

ABSOLUTE FUNDS

ANNUAL REPORT

MARCH 31, 2016

ABSOLUTE
INVESTMENT ADVISERS

The views in this report were those of Absolute Strategies Fund, Absolute Credit Opportunities Fund and Absolute Capital Opportunities Fund's (each a "Fund" and collectively the "Funds") adviser as of March 31, 2016, 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, derivatives risk and cash and cash equivalents holdings risk. For a complete description of the Funds' principal investment risks, please refer to each Fund's prospectus.

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

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

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

MARCH 31, 2016

Dear Shareholder,

We are pleased to present the Annual Report for the Absolute Strategies Fund (the “Fund”) for the year ended March 31, 2016. The Fund (Institutional Shares) returned 2.05% over the 12 months ended March 31. The Fund outperformed both the S&P 500 Index, which returned 1.78%, and the HFRX Global Hedge Fund Index, which returned *negative* 7.36%, over the period.

As a reminder, the Fund is designed with a high degree of flexibility to invest long and short across equity, credit, and/or commodity interests through a number of different managers/strategies. This flexibility allows the Fund to be constructed based on the most attractive risk-reward areas, whether they are long or short or relative value. It also allows for the Fund to be positioned more aggressively at times and more defensively at others.

This is very different than most traditional funds, *and* many alternative funds, that just maintain static (long) exposures to match a benchmark or peer group. Performance over the last twelve months particularly highlights how different the Fund’s investment approach is than most hedge funds and other alternative funds. Broadly, we have noticed that many alternative funds have become very short term oriented and prone to chasing investment performance. We believe this could make them vulnerable to losses when markets change course. The Fund’s approach can be viewed as somewhat contrarian. This has allowed the Fund to generate its best performance when markets have changed course or become volatile.

The Fund has remained in a defensive posture over the last year. Increased volatility did provide an opportunity to move exposures from a bit more or a bit less defensive during shorter periods. Net exposure has been towards the low end of its historical range and beta to traditional equity indices has been negative.

The Fund has preserved a balance of long and short exposures. Allocations continue to be mostly in equity related strategies. This is due in large part to the risks facing the credit markets, particularly liquidity risk. The Fund’s credit exposure is limited to strategies where there is a natural hedge component (convertible arbitrage) or where the manager has the flexibility to run a portfolio with a low net exposure (credit long-short).

Aggregate positioning on the long side of the Fund has been dominated by large-cap companies with strong balance sheets and the ability to withstand a variety of different economic environments, particularly margin pressure. Smaller, more unique companies and situations have been increasing as a percentage of the Fund. Aggregate positioning on the short side of the Fund has been dominated by index hedges and single name equities based on companies with sensitivity to slowing global growth – financials, industrials, consumer cyclicals, and most recently aerospace. Some of the short exposure is derived by Sub-Advisers (single name equity, index related hedges); some short exposure has been derived by Absolute (index related hedges). We have also supplemented the portfolio with additional allocations to energy, mining, and precious metal securities. These areas may profit individually, or benefit if central banks pursue policies based on creating broad based asset inflation.

Short exposure to European and Asian financials was one area the Fund benefited from during the period. A sell-off in these equities is one example of how investors seem to be in the early stages of looking beyond central bank activity and focusing more on company/industry specific dynamics. It’s not surprising then that they would shy away from some of these banks given exceptionally high leverage, significant credit risk, and increasing non-performing loans. We still think this is an attractive area that has not fully priced in these risks.

The market environment is evolving into one of the best we’ve seen since we started our business nearly 12 years ago. We believe that the “no risk” straight up buying frenzy from 2012-2014 is history. It appears as if we are entering an entirely new period that, at a minimum, has proven to be quite volatile from month to month and quarter to quarter. At worst, markets may be entering a lengthy bear market.

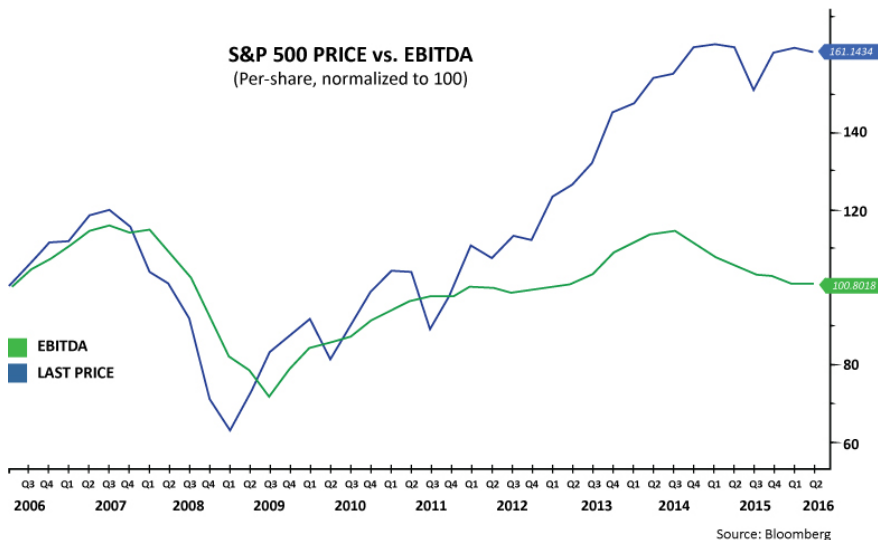
Regardless of whether markets are volatile and range bound or headed much lower, we believe this environment is well suited for the Fund’s approach, as evidenced during the period as two of the Fund’s best months came during flat months for the S&P 500 Index. There continue to be ample opportunities on both the long and short side and we expect the Fund to take advantage of volatility as much as possible while managing risk.

ABSOLUTE STRATEGIES FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

MARCH 31, 2016

As for the macro environment, we may be witnessing the largest divergence between market prices and fundamentals in history. Markets are trading near all-time highs while our analysis indicates that fundamentals continue to deteriorate. The S&P 500 has risen dramatically since 2011, almost entirely on the back of multiple expansion. Revenue and cash flow levels are actually well BELOW 2007 levels. This is quite remarkable. We believe that market appreciation has been driven by financial engineering, and also investors' willingness to speculate on hope at the expense of any fundamental analysis. As can be seen in the chart below, the growth in cash flow or earnings before interest, taxes, depreciation and amortization ("EBITDA") per share for the S&P 500 has actually been negative, while price has gone nearly parabolic. To put this into perspective, the ratio of price to EBITDA is at year 2000 bubble levels.



This is a picture of central banking in the mania phase and, in our view, probably the single greatest misallocation of capital in history: massive, unproductive leveraging of corporate America for the sole purpose of inflating per share earnings through stock buybacks. This would make sense if stocks were undervalued, but it does not make sense given the most expensive Price/EBITDA in history. If the return on investment (ROI) for buying back stock is negative, it does not matter how low the interest rate was on the newly issued debt. We believe most corporate stock buybacks at recent levels will incur ROIs of -20% or more.

In our opinion, the above analysis is old fashioned, unemotional common sense. We are simply attempting to point out what we believe will be obvious in hindsight. We believe that central bank policies are borrowing growth from the future. Yet we now have debt levels rising with no growth in operating cash flow. There's little funding for research and development or capital expenditures, just stock buybacks. Markets are very fragile and they also sense that there is no end game. Some markets are beginning to move contrary to central bank actions, as witnessed by recent stimulus attempts by both the Bank of Japan and the European Central Bank. As we've discussed for the past year, we believe markets are signaling that central bank credibility is breaking down and volatility lies ahead.

Looking forward, we believe this market environment may be highly advantageous for nimble, liquid strategies like ours. We expect the Fund to be very active when opportunities arise to either take or hedge risk.

Sincerely,

Jay Compson
Portfolio Manager
Absolute Investment Advisers LLC

ABSOLUTE CREDIT OPPORTUNITIES FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

MARCH 31, 2016

Dear Shareholder,

We are pleased to present the annual report for the Absolute Credit Opportunities Fund (the “Fund”) for the 12 months ended March 31, 2016. During the period, the Fund was down 2.40% while the the HFRX Fixed Income Credit Index, the Fund’s primary benchmark, was down 7.15% and the HFRX Global Hedge Fund Index was down 7.36%.

On October 1, 2014, the Fund name was changed from the Absolute Opportunities Fund to the Absolute *Credit* Opportunities Fund. The name was changed to reflect the Fund’s shift from employing a multi-strategy approach to an approach focused specifically on credit strategies. The Fund currently utilizes two credit related strategies – convertible arbitrage and corporate long-short credit. The Fund’s sub-advisers for these strategies have a great deal of flexibility to go long or short, and use cash to adapt to the various market conditions that emerge during the course of a complete market cycle.

