1,173)	Chipotle Mexican Grill, Inc.	(502,865)	(5,147)	Caterpillar, Inc.	(429,105)
(9,420)	Coach, Inc.	(513,673)	(10,169)	Deere & Co.	(827,655)
(10,275)	Darden Restaurants, Inc.	(475,630)	(3,704)	Fluor Corp.	(262,836)
(51,373)	Denny's Corp.	(314,403)	(4,834)	Joy Global, Inc.	(246,727)
(5,117)	Dorman Products, Inc.	(253,547)	(5,884)	Lindsay Corp.	(480,252)
(1,058)	Equinix, Inc.	(194,302)	(8,566)	Raven Industries, Inc.	(280,194)
(5,919)	Factset Research Systems, Inc.	(645,763)	(12,520)	Rexel SA	(318,429)
(3,123)	Family Dollar Stores, Inc.	(224,918)	(11,839)	Simpson Manufacturing Co., Inc.	(385,596)
(5,460)	Foot Locker, Inc.	(185,312)	(21,865)	SKF AB, Class B	(608,656)
(12,494)	FTI Consulting, Inc.	(472,273)	(37,854)	Smith & Wesson Holding Corp.	(416,015)
(7,609)	iRobot Corp.	(286,631)	(4,980)	Trinity Industries, Inc.	(225,843)
(51,466)	LeapFrog Enterprises, Inc.	(484,810)	(3,314)	Valmont Industries, Inc.	(460,348)
(5,999)	Lululemon Athletica, Inc.	(438,467)			<u>(5,607,212)</u>
(1,180)	Lumber Liquidators Holdings, Inc.	(125,847)	<b>Information Technology - (1.0)%</b>		
(5,683)	Select Comfort Corp.	(138,381)	(12,164)	ACI Worldwide, Inc.	(657,586)
(6,889)	The Buckle, Inc.	(372,350)	(7,447)	Computer Programs and Systems, Inc.	(435,650)
(9,015)	The Childrens Place Retail Stores, Inc.	(521,608)	(17,181)	Diebold, Inc.	(504,434)
(38,243)	The Wendy's Co.	(324,301)	(31,581)	Digital River, Inc.	(564,352)
(8,888)	Vitamin Shoppe, Inc.	(388,850)	(4,298)	F5 Networks, Inc.	(368,596)
		<u>(7,512,311)</u>	(10,035)	MICROS Systems, Inc.	(501,148)
					<u>(3,031,766)</u>
<b>Consumer Staples - (2.8)%</b>			<b>Materials - (0.6)%</b>		
(3,605)	Align Technology, Inc.	(173,473)	(10,412)	Allegheny Technologies, Inc.	(317,774)
(29,275)	Amedisys, Inc.	(504,115)	(20,141)	American Vanguard Corp.	(542,196)
(13,691)	Archer-Daniels-Midland Co.	(504,376)	(11,032)	Clearwater Paper Corp.	(526,999)
(16,357)	Avis Budget Group, Inc.	(471,572)	(5,813)	Compass Minerals International, Inc.	(443,357)
(6,926)	Campbell Soup Co.	(281,957)			<u>(1,830,326)</u>
(8,077)	DENTSPLY International, Inc.	(350,623)	<b>Telecommunication Services - (0.2)%</b>		
(8,209)	Dr. Pepper Snapple Group, Inc.	(367,927)	(20,812)	Angie's List, Inc.	(468,270)
(20,037)	ExamWorks Group, Inc.	(520,762)			
(16,062)	Fairway Group Holdings Corp.	(410,545)	<b>Total Common Stock</b>		
(6,330)	Green Mountain Coffee Roasters, Inc.	(476,839)	<b>(Cost \$(27,171,458))</b>		
(8,566)	Hormel Foods Corp.	(360,800)	<u><b>(28,315,405)</b></u>		
(7,521)	Ingredion, Inc.	(497,665)	<b>Investment Companies - (8.8)%</b>		
(5,481)	PepsiCo, Inc.	(435,739)	(148,000)	Alerian MLP ETF	(2,603,320)
(3,569)	Sanderson Farms, Inc.	(232,841)	(21,784)	Industrial Select Sector SPDR Fund	(1,010,124)
(6,858)	SodaStream International, Ltd.	(427,871)	(23,877)	iShares 20+ Year Treasury Bond ETF	(2,540,513)
(5,481)	The Andersons, Inc.	(383,122)	(55,948)	iShares Russell 2000 ETF	(5,965,176)
(11,340)	The Brink's Co.	(320,922)	(40,272)	iShares U.S. Real Estate ETF	(2,567,743)
(24,985)	The Chefs' Warehouse, Inc.	(577,153)	(38,700)	SPDR Barclays Capital High Yield Bond ETF	(1,541,808)
(9,586)	The Fresh Market, Inc.	(453,514)	(23,401)	SPDR S&P 500 ETF Trust	(3,933,708)
(7,521)	The Scotts Miracle-Gro Co., Class A	(413,881)	(100,721)	SPDR S&P Oil & Gas Exploration & Production ETF	(6,636,506)
(5,354)	TreeHouse Foods, Inc.	(357,808)			
		<u>(8,523,505)</u>	<b>Total Investment Companies</b>		
<b>Energy - (0.2)%</b>			<b>(Cost \$(25,509,502))</b>		
(20,549)	Green Plains Renewable Energy, Inc.	(329,812)	<u><b>(26,798,898)</b></u>		
(27,382)	Renewable Energy Group, Inc.	(414,837)	<b>Total Short Positions - (18.2)%</b>		
		<u>(744,649)</u>	<b>(Cost \$(52,680,960))</b>		
			<u><b>\$ (55,114,303)</b></u>		
<b>Financial - (0.1)%</b>					
(13,801)	American Capital, Ltd.	(189,764)			
<b>Healthcare - (0.1)%</b>					
(11,376)	Hill-Rom Holdings, Inc.	(407,602)			

**ABSOLUTE OPPORTUNITIES FUND**

## NOTES TO SCHEDULES OF INVESTMENTS AND SECURITIES SOLD SHORT

SEPTEMBER 30, 2013

ADR	American Depositary Receipt	(d)	Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$2,401,238 or 0.8% of net assets.
ETF	Exchange Traded Fund		
LP	Limited Partnership		
MTN	Medium Term Note		
PLC	Public Limited Company	(e)	Payment in-Kind Bond. Security that gives the issuer the option at each interest payment date of making interest payments in either cash or additional debt securities.
REIT	Real Estate Investment Trust		
(a)	Non-income producing security.	(f)	Security is currently in default and is on scheduled interest or principal payment.
(b)	All or a portion of this security is held as collateral for securities sold short.	(g)	Rate presented is yield to maturity.
(c)	Security fair valued in accordance with procedures adopted by the Board of Trustees. At the period end, the value of these securities amounted to \$735,777 or 0.2% of net assets.		

At September 30, 2013, the Fund held the following credit default swap agreements:

**Credit Default Swaps – Buy Protection**

Counterparty	Reference Entity / Obligation	Pay Rate	Termination Date	Credit Spread as of 09/30/13 <sup>(1)</sup>	Notional Amount	Net Unrealized Appreciation (Depreciation)
Deutsche Bank Alex Brown, Inc.	Carnival Corp., 6.65%, 01/15/28	1.00%	09/20/18	0.90%	\$ 5,000,000	\$ (35,706)
Deutsche Bank Alex Brown, Inc.	Carnival Corp., 6.65%, 01/15/28	1.00	12/20/18	0.96	15,000,000	50,253
Deutsche Bank Alex Brown, Inc.	Computer Sciences Corp., 6.50%, 03/15/18	5.00	12/20/18	1.24	10,000,000	(23,302)
Goldman Sachs & Co.	Darden Restaurants, Inc., 6.00%, 08/15/35	1.00	09/20/18	2.00	5,000,000	82,489
Barclays	Dow Chemical Co., 7.13%, 11/01/29	1.00	09/20/18	0.82	10,000,000	(119,782)
Barclays	Dow Chemical Co., 7.38%, 11/01/29	1.00	12/20/18	0.87	20,000,000	(44,100)
Barclays	Kimco Realty Corp., 6.88%, 10/01/19	1.00	09/20/18	0.87	10,000,000	5,053
Barclays	Kimco Realty Corp., 6.88%, 10/01/19	1.00	12/20/18	0.91	15,000,000	(96,718)
Barclays	Macy's Retail Holdings, Inc., 7.45%, 07/15/17	1.00	12/20/18	1.05	5,000,000	4,859
Deutsche Bank Alex Brown, Inc.	Macy's Retail Holdings, Inc., 7.45%, 07/15/17	1.00	12/20/18	1.05	15,000,000	18,240
Goldman Sachs & Co.	Macy's Retail Holdings, Inc., 7.45%, 07/15/17	1.00	12/20/18	1.05	5,000,000	(16,152)
Deutsche Bank Alex Brown, Inc.	Marriott International, Inc., 6.20%, 06/15/16	1.00	12/20/18	0.71	15,000,000	(56,898)
Barclays	Nordstrom, Inc., 6.95%, 03/15/28	1.00	12/20/18	0.71	10,000,000	(26,775)
Deutsche Bank Alex Brown, Inc.	Nordstrom, Inc., 6.95%, 03/15/28	1.00	12/20/18	0.71	5,000,000	(15,887)
Barclays	Ryder System, Inc., 6.95%, 12/01/25	1.00	12/20/18	0.91	5,000,000	(8,975)
Morgan Stanley & Co., LLC	Ryder System, Inc., 6.95%, 12/01/25	1.00	12/20/18	0.91	20,000,000	(138,534)
Goldman Sachs & Co.	Southwest Airlines Co., 5.13%, 03/01/17	1.00	12/20/18	1.15	20,000,000	(180,345)
Morgan Stanley & Co., LLC	Southwest Airlines Co., 5.13%, 03/01/17	1.00	12/20/18	1.15	10,000,000	(100,845)
BNP Paribas	Starwood Hotels & Resorts Worldwide Inc, 6.75%, 05/15/18	1.00	12/20/18	0.80	20,000,000	(6,610)
						<u>\$ (709,735)</u>

<sup>(1)</sup> 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 OPPORTUNITIES FUND**NOTES TO SCHEDULES OF INVESTMENTS AND SECURITIES SOLD SHORT  
SEPTEMBER 30, 2013

At September 30, 2013, the Fund sold the following futures contracts:

<b>Contracts</b>	<b>Type</b>	<b>Expiration Date</b>	<b>Notional Contract Value</b>	<b>Net Unrealized Depreciation</b>
(100)	Euro FX Currency Future	12/18/13	\$ (16,589,600)	\$ (319,150)
(400)	Russell 2000 Mini Future	12/20/13	(41,870,739)	(985,261)
(250)	S&P 500 Emini Future	12/20/13	(20,800,992)	(127,133)
			<u>\$ (79,261,331)</u>	<u>\$ (1,431,544)</u>

\* Cost for federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$	33,276,265
Gross Unrealized Depreciation		(7,406,250)
Net Unrealized Appreciation	<u>\$</u>	<u>25,870,015</u>

The following is a summary of the inputs used to value the Fund's investments and other financial instruments and liabilities as of September 30, 2013.

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.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
<b>Investments At Value</b>				
Common Stock				
Consumer Discretionary	\$ 20,721,994	\$ -	\$ -	\$ 20,721,994
Consumer Staples	7,504,661	-	-	7,504,661
Energy	40,227,974	-	-	40,227,974
Financial	15,473,614	-	39,669	15,513,283
Industrial	25,098,023	-	-	25,098,023
Information Technology	10,625,091	-	-	10,625,091
Materials	6,726,488	-	-	6,726,488
Telecommunication Services	18,340,524	-	-	18,340,524
Utilities	3,083,720	-	-	3,083,720
Asset Backed Obligations	-	2,092,850	-	2,092,850
Corporate Convertible Bonds	-	918,166	-	918,166
Corporate Non-Convertible Bonds	-	2,966,661	694,610	3,661,271
Syndicated Loans	-	166,068	-	166,068
U.S. Government & Agency Obligations	-	24,999,685	-	24,999,685
Warrants	7,554,554	-	1,498	7,556,052
Commercial Paper	-	31,492,998	-	31,492,998
Purchased Options	168,060	-	-	168,060
<b>Total Investments At Value</b>	<u>\$ 155,524,703</u>	<u>\$ 62,636,428</u>	<u>\$ 735,777</u>	<u>\$ 218,896,908</u>
<b>Other Financial Instruments**</b>				
Credit Default Swaps	-	160,894	-	160,894
<b>Total Assets</b>	<u>\$ 155,524,703</u>	<u>\$ 62,797,322</u>	<u>\$ 735,777</u>	<u>\$ 219,057,802</u>

**ABSOLUTE OPPORTUNITIES FUND**

## NOTES TO SCHEDULES OF INVESTMENTS AND SECURITIES SOLD SHORT

SEPTEMBER 30, 2013

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Liabilities</b>				
<b>Securities Sold Short</b>				
Common Stock	\$ (28,315,405)	\$ -	\$ -	\$ (28,315,405)
Investment Companies	(26,798,898)	-	-	(26,798,898)
<b>Total Securities Sold Short</b>	<b>\$ (55,114,303)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (55,114,303)</b>
<b>Liabilities</b>				
<b>Other Financial Instruments**</b>				
Credit Default Swaps	-	(870,629)	-	(870,629)
Futures	(1,431,544)	-	-	(1,431,544)
<b>Total Other Financial Instruments</b>	<b>\$ (1,431,544)</b>	<b>\$ (870,629)</b>	<b>\$ -</b>	<b>\$ (2,302,173)</b>
<b>Total Liabilities</b>	<b>\$ (56,545,847)</b>	<b>\$ (870,629)</b>	<b>\$ -</b>	<b>\$ (57,416,476)</b>

\*\* Other Financial Instruments are derivative instruments not reflected in the Schedule of Investments and Schedule of Securities Sold Short, such as futures and credit default swaps, which are valued at the unrealized appreciation (depreciation) of the instrument.