We regard this flexibility as important because we believe that traditional bond markets currently face significant risks - including interest rate risk, credit risk and/or liquidity risk. We also believe that low yields (which have even become negative in some cases) do not compensate most long-only bond holders for these risks, yet funds that are tied to a benchmark or style box have a narrow ability to hedge such risks.

The Fund’s flexible strategy, however, allows it to hedge as appropriate, and it has been positioned conservatively over the last year. Credit exposure has been limited to areas where there is a natural hedge component (convertible arbitrage) or where the manager has been running the portfolio with a low net exposure (corporate long-short credit). Over the period, corporate long-short credit fared slightly better than convertible arbitrage. Gains and losses were in a somewhat tight range, however, gross of fees.

In our view, investors attempting to create a balanced portfolio seem to be facing a diminishing set of options within credit and fixed income. As bond prices have risen and yields declined, the risks have gone up and the potential diversification opportunities have gone down. Many recent product launches, such as nontraditional bond funds and credit-oriented hedge funds, seem to trade reduced risk in one area (interest rate) for increased risk in another (credit risk). We have designed the Fund’s current more conservative approach to provide better diversification for an overall portfolio and specifically the bond portion of a portfolio. The Fund however is maintaining “dry powder” to put to work on the long side in potential distressed areas should bond markets continue to weaken.

Sincerely,



Jay Compson
Portfolio Manager
Absolute Investment Advisers LLC

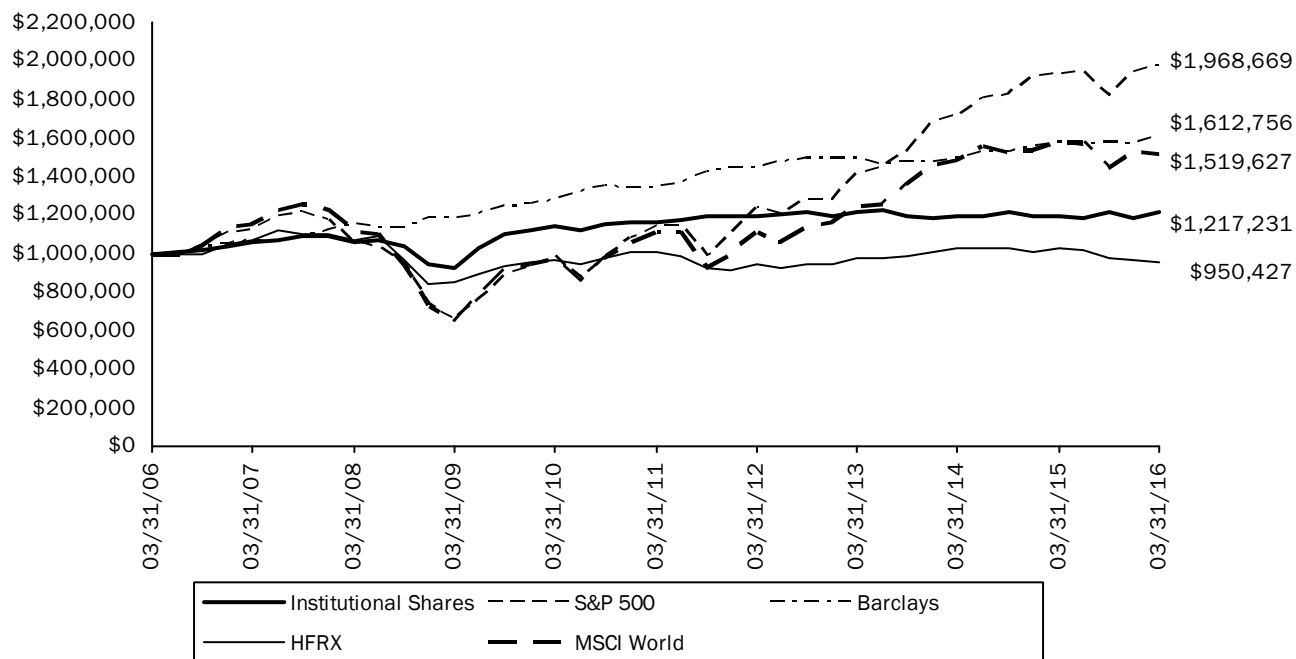
ABSOLUTE STRATEGIES FUND

PERFORMANCE CHART AND ANALYSIS (Unaudited)

MARCH 31, 2016

The following charts reflect the change in the value of a hypothetical \$1,000,000 investment in Institutional Shares and a \$250,000 investment in R Shares, including reinvested dividends and distributions, in Absolute Strategies Fund (the "Fund") compared with the performance of the benchmark, S&P 500 Index ("S&P 500"), Barclays Capital U.S. Aggregate Bond Index ("Barclays Index"), the HFRX Global Hedge Fund Index ("HFRX") and the MSCI World Index ("MSCI World"), 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 the reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the indices do not include expenses. The Fund is professionally managed while the indices are unmanaged and are not available for investment.

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



**Average Annual Total Returns
Periods Ended March 31, 2016**

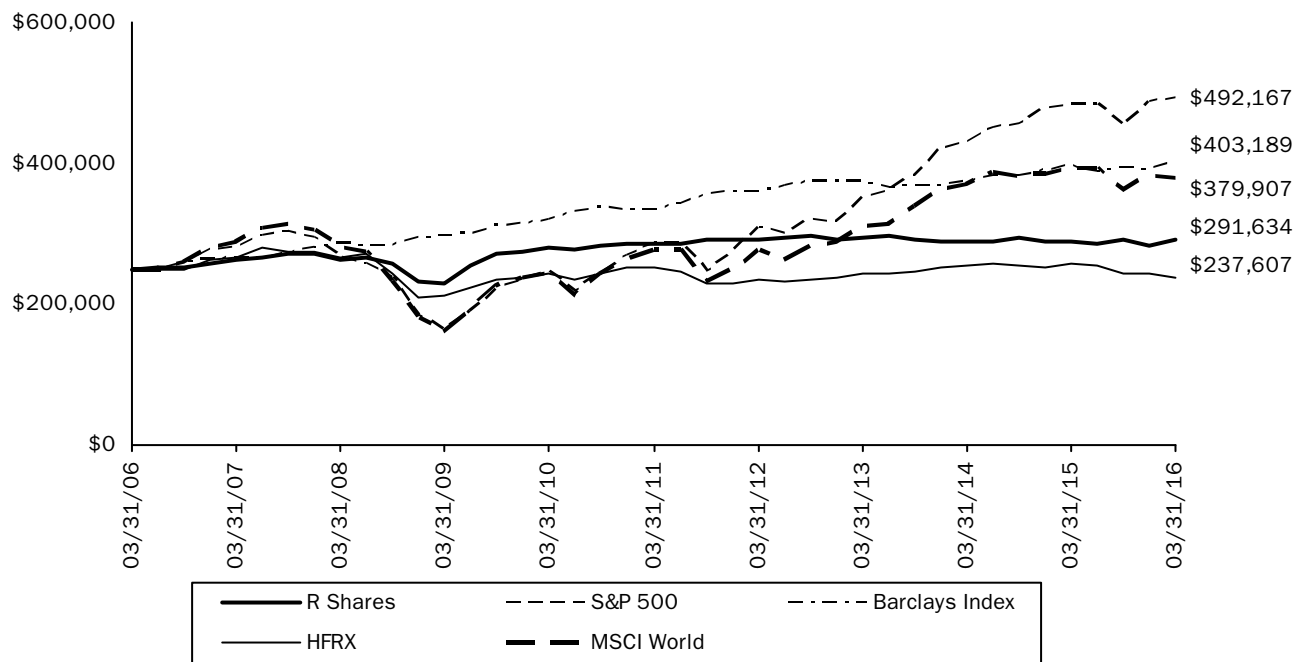
	One Year	Five Years	Ten Years
Absolute Strategies Fund - Institutional Shares	2.05%	0.98%	1.99%
S&P 500 Index	1.78%	11.58%	7.01%
Barclays Capital U.S. Aggregate Bond Index	1.96%	3.78%	4.90%
HFRX Global Hedge Fund Index	-7.36%	-1.18%	-0.51%
MSCI World Index	-3.45%	6.51%	4.27%

ABSOLUTE STRATEGIES FUND

PERFORMANCE CHART AND ANALYSIS (Unaudited)

MARCH 31, 2016

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

**Average Annual Total Returns****Periods Ended March 31, 2016**

	One Year	Five Years	Ten Years
Absolute Strategies Fund - R Shares	1.41%	0.48%	1.55%
S&P 500 Index	1.78%	11.58%	7.01%
Barclays Capital U.S. Aggregate Bond Index	1.96%	3.78%	4.90%
HFRX Global Hedge Fund Index	-7.36%	-1.18%	-0.51%
MSCI World Index	-3.45%	6.51%	4.27%

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 2.60% and 3.11%, respectively. Excluding the effect of expenses attributable to dividends and interest on short sales and acquired fund fees and expenses, the Fund's total annual operating expense ratios would be 1.79% and 2.30% for Institutional Shares and R Shares, respectively. To the extent that the Fund invests in any investment company or exchange-traded fund sponsored by the Fund's adviser or its affiliates, the adviser may waive certain fees and expenses. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns greater than one year are annualized.