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

	<u>Common Stock</u>	<u>Corporate Non-Convertible Bonds</u>	<u>Warrants</u>
<b>Balance as of 03/31/13</b>	\$ 40,224	\$ 1,693,497	\$ 3,358
Accrued Accretion / (Amortization)	-	1,757	-
Realized Gain / (Loss)	-	700,953	-
Change in Unrealized Appreciation / (Depreciation)	(555)	(625,686)	(1,860)
Sales	-	(1,075,911)	-
Transfers In / (Out)	-	-	-
<b>Balance as of 09/30/13</b>	<b>\$ 39,669</b>	<b>\$ 694,610</b>	<b>\$ 1,498</b>
Net change in unrealized appreciation / (depreciation) from investments held as of 09/30/13***	\$ (555)	\$ (625,686)	\$ (1,860)

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

There were no transfers between Level 1, Level 2 and Level 3 for the period ended September 30, 2013.

**ABSOLUTE FUNDS**  
**STATEMENTS OF ASSETS AND LIABILITIES**  
**SEPTEMBER 30, 2013**

	<b>ABSOLUTE STRATEGIES FUND</b>	<b>ABSOLUTE OPPORTUNITIES FUND</b>
<b>ASSETS</b>		
Total investments, at value (Cost \$2,347,171,015 and \$190,593,550, respectively)	\$ 2,957,690,281	\$ 218,896,908
Deposits with brokers	1,201,836,713	60,053,242
Cash	614,053,919	79,457,227
Foreign currency (Cost \$0 and \$2,542,822, respectively)	-	2,642,557
Receivables:		
Fund shares sold	6,932,362	404,339
Investment securities sold	19,027,003	4,857,863
Dividends and interest	10,375,034	114,108
Variation margin	3,164,641	165,125
Swap premiums paid	-	801,146
Unrealized gain on swap agreements	133,760	160,894
Prepaid expenses	100,009	29,055
<b>Total Assets</b>	<b>4,813,313,722</b>	<b>367,582,464</b>
<b>LIABILITIES</b>		
Swap premiums received	57,404	2,719,481
Unrealized loss on swap agreements	-	870,629
Unrealized loss on forward currency contracts	18,868	-
Payables:		
Securities sold short, at value (Cost \$1,053,018,035 and \$52,680,960, respectively)	1,163,126,363	55,114,303
Call options written, at value (Premiums received \$15,222,044 and \$0, respectively)	35,164,508	-
Put options written, at value (Premiums received \$17,561,993 and \$0, respectively)	5,100,232	-
Investment securities purchased	21,639,131	4,625,405
Fund shares redeemed	3,535,966	289,485
Dividends and interest on securities sold short	568,588	41,209
Variation margin	104,202	7,500
Due to broker	16,340,858	-
Other	56,023	-
Accrued Liabilities:		
Investment adviser fees	5,078,683	672,845
Trustees' fees and expenses	2,530	527
Fund services fees	125,265	14,717
Other expenses	361,065	168,857
<b>Total Liabilities</b>	<b>1,251,279,686</b>	<b>64,524,958</b>
<b>NET ASSETS</b>	<b>\$ 3,562,034,036</b>	<b>\$ 303,057,506</b>

**ABSOLUTE FUNDS**  
**STATEMENTS OF ASSETS AND LIABILITIES**  
**SEPTEMBER 30, 2013**

	<b>ABSOLUTE STRATEGIES FUND</b>	<b>ABSOLUTE OPPORTUNITIES FUND</b>
<b>COMPONENTS OF NET ASSETS</b>		
Paid-in capital	\$ 3,390,753,700	\$ 303,901,174
Distributions in excess of net investment income	(25,101,159)	(8,039,578)
Accumulated net realized loss	(278,559,575)	(16,632,884)
Net unrealized appreciation	474,941,070	23,828,794
<b>NET ASSETS</b>	<b>\$ 3,562,034,036</b>	<b>\$ 303,057,506</b>
<b>SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)</b>		
Institutional Shares	314,133,469	26,750,345
R Shares	7,536,775	-
<b>NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE</b>		
Institutional Shares (based on net assets of \$3,479,181,911 and \$303,057,506, respectively)	\$ 11.08	\$ 11.33
R Shares (based on net assets of \$82,852,125 and \$0, respectively)	\$ 10.99	-

**ABSOLUTE FUNDS**  
**STATEMENTS OF OPERATIONS**  
**SIX MONTHS ENDED SEPTEMBER 30, 2013**

	<b>ABSOLUTE STRATEGIES FUND</b>	<b>ABSOLUTE OPPORTUNITIES FUND</b>
<b>INVESTMENT INCOME</b>		
Dividend income (Net of foreign withholding taxes of \$63,308 and \$5,271, respectively)	\$ 17,459,619	\$ 1,233,281
Interest income (Net of foreign withholding taxes of \$2,722 and \$0, respectively)	8,987,858	928,262
Total Investment Income	<u>26,447,477</u>	<u>2,161,543</u>
<b>EXPENSES</b>		
Investment adviser fees	30,057,533	4,772,530
Fund services fees	641,564	86,243
Transfer agent fees:		
Institutional Shares	82,335	12,570
R Shares	56,687	-
Distribution fees:		
R Shares	109,447	-
Custodian fees	280,471	91,448
Registration fees:		
Institutional Shares	34,145	17,599
R Shares	10,907	-
Professional fees	77,401	34,921
Trustees' fees and expenses	68,019	13,617
Dividend expense on securities sold short	10,624,485	418,561
Interest expense	3,292,768	261,095
Miscellaneous expenses	1,435,661	204,697
Total Expenses	<u>46,771,423</u>	<u>5,913,281</u>
Fees waived and expenses reimbursed	-	(114,004)
Net Expenses	<u>46,771,423</u>	<u>5,799,277</u>
<b>NET INVESTMENT LOSS</b>	<u>(20,323,946)</u>	<u>(3,637,734)</u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>		
Net realized gain (loss) on:		
Investments	192,020,883	24,776,883
Foreign currency transactions	(312,114)	52,312
Futures	(107,432,033)	(7,066,105)
Securities sold short	(101,927,650)	(6,605,932)
Written options	4,472,577	82,341
Swaps	33,037	(4,658,881)
Net realized gain (loss)	<u>(13,145,300)</u>	<u>6,580,618</u>



**ABSOLUTE FUNDS**  
 STATEMENTS OF OPERATIONS  
 SIX MONTHS ENDED SEPTEMBER 30, 2013

	<b>ABSOLUTE STRATEGIES FUND</b>	<b>ABSOLUTE OPPORTUNITIES FUND</b>
Net change in unrealized appreciation (depreciation) on:		
Investments	\$ 3,394,903	\$ (12,774,946)
Foreign currency translations	(181,638)	105,570
Futures	4,068,253	(290,105)
Securities sold short	(17,125,514)	504,640
Written options	(9,861,934)	30,014
Swaps	16,184	301,639
Net change in unrealized appreciation (depreciation)	<u>(19,689,746)</u>	<u>(12,123,188)</u>
<b>NET REALIZED AND UNREALIZED LOSS</b>	<u>(32,835,046)</u>	<u>(5,542,570)</u>
<b>DECREASE IN NET ASSETS FROM OPERATIONS</b>	<u><u>\$ (53,158,992)</u></u>	<u><u>\$ (9,180,304)</u></u>

**ABSOLUTE FUNDS**  
STATEMENTS OF CHANGES IN NET ASSETS

	<b>ABSOLUTE STRATEGIES FUND</b>		<b>ABSOLUTE OPPORTUNITIES FUND</b>	
		<b>Shares</b>		<b>Shares</b>
<b>NET ASSETS MARCH 31, 2012</b>	<u>\$ 3,983,432,430</u>		<u>\$ 510,920,929</u>	
<b>OPERATIONS</b>				
Net investment loss	(36,537,064)		(9,761,973)	
Net realized loss	(30,715,024)		(7,899,950)	
Net change in unrealized appreciation (depreciation)	<u>116,634,001</u>		<u>18,701,069</u>	
Increase in Net Assets Resulting from Operations	<u>49,381,913</u>		<u>1,039,146</u>	
<b>CAPITAL SHARE TRANSACTIONS</b>				
Sale of shares:				
Institutional Shares	1,275,564,625	114,078,621	126,849,777	10,997,972
R Shares	36,451,388	3,273,000	-	-
Redemption of shares:				
Institutional Shares	(1,413,621,327)	(126,745,214)	(256,362,656)	(22,218,799)
R Shares	<u>(42,962,020)</u>	<u>(3,864,023)</u>	-	-
Decrease in Net Assets from Capital Share Transactions	<u>(144,567,334)</u>	<u>(13,257,616)</u>	<u>(129,512,879)</u>	<u>(11,220,827)</u>
Decrease in Net Assets	<u>(95,185,421)</u>		<u>(128,473,733)</u>	
<b>NET ASSETS MARCH 31, 2013 (Including line (a))</b>	<u>\$ 3,888,247,009</u>		<u>\$ 382,447,196</u>	
<b>OPERATIONS</b>				
Net investment loss	(20,323,946)		(3,637,734)	
Net realized gain (loss)	(13,145,300)		6,580,618	
Net change in unrealized appreciation (depreciation)	<u>(19,689,746)</u>		<u>(12,123,188)</u>	
Decrease in Net Assets Resulting from Operations	<u>(53,158,992)</u>		<u>(9,180,304)</u>	
<b>CAPITAL SHARE TRANSACTIONS</b>				
Sale of shares:				
Institutional Shares	459,063,742	40,801,319	40,282,747	3,505,495
R Shares	13,814,132	1,235,221	-	-
Redemption of shares:				
Institutional Shares	(728,031,792)	(64,700,677)	(110,492,133)	(9,627,198)
R Shares	<u>(17,900,063)</u>	<u>(1,602,713)</u>	-	-
Decrease in Net Assets from Capital Share Transactions	<u>(273,053,981)</u>	<u>(24,266,850)</u>	<u>(70,209,386)</u>	<u>(6,121,703)</u>
Decrease in Net Assets	<u>(326,212,973)</u>		<u>(79,389,690)</u>	
<b>NET ASSETS SEPTEMBER 30, 2013 (Including line (b))</b>	<u>\$ 3,562,034,036</u>		<u>\$ 303,057,506</u>	
(a) Distributions in excess of net investment income March 31, 2013	<u>\$ (4,777,213)</u>		<u>\$ (4,401,844)</u>	
(b) Distributions in excess of net investment income September 30, 2013	<u>\$ (25,101,159)</u>		<u>\$ (8,039,578)</u>	

**ABSOLUTE STRATEGIES FUND**  
FINANCIAL HIGHLIGHTS

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

	For the Six Months Ended September 30, 2013	For the Years Ended March 31,				
		2013	2012	2011	2010	2009
<b>INSTITUTIONAL SHARES</b>						
<b>NET ASSET VALUE, Beginning of Period</b>	\$ 11.24	\$ 11.09	\$ 10.80	\$ 10.66	\$ 8.79	\$ 10.52
<b>INVESTMENT OPERATIONS</b>						
Net investment income (loss) (a)	(0.06)	(0.10)	(0.09)	(0.02)	0.10	0.08
Net realized and unrealized gain (loss)	(0.10)	0.25	0.45	0.20	1.91	(1.38)
Total from Investment Operations	(0.16)	0.15	0.36	0.18	2.01	(1.30)
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>						
Net investment income	—	—	(0.02)	(0.04)	(0.14)	(0.08)
Net realized gain	—	—	(0.05)	—	— <sup>(b)</sup>	(0.35)
Total Distributions to Shareholders	—	—	(0.07)	(0.04)	(0.14)	(0.43)
<b>NET ASSET VALUE, End of Period</b>	\$ 11.08	\$ 11.24	\$ 11.09	\$ 10.80	\$ 10.66	\$ 8.79
<b>TOTAL RETURN</b>	(1.42)% <sup>(c)</sup>	1.35%	3.36%	1.73%	22.95%	(12.41)%
<b>RATIOS/SUPPLEMENTARY DATA</b>						
Net Assets at End of Period (000's omitted)	\$3,479,182	\$3,799,857	\$3,889,319	\$3,300,120	\$2,116,412	\$786,766
Ratios to Average Net Assets:						
Net investment income (loss)	(1.07)% <sup>(d)</sup>	(0.87)%	(0.80)%	(0.20)%	0.98%	0.78%
Net expense (e)	1.74% <sup>(d)</sup>	1.73%	1.73%	1.73%	1.78%	1.81%
Dividend and interest expense	0.74% <sup>(d)</sup>	0.84%	0.85%	0.53%	0.34%	0.50%
Gross expense	2.48% <sup>(d)</sup>	2.57%	2.58%	2.26% <sup>(f)</sup>	2.12% <sup>(f)</sup>	2.31% <sup>(f)</sup>
<b>PORTFOLIO TURNOVER RATE</b>	30% <sup>(c)</sup>	68%	112%	192%	114%	133%

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

(b) Less than \$0.01 per share.

(c) Not annualized.

(d) Annualized.

(e) Excludes dividend and interest expense.

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

**ABSOLUTE STRATEGIES FUND**  
FINANCIAL HIGHLIGHTS

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

	For the Six Months Ended September 30, 2013	For the Years Ended March 31,				
		2013	2012	2011	2010	2009
<b>R SHARES (a)</b>						
<b>NET ASSET VALUE, Beginning of Period</b>	\$ 11.18	\$ 11.08	\$ 10.82	\$ 10.67	\$ 8.82	\$ 10.55
<b>INVESTMENT OPERATIONS</b>						
Net investment income (loss) (b)	(0.08)	(0.15)	(0.16)	(0.10)	0.05	0.04
Net realized and unrealized gain (loss)	(0.11)	0.25	0.47	0.26	1.91	(1.39)
Total from Investment Operations	(0.19)	0.10	0.31	0.16	1.96	(1.35)
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>						
Net investment income	—	—	—	(0.01)	(0.11)	(0.03)
Net realized gain	—	—	(0.05)	—	—(c)	(0.35)
Total Distributions to Shareholders	—	—	(0.05)	(0.01)	(0.11)	(0.38)
<b>NET ASSET VALUE, End of Period</b>	\$ 10.99	\$ 11.18	\$ 11.08	\$ 10.82	\$ 10.67	\$ 8.82
<b>TOTAL RETURN</b>	(1.70)(d)	0.90%	2.87%	1.49%	22.28%	(12.73)%
<b>RATIOS/SUPPLEMENTARY DATA</b>						
Net Assets at End of Period (000's omitted)	\$82,852	\$88,390	\$94,113	\$101,868	\$93,696	\$27,600
Ratios to Average Net Assets:						
Net investment income (loss)	(1.52)(e)	(1.34)%	(1.43)%	(0.95)%	0.52%	0.37%
Net expense (f)	2.18(e)	2.14%	2.14%	2.11%	2.22%	2.23%
Dividend and interest expense	0.74(e)	0.84%	0.81%	0.53%	0.34%	0.50%
Gross expense	2.92(e)	2.98%	2.95%	2.64(g)	2.56(g)	2.73(g)
<b>PORTFOLIO TURNOVER RATE</b>	30(d)	68%	112%	192%	114%	133%