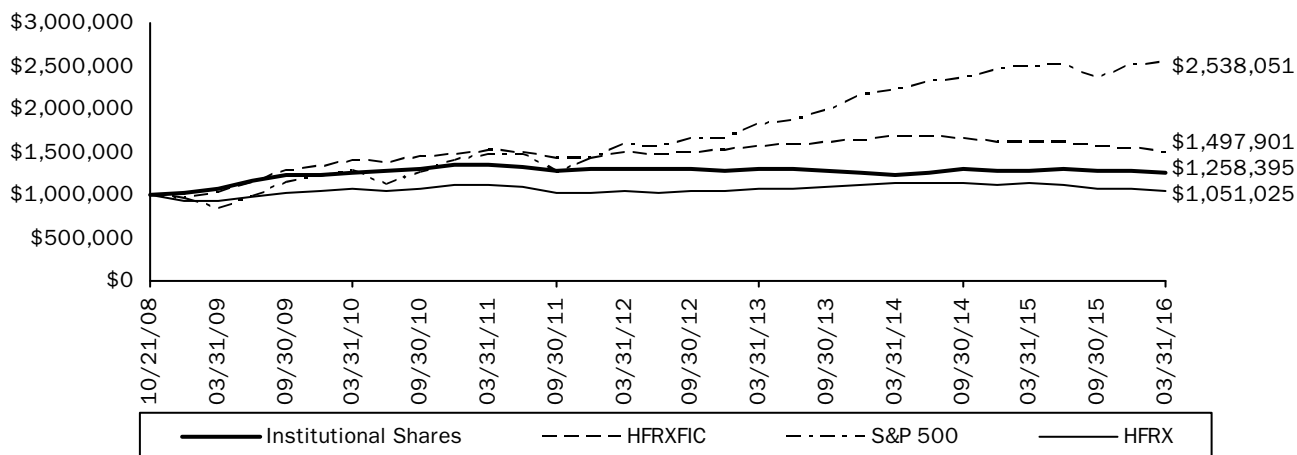
ABSOLUTE CREDIT OPPORTUNITIES FUND

PERFORMANCE CHART AND ANALYSIS (Unaudited)

MARCH 31, 2016

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 Absolute Credit Opportunities Fund (the "Fund") compared with the performance of the benchmark, the HFRX Fixed Income Credit Index ("HFRXFIC"), the S&P 500 Index ("S&P 500") and the HFRX Global Hedge Fund Index ("HFRX"), since inception. The HFRXFIC includes strategies with exposure to credit across a broad continuum of credit sub-strategies, including Corporate, Sovereign, Distressed, Convertible, Asset Backed, Capital Structure Arbitrage, Multi-Strategy and other Relative Value and Event Driven sub-strategies. Investment thesis across all strategies is predicated on realization of a valuation discrepancy between the related credit instruments. Strategies may also include and utilize equity securities, credit derivatives, government fixed income, commodities, currencies or other hybrid securities. The S&P 500 is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The 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 total return of the indices include the reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the indices do not include expenses. The Fund is professionally managed while the indices are unmanaged and are not available for investment.

**Comparison of Change in Value of a \$1,000,000 Investment
Absolute Credit Opportunities - Institutional Shares vs. HFRX Fixed Income Credit Index,
S&P 500 Index, and HFRX Global Hedge Fund Index**



**Average Annual Total Returns
Periods Ended March 31, 2016**

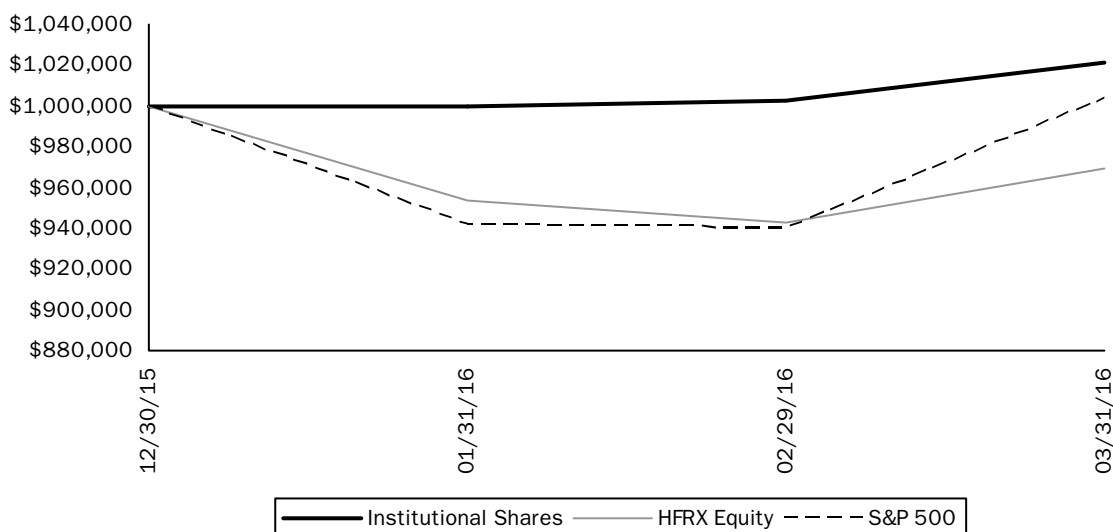
	One Year	Five Years	Since Inception 10/21/08
Absolute Credit Opportunities Fund - Institutional Shares	-2.40%	-1.38%	3.14%
HFRX Fixed Income Credit Index	-7.15%	-0.11%	5.60%
S&P 500 Index	1.78%	11.58%	13.33%
HFRX Global Hedge Fund Index	-7.36%	-1.18%	0.67%

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 2.71%. Excluding the effect of expenses attributable to dividends and interest on short sales, the Fund's total annual operating expense ratio would be 2.20%. 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 1.95% (excluding all taxes, interest, portfolio transaction expenses, dividends and interest expense on short sales, acquired fund fees and expenses, proxy expenses, and extraordinary expenses), which is in effect through August 1, 2017. During the period, certain fees were waived and/or expenses reimbursed; otherwise returns would have been lower. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns greater than one year are annualized.

ABSOLUTE CAPITAL OPPORTUNITIES FUND
 PERFORMANCE CHART AND ANALYSIS (Unaudited)
 MARCH 31, 2016

The following chart reflects the change in the value of a hypothetical \$1,000,000 investment, including reinvested dividends and distributions, in the Absolute Capital Opportunities Fund (the "Fund") compared with the performance of the benchmark, the HFRX Equity Hedge Fund Index ("HFRX Equity") and the S&P 500 Index ("S&P 500"), since inception. HFRX Equity tracks strategies that maintain positions both long and short in primary equity and equity derivative securities. The S&P 500 is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The total return of both the indices includes the reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the indices does 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 Capital Opportunities Fund – Institutional Shares vs. HFRX Equity Hedge Fund Index
 and S&P 500 Index**



Average Annual Total Returns for Period Ended March 31, 2016:	Since Inception 12/30/15
Absolute Capital Opportunities Fund – Institutional Shares	2.10%
HFRX Equity Hedge Fund Index	-3.11%
S&P 500 Index	0.39%

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 current prospectus, the annual operating expense ratio (gross) is 1.81%. However, the Fund's adviser has contractually agreed to reduce a portion of its fees and reimburse expenses to limit total operating expenses (excluding all taxes, interest, portfolio transaction expenses, dividend and interest expenses on short sales, acquired fund fees and expenses, proxy expenses and extraordinary expenses) to 1.95%, through August 1, 2017. During the period, certain fees were waived and/or expenses reimbursed; otherwise, returns would have been lower. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

ABSOLUTE STRATEGIES FUND

PORTFOLIO HOLDINGS SUMMARY (Unaudited)

MARCH 31, 2016

Portfolio Breakdown (% of Net Assets)	
Long Positions	
Equity Securities	34.4%
Asset Backed Obligations	0.4%
Corporate Convertible Bonds	12.4%
Corporate Non-Convertible Bonds	5.5%
Exchange Traded Notes	0.2%
Syndicated Loans	0.6%
Warrants	0.0%
Investment Companies	12.7%
Short-Term Investments	0.2%
Money Market Funds	20.9%
Purchased Options	0.9%
Short Positions	
Equity Securities	-31.0%
Investment Companies	-10.1%
Written Options	-0.5%
Other Assets less Liabilities*	53.4%
	100.0%

* Consists of deposits with the custodian and/or brokers for securities sold short, cash, foreign currency, prepaid expenses, receivables, payables and accrued liabilities. Deposits with the custodian and/or brokers for securities sold short represent 46.1% of net assets. See Note 2 of the accompanying Notes to Financial Statements.