(a) Effective July 31, 2009, C Shares were reclassified as R Shares. For the period April 1, 2009 through July 31, 2009, total return for the C Shares was 14.02%. For the aforementioned period, the annualized gross expense and net expense ratios were 3.56% and 3.30%, respectively.

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

(c) Less than \$0.01 per share.

(d) Not annualized.

(e) Annualized.

(f) Excludes dividend and interest expense.

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

**ABSOLUTE OPPORTUNITIES FUND**  
FINANCIAL HIGHLIGHTS

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

	For the Six Months Ended September 30, 2013	For the Years Ended March 31,				October 21, 2008 (a) through March 31, 2009
		2013	2012	2011	2010	
<b>INSTITUTIONAL SHARES</b>						
<b>NET ASSET VALUE, Beginning of Period</b>	\$ 11.63	\$ 11.59	\$ 12.41	\$ 11.77	\$ 10.57	\$ 10.00
<b>INVESTMENT OPERATIONS</b>						
Net investment income (loss) (b)	(0.12)	(0.26)	(0.25)	(0.13)	(0.11)	0.04
Net realized and unrealized gain (loss)	(0.18)	0.30	(0.21)	0.95	2.11	0.55
Total from Investment Operations	(0.30)	0.04	(0.46)	0.82	2.00	0.59
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>						
Net investment income	—	—	—	—	(0.01)	(0.02)
Net realized gain	—	—	(0.36)	(0.18)	(0.75)	—(c)
Return of capital	—	—	—	—	(0.04)	—
Total Distributions to Shareholders	—	—	(0.36)	(0.18)	(0.80)	(0.02)
<b>NET ASSET VALUE, End of Period</b>	\$ 11.33	\$ 11.63	\$ 11.59	\$ 12.41	\$ 11.77	\$ 10.57
<b>TOTAL RETURN</b>	(2.58)%(d)	0.34%	(3.68)%	6.98%	19.00%	5.95%(d)
<b>RATIOS/SUPPLEMENTARY DATA</b>						
Net Assets at End of Period (000's omitted)	\$303,058	\$382,447	\$510,921	\$593,127	\$285,639	\$77,245
Ratios to Average Net Assets:						
Net investment income (loss)	(2.10)%(e)	(2.25)%	(2.12)%	(1.05)%	(0.90)%	0.84%(e)
Net expense (f)	2.95%(e)	2.95%	2.95%	2.95%	2.95%	2.95%(e)
Dividend and interest expense	0.39%(e)	0.99%	0.61%	0.42%	0.46%	0.05%(e)
Gross expense (g)	3.41%(e)	4.00%	3.58%	3.42%	3.66%	3.82%(e)
<b>PORTFOLIO TURNOVER RATE</b>	75%(d)	205%	430%	630%	597%	281%(d)

(a) Commencement of operations.

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

(c) Less than \$0.01 per share.

(d) Not annualized.

(e) Annualized.

(f) Excludes dividend and interest expense.

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

### **Note 1. Organization**

Absolute Strategies Fund and Absolute Opportunities Fund (individually, a "Fund" and, collectively the "Funds") are non-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 (the "Act"), as amended. 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 Opportunities Fund currently offers Institutional Shares. Absolute Opportunities Fund commenced operations on October 21, 2008. Absolute Opportunities Fund seeks to achieve long-term capital appreciation with an emphasis on risk-adjusted returns and lower volatility than traditional equity market indices, such as the S&P 500 Index.

### **Note 2. Summary of Significant Accounting Policies**

These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("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 increase and decrease in net assets from operations during the fiscal period. Actual amounts could differ from those estimates. The following summarizes the significant accounting policies of each Fund:

**Security Valuation** – Exchange-traded securities and over-the-counter securities are valued using the last quoted sale or official closing price, provided by independent pricing services as of the close of trading on the market or exchange for which they are primarily traded, on each Fund business day. In the absence of a sale, such securities are valued at the mean of the last bid and ask price provided by independent pricing services. Non-exchange traded securities for which quotations are available are valued using the last quoted sales price, or in the absence of a sale at the mean of the last bid and ask prices provided by independent pricing services. Debt securities may be valued at prices supplied by a fund's pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics such as rating, interest rate and maturity. Exchange-traded options for which there were no sales reported that day are generally valued at the mean of the last bid and ask prices. Options not traded on an exchange are generally valued at broker-dealer bid quotations. Shares of open-end mutual funds are valued at net asset value ("NAV"). Futures contracts listed for trading on a securities exchange or board of trade shall be valued at the last quoted sales price or in the absence of a sale at the mean of the last bid and asked prices. 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 insufficient or not readily available or (2) the adviser 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 securities and considers a number of factors, including valuation methodologies and significant unobservable inputs, when arriving at fair value.

The Valuation Committee may work with an adviser to provide valuation inputs. In determining fair valuations, inputs may include market-based analytics which 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

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 September 30, 2013, for each Fund's investments is included in the 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 is recorded on the ex-dividend date. Foreign dividend income is recorded on the ex-dividend date or as soon as possible after each Fund determines the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded on an accrual basis. 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.

The volume of open currency positions may vary on a daily basis as each Fund transacts forward currency contracts in order to achieve the exposure desired by the adviser. Absolute Strategies Fund and Absolute Opportunities Fund entered into an aggregated total notional value of \$114,245,983 and \$3,213,141, respectively, of forward currency contracts for the period ended September 30, 2013.

The values of each individual forward currency contract outstanding in the Absolute Strategies Fund as of September 30, 2013, are disclosed in the table below.

<u>Contracts to Purchase/(Sell)</u>		<u>Settlement Date</u>	<u>Settlement Value</u>	<u>Net Unrealized Depreciation</u>
(500,000)	European Union Euro	10/30/13	\$ 663,935	\$ (12,545)
(226,750)	European Union Euro	01/02/14	306,747	(593)
9,197,582	Swedish Krona	10/01/13	(1,434,025)	(2,873)
9,145,950	Swedish Krona	10/01/13	(1,425,975)	(2,857)
				<u>\$ (18,868)</u>

---

**ABSOLUTE FUNDS**

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

---

**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 September 30, 2013, for each Fund, are disclosed in the Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written. The volume of open positions may vary on a daily basis as each Fund transacts futures contracts in order to achieve the exposure desired by the adviser. Each Fund entered into a total notional amount of \$2,538,354,941 and \$168,780,485 for Absolute Strategies Fund and Absolute Opportunities Fund, respectively, on futures contracts for the period ended September 30, 2013.

**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 a 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 broker for securities sold short as shown on the Statement of Assets and Liabilities and the securities held long as shown on the Schedule of Investments. Dividends 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 September 30, 2013, are disclosed in each Fund’s Schedule of Investments. The volume of open purchased option positions may vary on a daily basis as each Fund transacts purchased options in order to achieve the exposure desired by the adviser. Each Fund entered into a total value of \$38,349,852 and \$825,262 for Absolute Strategies Fund and Absolute Opportunities Fund, respectively, on purchased options during the period ended September 30, 2013.

**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.

The values of each individual written option outstanding as of September 30, 2013, if any, are disclosed in each Fund's Schedule of Call and Put Options Written. The volume of open positions may vary on a daily basis as each Fund transacts written options in order to achieve the exposure desired by the adviser. Each Fund entered into written options with a total value of \$(10,793,173) and \$(40,685) for Absolute Strategies Fund and Absolute Opportunities Fund, respectively, during the period ended September 30, 2013.

Transactions in written options during the period ended September 30, 2013, were as follows:

*Absolute Strategies Fund*

	Calls		Puts	
	Number of Contracts	Premiums	Number of Contracts	Premiums
<i>Options Outstanding, March 31, 2013</i>	(112,745)	\$ (17,248,328)	(143,309)	\$ (23,640,990)
Options written	(13,531)	(5,408,848)	(33,914)	(5,384,325)
Options terminated in closing transactions	21,518	7,025,149	84,163	9,280,448
Options exercised	1,600	378,371	1,500	325,096
Options expired	532	31,612	7,315	1,857,778
<i>Options Outstanding, September 30, 2013</i>	<u>(102,626)</u>	<u>\$ (15,222,044)</u>	<u>(84,245)</u>	<u>\$ (17,561,993)</u>

*Absolute Opportunities Fund*

	Calls		Puts	
	Number of Contracts	Premiums	Number of Contracts	Premiums
<i>Options Outstanding, March 31, 2013</i>	-	\$ -	(1,400)	\$ (48,386)
Options written	(593)	(21,438)	(399)	(19,247)
Options terminated in closing transactions	593	21,438	-	-
Options exercised	-	-	-	-
Options expired	-	-	1,799	67,633
<i>Options Outstanding, September 30, 2013</i>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</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 September 30, 2013, for each Fund, are disclosed in the Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written. The volume of open positions may vary on a daily basis as each Fund transacts credit default swaps in order to achieve the exposure desired by the adviser. Absolute Strategies Fund and Absolute Opportunities Fund entered into a total notional amount of \$0 and \$430,000,000, respectively, on credit default swap agreements during the period ended September 30, 2013.

**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 September 30, 2013, if any, are disclosed in each Fund's Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written. The volume of open positions may vary on a daily basis as each Fund transacts interest rate swaps in order to achieve the exposure desired by the adviser. The Funds did not enter into any interest rate swaps for the period ended September 30, 2013.

**Derivatives Transactions** - Each Fund's use of derivatives during the period ended September 30, 2013, was limited to credit default swaps, options, forward currency contracts and futures contracts. Following is a summary of how the derivatives are treated in the financial statements and their impact on each Fund.

The location on the Statement of Assets and Liabilities of each Fund's derivative positions by type of exposure, all of which are not accounted for as hedging instruments, is as follows:

**ABSOLUTE FUNDS**  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2013

<b>Fund Contract Type/ Primary Risk Exposure</b>	<b>Location on Statement of Assets and Liabilities</b>	<b>Asset Derivatives</b>	<b>Location on Statement of Assets and Liabilities</b>	<b>Liability Derivatives</b>
<i>Absolute Strategies Fund</i>				
Credit contracts	Unrealized gain on swap agreements	\$ 133,760	Unrealized loss on swap agreements	\$ -
	Swap premiums paid	-	Swap premiums received	(57,404)
Currency contracts	Receivable-Variation margin	-	Payable-Variation margin	(60,000)
Equity contracts	Receivable-Variation margin	3,163,250	Payable-Variation margin	-
	Total investments, at value	58,411,477	Call options written, at value	(35,164,508)
			Put options written, at value	(5,100,232)
Forward Currency contracts	Unrealized gain on forward currency contracts	-	Unrealized loss on forward currency contracts	(18,868)
Interest contracts	Receivable-Variation margin	1,391	Payable-Variation margin	(30,414)
<i>Absolute Opportunities Fund</i>				
Credit contracts	Unrealized gain on swap agreements	160,894	Unrealized loss on swap agreements	(870,629)
	Swap premiums paid	801,146	Swap premiums received	(2,719,481)
Currency contracts	Receivable-Variation margin	-	Payable-Variation margin	(7,500)
Equity contracts	Receivable-Variation margin	165,125	Payable-Variation margin	-
	Total investments, at value	168,060		

Realized and unrealized gains and losses on derivatives contracts during the period ended September 30, 2013, by each Fund are recorded in the following locations on the Statement of Operations:

<b>Fund Contract Type/Primary Risk Exposure</b>	<b>Location of Gain or (Loss) on Derivatives</b>	<b>Realized Gain (Loss) on Derivatives</b>	<b>Change in Unrealized Appreciation (Depreciation) on Derivatives</b>
<i>Absolute Strategies Fund</i>			
Credit contracts	Realized gain (loss) – Swaps and Change in unrealized gain (loss) - Swaps	\$ 33,037	\$ 16,184
Currency contracts	Realized gain (loss) – Futures and Change in unrealized gain (loss) – Futures	(2,955,400)	(3,992,400)
Equity contracts	Realized gain (loss) – Futures and Change in unrealized gain (loss) – Futures	(110,039,927)	8,675,862
	Realized gain (loss) – Investments and Change in unrealized gain (loss) - Investments	(19,131,103)	5,351,805
	Realized gain (loss) – Written options and Change in unrealized gain (loss) – Written options	4,472,577	(9,861,934)
Forward Currency contracts	Realized gain (loss) – Foreign currency transactions and Net Change in unrealized gain (loss) – Foreign currency translations	233,156	(18,868)
Interest contracts	Realized gain (loss) – Futures and Change in unrealized gain (loss) – Futures	5,563,294	(615,209)

<b>Fund Contract Type/Primary Risk Exposure</b>	<b>Location of Gain or (Loss) on Derivatives</b>	<b>Realized Gain (Loss) on Derivatives</b>	<b>Change in Unrealized Appreciation (Depreciation) on Derivatives</b>
<i>Absolute Opportunities Fund</i>			
Credit contracts	Realized gain (loss) – Swaps and Change in unrealized gain (loss) – Swaps	\$ (4,658,881)	\$ 301,639
Currency contracts	Realized gain (loss) – Futures and Change in unrealized gain (loss) – Futures	(369,425)	(499,050)
Equity contracts	Realized gain (loss) – Futures and Change in unrealized gain (loss) – Futures	(6,696,680)	208,945
	Realized gain (loss) – Investments and Change in unrealized gain (loss) - Investments	(512,550)	158,485
	Realized gain (loss) – Written options and Change in unrealized gain (loss) – Written options	82,341	30,014
Forward Currency contracts	Realized gain (loss) – Foreign currency transactions and Net Change in unrealized gain (loss) – Foreign currency translations	(4,449)	216

**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.

---

**ABSOLUTE FUNDS**

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

---

**Distributions to Shareholders** – Distributions to shareholders of net investment income, if any, are declared and paid at least semi-annually. Distributions to shareholders of net capital gains, if any, are declared and paid 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 the Internal Revenue 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. A 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 September 30, 2013, 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.