Sector Breakdown	(% of Equity Holdings)	
	Long	Short
Consumer Discretionary	10.1%	20.2%
Consumer Staples	21.9%	9.8%
Energy	13.3%	1.5%
Financial	13.4%	27.9%
Healthcare	2.2%	0.6%
Industrial	10.5%	21.0%
Information Technology	9.9%	13.3%
Materials	8.3%	1.8%
Telecommunication Services	9.0%	3.7%
Utilities	1.4%	0.2%
	100.0%	100.0%

ABSOLUTE STRATEGIES FUND
SCHEDULE OF INVESTMENTS
MARCH 31, 2016

Shares	Security Description	Value	Shares	Security Description	Value
Long Positions - 88.2%					
Equity Securities - 34.4%					
Common Stock - 33.8%					
Consumer Discretionary - 3.5%					
35,355	American Airlines Group, Inc. ^{(a)(b)(c)}	\$ 1,449,909	67,969	Green Plains, Inc.	\$ 1,084,785
39,620	Bed Bath & Beyond, Inc. ^(d)	1,966,737	77,540	Halliburton Co.	2,769,729
8,650	CarMax, Inc. ^(d)	442,015	26,675	Kinder Morgan, Inc. ^(a)	476,416
4,433	Chipotle Mexican Grill, Inc., Class A ^(d)	2,087,810	50,429	MPLX LP ^(a)	1,497,237
17,165	CVS Health Corp.	1,780,526	15,595	National Oilwell Varco, Inc.	485,005
24,471	GameStop Corp., Class A ^(a)	776,465	27,246	NuStar Energy LP ^(a)	1,100,738
96,070	General Motors Co. ^(a)	3,019,480	69,607	NuStar GP Holdings, LLC ^(a)	1,442,953
111,551	Green Plains Partners LP	1,500,361	36,331	Plains All American Pipeline LP	761,861
41,890	Harley-Davidson, Inc. ^{(b)(c)}	2,150,214	45,261	Plains GP Holdings LP, Class A ^(a)	393,318
63,530	Kohl's Corp.	2,961,133	109,962	Rice Midstream Partners LP	1,637,334
19,209	Lithia Motors, Inc., Class A	1,677,522	52,435	Schlumberger, Ltd.	3,867,081
194,397	Luby's, Inc. ^(d)	942,825	196,772	SolarEdge Technologies, Inc. ^{(a)(d)}	4,946,848
29,260	Macy's, Inc. ^{(a)(b)(c)}	1,290,073	210,000	Spectra Energy Corp.	6,426,000
10,343	McDonald's Corp.	1,299,908	31,672	Tallgrass Energy GP LP	585,299
107,168	Sony Corp., ADR	2,756,361	11,035	Tesoro Logistics LP ^(a)	503,858
67,969	The Habit Restaurants, Inc., Class A ^{(a)(d)}	1,266,263	18,915	Valero Energy Partners LP ^(a)	895,814
14,920	The Walt Disney Co.	1,481,705	4,155	Western Gas Partners LP	180,369
26,005	Tractor Supply Co.	2,352,412	22,210	Western Refining Logistics LP ^(a)	518,603
3,000	Viacom, Inc., Class B ^(a)	123,840			
35,462	Zoe's Kitchen, Inc. ^{(a)(d)}	1,382,663			
		<u>32,708,222</u>			<u>43,347,606</u>
Consumer Staples - 7.5%			Financial - 4.6%		
25,000	Aggreko PLC	392,250	44,870	American Express Co.	2,755,018
100,000	Avon Products, Inc.	481,000	25,390	American International Group, Inc. ^(c)	1,372,330
23,080	Calavo Growers, Inc.	1,316,945	28,450	Aon PLC	2,971,602
111,116	Cott Corp. ^(a)	1,543,401	260,025	Bank of America Corp.	3,515,538
70,000	Diageo PLC, ADR ^(a)	7,550,900	27,125	Berkshire Hathaway, Inc., Class B ^(d)	3,848,495
21,491	Endo International PLC ^(d)	604,972	150,000	Brookfield Asset Management, Inc., Class A	5,218,500
108,000	Express Scripts Holding Co. ^{(a)(d)}	7,418,520	60,800	CBRE Group, Inc., Class A ^{(a)(d)}	1,752,256
55,000	Hengan International Group Co., Ltd. ^(a)	475,475	44,770	Citigroup, Inc.	1,869,147
130,000	Nestle SA, ADR	9,699,300	15,330	InfraREIT, Inc. REIT ^(a)	261,377
197,713	Nomad Foods, Ltd. ^{(a)(d)}	1,781,394	57,750	JPMorgan Chase & Co. ^(a)	3,419,955
39,000	PepsiCo, Inc.	3,996,720	140,820	Leucadia National Corp.	2,277,059
50,238	Phibro Animal Health Corp., Class A ^(a)	1,358,436	26,000	The Bancorp, Inc. ^{(a)(d)}	148,720
90,000	Philip Morris International, Inc.	8,829,900	170,000	The Bank of New York Mellon Corp.	6,261,100
20,303	Pilgrim's Pride Corp. ^(d)	515,696	138,000	WR Berkley Corp.	7,755,600
36,939	Post Holdings, Inc. ^(d)	2,540,295			<u>43,426,697</u>
165,000	Sanofi, ADR ^(a)	6,626,400	Healthcare - 0.7%		
55,000	Sysco Corp.	2,570,150	10,000	Becton Dickinson and Co.	1,518,200
53,000	The Coca-Cola Co.	2,458,670	1,200	CR Bard, Inc.	243,204
75,000	The Procter & Gamble Co.	6,173,250	85,477	Greatbatch, Inc. ^{(a)(d)}	3,046,400
38,417	Tyson Foods, Inc., Class A	2,560,877	21,000	Johnson & Johnson	2,272,200
47,283	Zoetis, Inc. ^(a)	2,096,055			<u>7,080,004</u>
		<u>70,990,606</u>	Industrial - 3.6%		
Energy - 4.6%			279,136	Aegean Marine Petroleum Network, Inc. ^(a)	2,113,059
24,625	Baker Hughes, Inc.	1,079,314	94,565	Briggs & Stratton Corp.	2,261,995
27,733	Buckeye Partners LP	1,884,180	3,300	CH Robinson Worldwide, Inc. ^(a)	244,959
72,485	Cheniere Energy Partners LP ^(a)	2,090,467	103,000	Expeditors International of Washington, Inc.	5,027,430
16,154	Cheniere Energy, Inc. ^{(a)(d)}	546,490	71,901	Fitbit, Inc., Class A ^{(a)(d)}	1,089,300
149,243	Cone Midstream Partners LP	1,867,030	138,865	Jacobs Engineering Group, Inc. ^(d)	6,047,571
10,000	ConocoPhillips ^(a)	402,700	283,400	Quanta Services, Inc. ^{(a)(d)}	6,393,504
25,524	Diamond Offshore Drilling, Inc. ^(a)	554,637	35,085	The Boeing Co. ^(c)	4,453,690
44,101	Energy Transfer Partners LP ^(a)	1,426,226	51,715	Trimble Navigation, Ltd. ^(d)	1,282,532
93,814	Enterprise Products Partners LP	2,309,701	20,520	Union Pacific Corp. ^{(b)(c)}	1,632,366
11,000	Exxon Mobil Corp. ^(a)	919,490	11,110	United Parcel Service, Inc., Class B	1,171,772
25,370	FMC Technologies, Inc. ^{(a)(d)}	694,123	20,735	Valmont Industries, Inc.	2,567,822
					<u>34,286,000</u>
			Information Technology - 2.8%		
			19,235	Accenture PLC, Class A	2,219,719
			46,675	Apple, Inc.	5,087,108
			86,005	BlackBerry, Ltd. ^{(a)(d)}	695,781