### **Note 3. Fees and Expenses**

**Investment Adviser** – Absolute Investment Advisers LLC (the "Adviser") is the investment adviser to the Funds. Pursuant to an Investment Advisory Agreement, the Adviser receives an advisory fee at an annual rate of 1.60% and 2.75% of the average daily net assets of Absolute Strategies Fund and Absolute Opportunities Fund, respectively.

Each sub-advisory fee, calculated as a percentage of each Fund's average daily net assets, 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, the Fund pays the Distributor and/or any other entity as authorized by the Board a fee of up to 0.25% of the average daily net assets of R Shares.

**Other Service Providers** – Atlantic provides fund accounting, fund administration, compliance and transfer agency services to each Fund. 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 \$45,000 for service to the Trust (\$66,000 for the Chairman). 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 Statement 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 4. Expense Reimbursements and Fees Waived**

The Adviser has contractually agreed to waive its fees 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, proxy expenses and extraordinary expenses) of Institutional Shares of Absolute Opportunities Fund to 2.95% through July 31, 2014. The Adviser waived fees of \$114,004 for the period ended September 30, 2013.

Absolute Opportunities Fund may repay the Adviser fees waived and expenses reimbursed pursuant to the expense cap if (1) such payment is made within three years of the fees waived or expense reimbursement; (2) such payment is approved by the Board, and (3) the resulting class expenses do not exceed 2.95% for Institutional Shares. For the period April 1, 2010 through September 30, 2013, the Adviser waived fees and/or reimbursed expenses as follows:

<b>Year/Period Ended</b>	<b>Amount of Fees Waived and/or Expenses Reimbursed</b>	<b>Expiration Date to Recoup Fees Waived and/or Expenses Reimbursed</b>	<b>Fees Recouped</b>
March 31, 2011	\$ 95,814	March 31, 2014	\$ -
March 31, 2012	\$ 87,404	March 31, 2015	\$ -
March 31, 2013	\$ 266,751	March 31, 2016	\$ -
September 30, 2013	\$ 114,004	March 31, 2017	\$ -

**Note 5. Security Transactions**

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments during the period ended September 30, 2013, were as follows:

*Absolute Strategies Fund*

<b>Non-U.S. Government Obligations</b>		<b>U.S. Government Obligations</b>	
<b>Purchases</b>	<b>Sales</b>	<b>Purchases</b>	<b>Sales</b>
\$ 863,324,059	\$ 1,362,873,605	\$ 57,158,014	\$ 81,153,271

Absolute Strategies Fund placed a portion of its portfolio transactions with a brokerage firm affiliated with a sub-adviser. The commissions paid to this affiliated firm were \$19,022 for the period.

*Absolute Opportunities Fund*

<b>Non-U.S. Government Obligations</b>	
<b>Purchases</b>	<b>Sales</b>
\$ 118,263,016	\$ 147,095,315

**Note 6. Federal Income Tax and Investment Transactions**

As of March 31, 2013, distributable earnings (accumulated loss) on a tax basis were as follows:

	<u>Capital and Other Losses</u>	<u>Unrealized Appreciation on Investments and Foreign Currency</u>	<u>Total</u>
Absolute Strategies Fund	\$ (105,347,142)	\$ 329,786,470	\$ 224,439,328
Absolute Opportunities Fund	(24,283,323)	32,619,959	8,336,636

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to wash sales, futures, passive foreign investment holdings, real estate investment trusts, constructive sales, straddles, convertible bond premium, contingent payment debt instruments, cover loss deferrals, short dividends, registered investment companies, inflation indexed securities and credit default swaps.

For tax purposes, the prior year post-October loss and late year ordinary loss was \$3,466,869 and \$3,190,084 (realized during the period November 1, 2012 through March 31, 2013) for Absolute Strategies Fund and Absolute Opportunities Fund, respectively. These losses were recognized for tax purposes on the first business day of each Fund's current fiscal year, April 1, 2013.

As a result of the Regulated Investment Company Modernization Act of 2010, net capital losses realized on or after April 1, 2011 (effective date) may be carried forward indefinitely to offset future realized capital gains; however, post-effective losses must be used before pre-effective capital loss carryforwards with expiration dates. Therefore, it is possible that all or a portion of a fund's pre-effective capital loss carryforwards could expire unused. Absolute Strategies Fund and Absolute Opportunities Fund had \$101,880,273 and \$21,093,239, respectively, of available short term capital loss carryforwards that have no expiration date.

**Note 7. Recent Accounting Pronouncements**

In December 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-11 related to disclosures about offsetting assets and liabilities. In January 2013, the FASB issued ASU No. 2013-01 which gives additional clarification to ASU 2011-11. The amendments in this ASU require an entity to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position. The ASU is effective for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. The guidance requires retrospective application for all comparative periods presented. Management has evaluated these amendments and has determined that they did not have a significant impact on the reporting of the financial statement disclosures.

**Note 8. 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.



### **Investment Advisory Agreement Approval**

At the July 25, 2013 Board meeting, the Board, including the Independent Trustees, considered the initial approval of the sub-advisory agreement (“Sub-Advisory Agreement”) for the Absolute Opportunities Fund with Harvest Capital Strategies LLC (“Harvest” or “Sub-adviser”). In evaluating the Sub-Advisory Agreement for the Absolute Opportunities Fund, the Board reviewed materials furnished by Absolute Investment Advisors LLC (“Absolute”), the Sub-adviser (collectively, the “Advisers”), and the administrator, including information regarding the Advisers’ personnel, operations and financial condition. In addition, the Board noted that the evaluation process with respect to the Advisers is an ongoing one and, in this regard, the Board considered information received at each regularly scheduled meeting including, among other things, information concerning the Absolute Opportunities Fund’s performance and related services provided by the Advisers.

Specifically, the Board considered, among other matters: (1) the nature, extent and quality of the services to be provided to the Absolute Opportunities Fund by the Advisers, including information on the investment performance of the Absolute Opportunities Fund and Advisers; (2) the costs of the services to be provided and profitability to Absolute with respect to its relationship with the Absolute Opportunities Fund; (3) the advisory fee and total expense ratio of the Absolute Opportunities Fund compared to a relevant peer group of funds; (4) the extent to which economies of scale may be realized as the Absolute Opportunities Fund grows and whether the advisory fee enables the Absolute Opportunities Fund’s investors to share in the benefits of economies of scale; and (5) other benefits received by the Advisers from its relationship with the Absolute Opportunities Fund. In their deliberations, the Board did not identify any particular information that was all-important or controlling and attributed different weights to the various factors. In particular, the Board focused on the factors discussed below.