ABSOLUTE STRATEGIES FUND
SCHEDULE OF INVESTMENTS
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Shares	Security Description	Value	Principal	Security Description	Rate	Maturity	Value
128,779	BroadSoft, Inc. ^{(a)(d)}	\$ 5,196,233	\$ 145,184	Banc of America			
29,000	Microsoft Corp.	1,601,670		Alternative Loan			
73,000	Oracle Corp. ^(a)	2,986,430		Trust, Series			
5,665	QUALCOMM, Inc.	289,708		2005-8 2CB1	6.00%	09/25/35	\$ 134,855
1,870,509	Sandvine Corp.	4,003,862	36,109	Banc of			
554,489	Sigma Designs, Inc. ^(d)	3,770,525		America			
267,230	Zynga, Inc., Class A ^{(a)(d)}	609,284		Funding Corp.,			
		<u>26,460,320</u>		Series 2006-E			
				2A1 ^(e)	2.90	06/20/36	29,567
Materials - 2.9%			139,259	Banc of			
20,686	Agrium, Inc.	1,826,367		America			
32,507	CF Industries Holdings, Inc.	1,018,769		Funding Corp.,			
249,525	Constellation NV, Class A ^(d)	1,295,035		Series 2006-H			
20,000	Franco-Nevada Corp.	1,227,600		6A1 ^(e)	0.62	10/20/36	107,527
54,528	Monsanto Co. ^(a)	4,784,287	76,860	Banc of			
51,000	Praxair, Inc. ^(a)	5,836,950		America			
200,000	Royal Gold, Inc.	10,258,000		Funding Corp.,			
39,814	Westlake Chemical Partners LP	784,336		Series 2007-E			
		<u>27,031,344</u>		4A1 ^(e)	2.67	07/20/47	62,537
Telecommunication Services - 3.1%			169,096	Bear Stearns			
2,325	Alphabet, Inc., Class A ^{(a)(d)}	1,773,743		Adjustable Rate			
155	Alphabet, Inc., Class C ^{(a)(d)}	115,467		Mortgage Trust,			
307,461	Attunity, Ltd. ^(d)	2,201,421		Series 2007-5			
391,161	Bankrate, Inc. ^{(a)(d)}	3,586,946		1A1 ^(e)	2.88	08/25/47	136,275
52,700	CBS Corp., Class B, Non-Voting	2,903,243	148,839	Bear Stearns			
	Shares			ALT-A Trust,			
83,000	Cisco Systems, Inc. ^(a)	2,363,010		Series 2006-2			
249,547	Rightside Group, Ltd. ^{(a)(d)}	2,008,853		23A1 ^(e)	2.89	03/25/36	112,255
124,258	Spark Networks, Inc. ^{(a)(d)}	275,853	248,281	ChaseFlex			
26,081	Time Warner, Inc.	1,892,177		Trust, Series			
245,000	Twenty-First Century Fox, Inc.,	6,909,000	97,564	2007-1 2A9	6.00	02/25/37	172,017
	Class B ^(a)	5,238,069		CitiMortgage			
264,282	Web.com Group, Inc. ^{(a)(d)}	<u>29,267,782</u>		Alternative Loan			
				Trust, Series			
				2006-A7 1A12	6.00	12/25/36	85,608
Utilities - 0.5%			36,774	CitiMortgage			
80,000	ITC Holdings Corp.	3,485,600		Alternative Loan			
12,535	NiSource, Inc. ^(a)	295,325		Trust, Series			
20,140	Western Gas Equity Partners LP ^(a)	717,789		2007-A4 1A6	5.75	04/25/37	31,216
		<u>4,498,714</u>	42,834	Countrywide			
Total Common Stock				Alternative Loan			
(Cost \$274,519,839)		319,097,295		Trust, Series			
	Rate			2005-50CB 1A1	5.50	11/25/35	41,501
			156,493	Countrywide			
Preferred Stock - 0.6%				Alternative Loan			
Information Technology - 0.6%				Trust, Series			
5,800	Samsung Electronics Co.,			2005-73CB 1A8	5.50	01/25/36	150,979
	Ltd. (Cost \$5,945,137)	2.00%	5,614,376	433,843			
				Countrywide			
Total Equity Securities				Alternative Loan			
(Cost \$280,464,976)		324,711,671		Trust, Series			
				2005-J12			
	Principal			2A1 ^(e)	0.70	08/25/35	285,384
	Security Description			210,186			
	Rate			Countrywide			
	Maturity			Alternative Loan			
	Value			Trust, Series			
Fixed Income Securities - 19.1%				2006-36T2			
Asset Backed Obligations - 0.4%				1A1 ^(e)	0.75	12/25/36	122,290
\$ 74,224	Adjustable Rate						
	Mortgage Trust,						
	Series 2005-12						
	2A1 ^(e)	2.94%	03/25/36				57,152
48,748	Adjustable Rate						
	Mortgage Trust,						
	Series 2006-1						
	3A3 ^(e)	2.97	03/25/36				35,694

ABSOLUTE STRATEGIES FUND

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Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value	
\$ 18,042	Countrywide Alternative Loan Trust, Series 2006-7CB 3A1	5.25%	05/25/21	\$ 18,839	\$ 174,675	Morgan Stanley Mortgage Loan Trust, Series 2007-13 6A1	6.00%	10/25/37	\$ 143,046	
66,302	Countrywide Home Loan Mortgage Pass Through Trust, Series 2007-HY5 1A1 ^(e)	2.87	09/25/47	58,767	164,480	Residential Accredited Loans, Inc., Series 2006-QS17 A4	6.00	12/25/36	134,362	
48,063	Credit Suisse Mortgage Capital Mortgage-Backed Trust, Series 2006-8 3A1	6.00	10/25/21	46,368	130,052	Residential Accredited Loans, Inc., Series 2007-QS5 A1	5.50	03/25/37	98,221	
180,166	Deutsche Alt-B Securities, Inc. Mortgage Loan Trust, Series 2006-AB2 A5B ^(f)	5.96	06/25/36	147,705	352,235	Residential Asset Securitization Trust, Series 2006-A10 A5	6.50	09/25/36	247,187	
144,060	GSR Mortgage Loan Trust, Series 2005-AR5 1A1 ^(e)	2.95	10/25/35	125,456	1,089,751	Residential Asset Securitization Trust, Series 2007-A5 1A2 ^(e)	0.83	05/25/37	224,675	
162,513	HSI Asset Loan Obligation Trust, Series 2007-AR2 2A1 ^(e)	3.34	09/25/37	128,983	50,278	Structured Adjustable Rate Mortgage Loan Trust, Series 2007-3 3A1 ^(e)	2.81	04/25/47	38,852	
69,219	Indymac Index Mortgage Loan Trust, Series 2006-AR25 3A1 ^(e)	2.99	09/25/36	50,912	129,021	WaMu Mortgage Pass-Through Certificates, Series 2006-AR16 1A1 ^(e)	2.19	12/25/36	110,744	
124,708	Indymac Index Mortgage Loan Trust, Series 2006-AR29 A1 ^(e)	0.60	11/25/36	96,674	414,434	Washington Mutual Mortgage Pass-Through Certificates, Series 2006-7 A1A ^(f)	4.50	09/25/36	213,631	
150,268	Indymac Index Mortgage Loan Trust, Series 2006-AR33 3A1 ^(e)	3.12	01/25/37	137,784	Total Asset Backed Obligations (Cost \$3,808,912)					4,129,987
326,429	Indymac Index Mortgage Loan Trust, Series 2006-AR7 4A1 ^(e)	3.02	05/25/36	231,694	Corporate Convertible Bonds - 12.4%					
36,006	JP Morgan Mortgage Trust, Series 2007-A2 4A1M ^(e)	4.56	04/25/37	31,271	Consumer Discretionary - 0.9%					
150,678	Lehman XS Trust, Series 2005-6 1A1 ^(e)	0.69	11/25/35	101,456	4,500,000	JAKKS Pacific, Inc. ^{(a)(g)}	4.25	08/01/18	4,345,312	
234,062	MASTR Adjustable Rate Mortgages Trust, Series 2007-R5 A1 ^{(e)(g)}	2.77	11/25/35	178,503	1,600,000	JAKKS Pacific, Inc. ^{(a)(g)}	4.88	06/01/20	1,506,000	
					2,750,000	M/I Homes, Inc. ^(a)	3.25	09/15/17	2,780,938	
					Consumer Staples - 2.8%					
					3,000,000	Acorda Therapeutics, Inc.	1.75	06/15/21	2,675,625	
					3,000,000	Albany Molecular Research, Inc.	2.25	11/15/18	3,324,375	
					1,300,000	Array BioPharma, Inc.	3.00	06/01/20	1,053,000	
					700,000	Ascent Capital Group, Inc.	4.00	07/15/20	442,313	

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2016

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 3,250,000	Carriage Services, Inc.	2.75%	03/15/21	\$ 3,577,031	\$ 4,000,000	Interactive Intelligence Group, Inc. (a)(g)	1.25%	06/01/20	\$ 3,422,500
3,400,000	Depomed, Inc. (a)	2.50	09/01/21	3,185,375	3,300,000	Photronics, Inc. (a)	3.25	04/01/16	3,300,000
4,000,000	Endologix, Inc. (a)	2.25	12/15/18	2,935,000	5,600,000	Quantum Corp. (a)	4.50	11/15/17	4,154,500
3,000,000	Healthways, Inc. (a)	1.50	07/01/18	2,763,750	2,000,000	Rudolph Technologies, Inc. (a)	3.75	07/15/16	2,233,750
2,500,000	Ironwood Pharmaceuticals, Inc. (a)(g)	2.25	06/15/22	2,295,312	450,000	Unisys Corp. (a)(g)	5.50	03/01/21	449,437
2,250,000	Monster Worldwide, Inc. (a)	3.50	10/15/19	2,068,594	1,600,000	Verint Systems, Inc.	1.50	06/01/21	1,417,000
1,250,000	Protalix BioTherapeutics, Inc. (a)	4.50	09/15/18	853,125					<u>21,929,062</u>
1,650,000	The Spectranetics Corp. (a)	2.63	06/01/34	<u>1,312,781</u>	Materials - 0.6%				
				<u>26,486,281</u>	1,750,000	Aceto Corp. (a)(g)	2.00	11/01/20	1,672,344
Energy - 0.7%					850,000	Horsehead Holding Corp. (a)(h)(i)	3.80	07/01/17	59,500
2,570,000	Clean Energy Fuels Corp. (g)	5.25	10/01/18	1,259,300	5,000,000	Silver Standard Resources, Inc. (a)(g)	2.88	02/01/33	3,678,125
1,700,000	Helix Energy Solutions Group, Inc. (a)	3.25	03/15/32	1,347,250					<u>5,409,969</u>
4,650,000	Renewable Energy Group, Inc. (a)	2.75	06/15/19	<u>4,062,938</u>	Telecommunication Services - 1.5%				
				<u>6,669,488</u>	1,750,000	Alaska Communications Systems Group, Inc.	6.25	05/01/18	1,658,125
Financial - 0.9%					4,500,000	Blucora, Inc.	4.25	04/01/19	3,420,000
4,720,000	Encore Capital Group Inc (a)	3.00	07/01/20	3,660,950	1,850,000	Global Eagle Entertainment, Inc. (a)	2.75	02/15/35	1,458,031
4,000,000	Forestar Group, Inc. (a)	3.75	03/01/20	3,465,000	2,500,000	Harmonic, Inc. (a)(g)	4.00	12/01/20	1,992,188
2,200,000	FXCM, Inc. (a)	2.25	06/15/18	<u>1,342,000</u>	1,800,000	Pandora Media, Inc. (a)(g)	1.75	12/01/20	1,559,250
				<u>8,467,950</u>	1,300,000	Twitter, Inc. (a)	1.00	09/15/21	1,095,250
Healthcare - 0.6%					2,700,000	Web.com Group, Inc. (a)	1.00	08/15/18	<u>2,575,125</u>
2,300,000	Insulet Corp. (a)	2.00	06/15/19	2,231,000					<u>13,757,969</u>
3,600,000	Quidel Corp. (a)	3.25	12/15/20	<u>3,215,250</u>	Utilities - 0.4%				
				<u>5,446,250</u>	5,800,000	EnerNOC, Inc. (a)	2.25	08/15/19	4,121,625
Industrial - 1.7%					Total Corporate Convertible Bonds (Cost \$134,380,421) <u>116,419,906</u>				
3,400,000	Altra Industrial Motion Corp.	2.75	03/01/31	3,895,125	Corporate Non-Convertible Bonds - 5.5%				
1,050,000	Echo Global Logistics, Inc. (a)	2.50	05/01/20	1,062,469	Consumer Discretionary - 1.0%				
3,900,000	Fluidigm Corp. (a)	2.75	02/01/34	2,164,500	750,000	Caesars Entertainment Resort Properties, LLC	8.00	10/01/20	738,000
1,275,000	Griffon Corp. (a)(g)	4.00	01/15/17	1,471,031	1,250,000	GameStop Corp. (g)	5.50	10/01/19	1,204,688
2,500,000	Kaman Corp. (a)(g)	3.25	11/15/17	3,323,437	1,469,000	Hanesbrands, Inc.	6.38	12/15/20	1,522,251
4,000,000	TTM Technologies, Inc. (a)	1.75	12/15/20	<u>3,582,500</u>	2,250,000	K Hovnanian Enterprises, Inc.	8.63	01/15/17	2,160,000
				<u>15,499,062</u>	829,000	L Brands, Inc.	8.50	06/15/19	974,158
Information Technology - 2.3%					1,590,000	MGM Resorts International	6.88	04/01/16	1,590,000
3,400,000	Avid Technology, Inc. (a)(g)	2.00	06/15/20	2,263,125					
1,600,000	Envestnet, Inc. (a)	1.75	12/15/19	1,387,000					
2,500,000	GT Advanced Technologies, Inc. (a)(h)	3.00	12/15/20	4,688					
3,550,000	inContact, Inc. (a)(g)	2.50	04/01/22	3,297,062					

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

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Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
\$ 200,000	MGM Resorts International	10.00%	11/01/16	\$ 208,837	Information Technology - 0.4%				
800,000	Royal Caribbean Cruises, Ltd.	7.25	06/15/16	809,364	\$ 1,729,000	EarthLink Holdings Corp.	7.38%	06/01/20	\$ 1,798,160
				<u>9,207,298</u>	1,664,000	First Data Corp. ^(G)	6.75	11/01/20	1,753,856
Consumer Staples - 0.9%					Telecommunication Services - 1.2%				
750,000	Avon Products, Inc.	6.75	03/15/23	520,500	1,925,000	Clearwire Communications, LLC / Clearwire Finance, Inc. ^(G)	14.75	12/01/16	2,083,812
500,000	Avon Products, Inc.	8.70	03/15/43	332,500	733,000	Entercom Radio, LLC	10.50	12/01/19	764,153
1,700,000	Bumble Bee Holdings, Inc. ^(G)	9.00	12/15/17	1,710,625	1,290,000	FairPoint Communications, Inc. ^(G)	8.75	08/15/19	1,227,112
2,471,000	Cenveo Corp. ^(G)	6.00	08/01/19	1,810,007	925,000	iHeartCommunications, Inc.	9.00	12/15/19	687,969
1,512,000	ConvaTec Healthcare E SA ^(G)	10.50	12/15/18	1,559,250	1,024,000	Level 3 Financing, Inc. ^(E)	4.10	01/15/18	1,029,120
1,533,000	Dean Holding Co.	6.90	10/15/17	1,609,650	1,602,000	Nielsen Finance LLC / Nielsen Finance Co.	4.50	10/01/20	1,644,052
1,750,000	Monitronics International, Inc. ^(A)	9.13	04/01/20	1,426,250	1,500,000	Qwest Corp.	8.38	05/01/16	1,509,750
				<u>8,968,782</u>	1,500,000	TEGNA, Inc.	10.00	04/01/16	1,500,000
Energy - 0.4%					749,000	ViaSat, Inc.	6.88	06/15/20	780,833
1,245,000	Boardwalk Pipelines LP	5.88	11/15/16	1,248,099					<u>11,226,801</u>
1,000,000	CONSOL Energy, Inc.	5.88	04/15/22	725,620	Utilities - 0.3%				
2,605,000	Gastar Exploration, Inc.	8.63	05/15/18	1,680,225	1,800,000	Sabine Pass LNG LP	7.50	11/30/16	1,853,325
				<u>3,653,944</u>	700,000	Talen Energy Supply, LLC	6.20	05/15/16	703,938
Financial - 1.0%									<u>2,557,263</u>
2,625,000	Ally Financial, Inc.	3.50	07/18/16	2,632,875	Total Corporate Non-Convertible Bonds (Cost \$54,428,103)				
2,000,000	International Lease Finance Corp.	5.75	05/15/16	2,005,568	51,922,624				
470,000	International Lease Finance Corp. ^(G)	6.75	09/01/16	477,638	Exchange Traded Notes - 0.2%				
1,742,000	iStar, Inc.	9.00	06/01/17	1,818,212	8,000	iPATH S&P 500 VIX Mid-Term Futures ETN ^(D)			87,040
700,000	Realogy Group, LLC / Realogy Co-Issuer Corp. ^(G)	4.50	04/15/19	721,875	58,260	JPMorgan Alerian MLP Index ETN			1,578,263
1,750,000	Realogy Group, LLC / The Sunshine Group Florida, Ltd. ^(G)	3.38	05/01/16	1,748,131	Total Exchange Traded Notes (Cost \$1,589,612)				
				<u>9,404,299</u>	1,665,303				
Industrial - 0.3%					Syndicated Loans - 0.6%				
1,750,000	International Wire Group Holdings, Inc. ^(G)	8.50	10/15/17	1,750,000	1,448,066	Arch Coal, Inc. ^(E)	7.50	05/16/18	517,684
525,000	Masco Corp.	6.13	10/03/16	538,387	1,428,406	Atlas Iron, Ltd. ^(E)	8.75	12/10/17	185,693
1,026,000	Spirit AeroSystems, Inc.	6.75	12/15/20	1,063,834	4,000,000	Energy Future Intermediate Holding Co., LLC ^(E)	4.25	12/19/16	4,001,250
				<u>3,352,221</u>	1,360,074	WideOpenWest Finance, LLC ^(E)	3.75	07/17/17	1,360,074
					Total Syndicated Loans (Cost \$8,229,763)				
					6,064,701				
					Total Fixed Income Securities (Cost \$202,436,811)				
					180,202,521				