#### *Nature, Extent and Quality of Services*

The Board received a presentation from senior representatives of Absolute and Harvest and discussed Harvest’s personnel, operations and financial condition. Specifically, the Board considered the adequacy of Harvest’s resources and the quality of services to be provided by Harvest under the Sub-Advisory Agreement.

Additionally, the Board considered: information regarding the experience and professional background of the portfolio manager and other personnel at Harvest who would have principal investment responsibility for the portion of the Absolute Opportunities Fund’s investments to be managed by Harvest; the investment philosophy and decision-making processes of those professionals; the capability and integrity of Harvest’s senior management and staff; the quality of Harvest’s services with respect to regulatory compliance and compliance with client investment policies and restrictions; and the financial condition and operational stability of Harvest. In addition, the Board took into consideration Absolute’s recommendation with respect to Harvest. The Board further noted Harvest’s representation that it is financially stable and able to provide investment advisory services to the Absolute Opportunities Fund. The Board concluded that, overall, it was satisfied with the nature, extent and quality of services to be provided to the Absolute Opportunities Fund by Harvest under the Sub-Advisory Agreement.

#### *Costs of Services and Profitability*

The Board did not consider information regarding the costs of services to be provided and profits to be realized by Harvest from its relationship with the Absolute Opportunities Fund, noting instead the arm’s length nature of the relationship between Absolute and Harvest with respect to the negotiation of the subadvisory fee rate on behalf of the Absolute Opportunities Fund.

The Board concluded that Harvest’s projected profitability was not a material factor in determining whether or not to approve the Sub-Advisory Agreement because Absolute, and not the Absolute Opportunities Fund, was responsible for paying the subadvisory fees due to Harvest under the Sub-Advisory Agreement.

### *Performance*

The Board reviewed Harvest's historical performance record in managing accounts in a style substantially similar to that to be employed on behalf of the Absolute Opportunities Fund. In particular, the Board evaluated the 1-year, 3-year and 5-year performance through December 31, 2012 of a pooled investment vehicle (the "Comparable Account") managed by Harvest pursuant to its agriculture focused long/short equity strategy. The Board also reviewed the performance of the Comparable Account as compared to the Market Vectors Agribusiness Index (the "Index").

The Board noted that the Comparable Account outperformed the Index for the 1-year and 5-year periods. In addition, the Board considered Absolute's evaluation of the Comparable Account's performance and rationale for seeking to allocate a portion of the Absolute Opportunities Fund's assets to Harvest for management. Based on this review and all of the relevant facts and circumstances, the Board concluded that Harvest's management of its portion of the Absolute Opportunities Fund could benefit the Absolute Opportunities Fund and its shareholders.

### *Compensation*

The Board reviewed Harvest's proposed compensation for providing subadvisory services to the Absolute Opportunities Fund and noted that the addition of Harvest would not change the total management fee paid by the Absolute Opportunities Fund because the subadvisory fees are paid by the Adviser, and not the Absolute Opportunities Fund. The Board considered that the total management fees paid by the Absolute Opportunities Fund had been compared to fees paid by other similarly managed mutual funds in connection with the Board's annual approval of the Advisory Agreement between Absolute and the Absolute Opportunities Fund on March 22, 2013. The Board also noted Harvest's representation that it does not manage any portfolio of assets using the same strategy to be employed for the Absolute Opportunities Fund with a lower fee rate than the proposed subadvisory fee rate. After considering these matters, the Board concluded that the proposed subadvisory fee rate to be paid to Harvest was not excessive in light of the services to be provided to the Absolute Opportunities Fund.

### *Economies of Scale*

The Board considered whether the Absolute Opportunities Fund would benefit from any economies of scale with respect to the Sub-Advisory Agreement. The Board determined that because Absolute, and not the Absolute Opportunities Fund, pays the subadvisory fee, shareholders would not benefit from any economies of scale in the form of breakpoints in the subadvisory fee rate. Based on the foregoing information, the Board concluded that economies of scale were not a material factor in approving the Sub-Advisory Agreement.

### *Other Benefits*

The Board noted Harvest's representation that it would not receive significant ancillary benefits as a result of its relationship with the Absolute Opportunities Fund. As a result, other benefits accrued by Harvest were not a material factor in approving the Sub-Advisory Agreement.

### *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. The Board reviewed a memorandum from Trust counsel discussing the legal standards applicable to its consideration of the Sub-Advisory Agreement. Based on its review, including consideration of each of the factors referenced above, the Board determined, in the exercise of its business judgment, that the advisory arrangement, as outlined in the Sub-Advisory Agreement, was fair and reasonable in light of the services to be performed, expenses to be incurred and such other matters as the Board considered relevant in the exercise of its reasonable business judgment.

### **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](http://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](http://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](http://www.sec.gov) or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

### **Shareholder Expense Example**

As a shareholder of the 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 April 1, 2013, through September 30, 2013.

**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.

**ABSOLUTE FUNDS**  
 ADDITIONAL INFORMATION  
 SEPTEMBER 30, 2013

	<b>Beginning Account Value April 1, 2013</b>	<b>Ending Account Value September 30, 2013</b>	<b>Expenses Paid During Period*</b>	<b>Annualized Expense Ratio*</b>
<b>Absolute Strategies Fund</b>				
<b>Institutional Shares</b>				
Actual	\$ 1,000.00	\$ 985.77	\$ 12.35	2.48%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,012.63	\$ 12.51	2.48%
<b>R Shares</b>				
Actual	\$ 1,000.00	\$ 983.00	\$ 14.52	2.92%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,010.43	\$ 14.72	2.92%
<b>Absolute Opportunities Fund</b>				
<b>Institutional Shares</b>				
Actual	\$ 1,000.00	\$ 974.21	\$ 16.53	3.34%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,008.32	\$ 16.82	3.34%

\* Expenses are equal to the 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 divided by 365 to reflect the half-year period.

[INTENTIONALLY LEFT BLANK]

[INTENTIONALLY LEFT BLANK]



---

# ABSOLUTE FUNDS

P.O. BOX 588  
PORTLAND, MAINE 04112  
(888) 992-2765 (TOLL FREE)  
(888) 99-ABSOLUTE (TOLL FREE)

---

## **INVESTMENT ADVISER**

Absolute Investment Advisers LLC  
18 Shipyard Drive, Suite 3C  
Hingham, Massachusetts 02043  
[www.absoluteadvisers.com](http://www.absoluteadvisers.com)

## **TRANSFER AGENT**

Atlantic Fund Services  
P.O. Box 588  
Portland, Maine 04112  
(888) 992-2765 (Toll Free)  
(888) 99-ABSOLUTE (Toll Free)  
[www.atlanticfundservices.com](http://www.atlanticfundservices.com)

## **DISTRIBUTOR**

Foreside Fund Services, LLC  
Three Canal Plaza, Suite 100  
Portland, Maine 04101  
[www.foreside.com](http://www.foreside.com)

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.