ABSOLUTE STRATEGIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2016

Shares	Security Description	Strike Price	Exp. Date	Value	Contracts	Security Description	Strike Price	Exp. Date	Value
Warrants - 0.0%					15	SPDR S&P 500 ETF	\$ 191.00	04/16	\$ 165
318,626	Kinder Morgan, Inc. ^(d)				15	SPDR S&P 500 ETF	190.00	04/16	135
	(Cost \$960,583)	\$ 100.00	05/25/17	\$ 11,630	2,259	SPDR S&P 500 ETF	125.00	03/17	243,972
Shares	Security Description				Contracts				
					Total Put Options Purchased (Premiums Paid \$4,114,146)				
					3,208,877				
Investment Companies - 12.7%					Total Purchased Options (Premiums Paid \$10,828,207)				
1,196,695	Absolute Capital Opportunities Fund ^{(d)(i)}				8,866,572				
					Total Long Positions - 88.2%				
520,535	SPDR S&P 500 ETF Trust ^{(a)(b)(c)}				(Cost \$764,166,366)*				
					Total Short Positions - (41.1)%				
					(Proceeds \$(423,957,242))*				
Total Investment Companies (Cost \$71,133,949)					Total Written Options - (0.5)%				
					(Premiums Received \$(5,438,511))*				
					(4,809,894)				
Principal	Security Description	Rate	Maturity	Value	Other Assets & Liabilities, Net - 53.4%				
					503,540,498				
Short-Term Investments - 0.2%					Net Assets - 100.0%				
					\$ 942,731,523				
Commercial Paper - 0.2%									
\$ 1,500,000	Viacom, Inc. ^(k)								
	(Cost \$1,499,479)	1.25%	04/11/16	1,499,479					
Shares	Security Description				Contracts				
Money Market Funds - 20.9%									
3	JP Morgan 100% U.S. Treasury Money Market Fund Cap, 0.19% ^(e)								
196,842,358	State Street Institutional Treasury Money Market Fund, 0.18% ^(e)								
Total Money Market Funds (Cost \$196,842,361)					196,842,361				
Contracts	Security Description	Strike Price	Exp. Date	Value					
Purchased Options - 0.9%									
Call Options Purchased - 0.6%									
1,504	Energy Transfer Equity	\$ 10.00	04/16	1,504					
1,253	Kinder Morgan, Inc.	20.00	04/16	7,518					
20,000	Market Vectors Gold Miners ETF	26.00	06/16	480,000					
6,498	SPDR S&P 500 ETF	206.00	09/16	5,048,946					
2,259	SPDR S&P 500 ETF	240.00	03/17	119,727					
					Total Call Options Purchased (Premiums Paid \$6,714,061)				
					5,657,695				
Put Options Purchased - 0.3%									
20,000	Consumer Discretionary Select Sector SPDR Fund	65.00	09/16	1,390,000					
9,750	Consumer Discretionary Select Sector SPDR Fund	65.00	01/17	1,428,375					
20	iShares Russell 2000 ETF	109.00	08/16	9,340					
468	Pacific Biosciences of California, Inc.	10.00	09/16	136,890					

ABSOLUTE STRATEGIES FUND
SCHEDULE OF SECURITIES SOLD SHORT
MARCH 31, 2016

Shares	Security Description	Value	Shares	Security Description	Value
Short Positions - (41.1)%			(8,039)	The Boston Beer Co., Inc., Class A	\$ (1,487,778)
Common Stock - (31.0)%			(35,700)	The Estee Lauder Cos., Inc.	(3,366,867)
Consumer Discretionary - (6.3)%			(28,900)	The Spectranetics Corp.	(419,628)
(7,700)	Amazon.com, Inc.	\$ (4,571,028)	(7,979)	TreeHouse Foods, Inc.	(692,178)
(17,907)	Arctic Cat, Inc.	(300,838)			<u>(28,725,155)</u>
(8,950)	Autoliv, Inc.	(1,060,396)	Energy - (0.5)%		
(13,298)	Brinker International, Inc.	(611,043)	(14,678)	Bristow Group, Inc.	(277,708)
(12,412)	Cabela's, Inc.	(604,340)	(28,784)	CARBO Ceramics, Inc.	(408,733)
(21,518)	CarMax, Inc.	(1,099,570)	(22,100)	Clean Energy Fuels Corp.	(64,753)
(35,900)	Carnival Corp.	(1,894,443)	(9,717)	EQT Midstream Partners LP	(723,236)
(26,218)	Chuy's Holdings, Inc.	(814,593)	(25,000)	Gastar Exploration, Inc.	(27,500)
(51,715)	Del Frisco's Restaurant Group, Inc.	(857,435)	(19,620)	Helix Energy Solutions Group, Inc.	(109,872)
(65,014)	Del Taco Restaurants, Inc.	(671,595)	(281,447)	Renewable Energy Group, Inc.	(2,656,860)
(7,001)	FactSet Research Systems, Inc.	(1,060,861)			<u>(4,268,662)</u>
(461,000)	Fiat Chrysler Automobiles NV	(3,724,460)	Financial - (8.6)%		
(22,164)	Fiesta Restaurant Group, Inc.	(726,536)	(4,508,000)	Agricultural Bank of China, Ltd., Class H	(1,621,342)
(309,637)	Ford Motor Co.	(4,180,099)	(50,574)	Altisource Portfolio Solutions SA	(1,221,362)
(57,626)	Fox Factory Holding Corp.	(911,067)	(40,400)	Ameriprise Financial, Inc.	(3,798,004)
(161,027)	General Motors Co.	(5,061,079)	(266,000)	Banco Santander SA, ADR	(1,159,760)
(25,505)	Hanesbrands, Inc.	(722,812)	(413,150)	Bank of America Corp.	(5,585,788)
(32,058)	iRobot Corp.	(1,131,647)	(4,995,000)	Bank of China, Ltd., Class H	(2,073,376)
(7,388)	Jack in the Box, Inc.	(471,872)	(2,586,000)	Bank of Communications Co., Ltd., Class H	(1,700,142)
(389,111)	JAKKS Pacific, Inc.	(2,894,986)	(21,925)	Bofl Holding, Inc.	(467,879)
(47,300)	M/I Homes, Inc.	(882,145)	(12,433)	Canadian Western Bank	(231,189)
(5,900)	McDonald's Corp.	(741,512)	(3,180,000)	China CITIC Bank Corp., Ltd., Class H	(1,947,186)
(22,100)	Mohawk Industries, Inc.	(4,218,890)	(3,330,000)	China Construction Bank Corp., Class H	(2,124,888)
(56,148)	Noodles & Co.	(665,915)	(2,193,000)	China Galaxy Securities Co., Ltd., Class H	(2,134,382)
(72,141)	PetMed Express, Inc.	(1,292,045)	(1,003,000)	China Merchants Bank Co., Ltd., Class H	(2,107,537)
(36,310)	The Home Depot, Inc.	(4,844,843)	(814,000)	CITIC Securities Co., Ltd., Class H	(1,907,677)
(2,860)	The Priceline Group, Inc.	(3,686,426)	(132,400)	Citigroup, Inc.	(5,527,700)
(62,058)	Titan International, Inc.	(333,872)	(121,934)	Consumer Portfolio Services, Inc.	(515,781)
(23,200)	Tractor Supply Co.	(2,098,672)	(13,738)	Credit Acceptance Corp.	(2,494,134)
(10,950)	Ulta Salon Cosmetics & Fragrance, Inc.	(2,121,453)	(58,000)	Deutsche Bank AG	(982,520)
(42,550)	Under Armour, Inc., Class A	(3,609,516)	(53,200)	Encore Capital Group, Inc.	(1,369,368)
(4,656)	WW Grainger, Inc.	(1,086,850)	(192,600)	Erste Group Bank AG	(5,413,240)
		<u>(58,952,839)</u>	(74,400)	Forestar Group, Inc.	(970,176)
Consumer Staples - (3.0)%			(1,410)	FXCM, Inc., Class A	(15,143)
(41,800)	Acorda Therapeutics, Inc.	(1,105,610)	(10,174)	Home Capital Group, Inc.	(274,649)
(131,300)	Albany Molecular Research, Inc.	(2,007,577)	(3,008,000)	Industrial & Commercial Bank of China, Ltd., Class H	(1,682,884)
(44,327)	Amira Nature Foods, Ltd.	(433,075)	(2,022,500)	Intesa Sanpaolo SpA	(5,601,613)
(17,731)	Archer-Daniels-Midland Co.	(643,813)	(7,137)	National Bank of Canada	(233,495)
(106,400)	Array BioPharma, Inc.	(313,880)	(42,133)	Noah Holdings, Ltd., ADR	(1,048,269)
(1,400)	Ascent Capital Group, Inc., Class A	(20,734)	(512,000)	Nordea Bank AB	(4,919,287)
(20,686)	B&G Foods, Inc.	(720,080)	(219,075)	OTP Bank PLC	(5,500,759)
(93,000)	Carriage Services, Inc.	(2,009,730)	(4,514)	Royal Bank of Canada	(259,826)
(44,348)	Cenveo, Inc.	(18,626)	(251,300)	Swedbank AB, Class A	(5,414,020)
(8,503)	Cimpress NV	(771,137)	(4,971)	The Bank of Nova Scotia	(242,883)
(59,103)	Darling Ingredients, Inc.	(778,386)	(203,600)	The Charles Schwab Corp.	(5,704,872)
(14,303)	DavidsTea, Inc.	(173,209)	(5,413)	The Toronto-Dominion Bank	(233,463)
(39,859)	Dean Foods Co.	(690,358)	(1,391,764)	UniCredit SpA	(5,020,291)
(122,800)	Depomed, Inc.	(1,710,604)			<u>(81,504,885)</u>
(61,900)	Endologix, Inc.	(517,484)	Healthcare - (0.2)%		
(33,700)	FleetCor Technologies, Inc.	(5,012,875)	(24,100)	Insulet Corp.	(799,156)
(10,656)	General Mills, Inc.	(675,058)	(49,200)	Quidel Corp.	(849,192)
(56,900)	Healthways, Inc.	(574,121)			<u>(1,648,348)</u>
(103,900)	Ironwood Pharmaceuticals, Inc.	(1,136,666)			
(268,100)	Monster Worldwide, Inc.	(874,006)			
(103,820)	Pacific Biosciences of California, Inc.	(882,470)			
(66,600)	Protalix BioTherapeutics, Inc.	(55,977)			
(8,865)	Sanderson Farms, Inc.	(799,446)			
(29,552)	SodaStream International, Ltd.	(416,092)			
(13,298)	The Andersons, Inc.	(417,690)			

ABSOLUTE STRATEGIES FUND
SCHEDULE OF SECURITIES SOLD SHORT
MARCH 31, 2016

Shares	Security Description	Value	Shares	Security Description	Value
Industrial - (6.5)%			(24,863)	Potash Corp. of Saskatchewan, Inc. \$	(423,168)
(4,037)	3M Co.	\$ (672,685)	(89,200)	Silver Standard Resources, Inc.	(495,060)
(11,821)	AGCO Corp.	(587,504)	(16,694)	The Mosaic Co.	(450,738)
(76,700)	Altra Industrial Motion Corp.	(2,130,726)			<u>(5,284,586)</u>
(120,900)	Atlas Copco AB, Class A	(3,042,512)	Telecommunication Services - (1.2)%		
(46,314)	Briggs & Stratton Corp.	(1,107,831)	(7,000)	Alaska Communications Systems Group, Inc.	(12,460)
(88,655)	CNH Industrial NV	(599,308)	(42,300)	Blucora, Inc.	(218,268)
(10,343)	Deere & Co.	(796,308)	(143,300)	Discovery Communications, Inc., Class A	(4,102,679)
(24,522)	Donaldson Co., Inc.	(782,497)	(43,100)	Global Eagle Entertainment, Inc.	(367,212)
(13,990)	Echo Global Logistics, Inc.	(379,968)	(78,157)	GrubHub, Inc.	(1,964,085)
(27,000)	Fluidigm Corp.	(217,890)	(297,700)	Harmonic, Inc.	(973,479)
(22,037)	Garmin, Ltd.	(880,599)	(98,724)	Match Group, Inc.	(1,091,888)
(178,800)	General Electric Co.	(5,684,052)	(64,700)	Pandora Media, Inc.	(579,065)
(60,701)	Griffon Corp.	(937,830)	(72,586)	Twitter, Inc.	(1,201,298)
(51,900)	IDEX Corp.	(4,301,472)	(21,200)	Web.com Group, Inc.	(420,184)
(62,563)	Kaman Corp.	(2,670,815)			<u>(10,930,618)</u>
(12,458)	Proto Labs, Inc.	(960,387)	Utilities - (0.0)%		
(17,823)	Rockwell Collins, Inc.	(1,643,459)	(58,200)	EnerNOC, Inc.	(435,336)
(134,975)	Spirit AeroSystems Holdings, Inc., Class A	(6,122,466)	Total Common Stock		
(158,900)	Textron, Inc.	(5,793,494)	(Proceeds \$(328,974,778))		
(51,300)	The Boeing Co.	(6,512,022)	<u>(291,770,854)</u>		
(45,952)	The Middleby Corp.	(4,906,295)	Investment Companies - (10.1)%		
(260,000)	TTM Technologies, Inc.	(1,729,000)	(17,284)	iShares Russell 2000 ETF	(1,911,956)
(5,910)	Valmont Industries, Inc.	(731,894)	(4,783)	iShares U.S. Real Estate ETF	(372,405)
(11,828)	Wabtec Corp.	(937,842)	(12,604)	SPDR Barclays High Yield Bond ETF	(431,687)
(98,300)	Wartsila OYJ Abp	(4,448,495)	(451,770)	SPDR S&P 500 ETF Trust	(92,865,841)
(283,819)	ZAGG, Inc.	(2,557,209)	Total Investment Companies		
		<u>(61,134,560)</u>	(Proceeds \$(94,982,464))		
Information Technology - (4.1)%			<u>(95,581,889)</u>		
(151,800)	ACI Worldwide, Inc.	(3,155,922)	Total Short Positions - (41.1)%		
(17,775)	Alliance Data Systems Corp.	(3,910,500)	(Proceeds \$(423,957,242))		
(48,647)	Apple, Inc.	(5,302,036)	<u>\$ (387,352,743)</u>		
(65,450)	Autodesk, Inc.	(3,816,389)			
(69,000)	Avid Technology, Inc.	(466,440)			
(34,480)	Benefitfocus, Inc.	(1,149,908)			
(27,402)	Cirrus Logic, Inc.	(997,707)			
(37,300)	Cornerstone OnDemand, Inc.	(1,222,321)			
(28,809)	Cree, Inc.	(838,342)			
(57,365)	Demandware, Inc.	(2,242,971)			
(7,100)	Envestnet, Inc.	(193,120)			
(77,866)	Fortinet, Inc.	(2,385,036)			
(140,900)	inContact, Inc.	(1,252,601)			
(27,900)	Interactive Intelligence Group, Inc.	(1,016,118)			
(11,219)	MTS Systems Corp.	(682,676)			
(35,926)	NetApp, Inc.	(980,421)			
(53,700)	NetSuite, Inc.	(3,677,913)			
(30,441)	Open Text Corp.	(1,576,844)			
(1,592,000)	Quantum Corp.	(971,120)			
(77,544)	Rudolph Technologies, Inc.	(1,059,251)			
(10,597)	Skyworks Solutions, Inc.	(825,506)			
(56,407)	TubeMogul, Inc.	(729,907)			
(31,500)	Unisys Corp.	(242,550)			
(5,700)	Verint Systems, Inc.	(190,266)			
		<u>(38,885,865)</u>			
Materials - (0.6)%					
(31,200)	Aceto Corp.	(735,072)			
(94,565)	AgroFresh Solutions, Inc.	(605,216)			
(57,626)	American Vanguard Corp.	(909,339)			
(47,283)	CVR Partners LP	(395,286)			
(11,724)	Kaiser Aluminum Corp.	(991,147)			
(32,507)	Platform Specialty Products Corp.	(279,560)			

ABSOLUTE STRATEGIES FUND
SCHEDULE OF CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2016

Contracts	Security Description	Strike Price	Exp. Date	Value
Written Options - (0.5)%				
Call Options Written - (0.2)%				
(353)	American Airlines Group, Inc.	\$ 50.00	01/17	\$ (56,480)
(163)	Harley-Davidson, Inc.	50.00	01/18	(126,651)
(219)	Macy's, Inc.	40.00	01/17	(140,817)
(6,498)	SPDR S&P 500 ETF	218.00	09/16	(1,351,584)
(205)	Union Pacific Corp.	90.00	01/17	(47,150)
Total Call Options Written (Premiums Received \$(1,733,180))				<u>(1,722,682)</u>
Put Options Written - (0.3)%				
(282)	American Airlines Group, Inc.	30.00	01/17	(39,480)
(530)	American International Group, Inc.	40.00	01/17	(54,060)
(163)	Harley-Davidson, Inc.	40.00	01/18	(60,310)
(20)	iShares Russell 2000 ETF	94.00	08/16	(2,640)
(287)	Joy Global, Inc.	15.00	01/17	(85,239)
(219)	Macy's, Inc.	30.00	01/17	(14,235)
(15)	SPDR S&P 500 ETF	180.00	04/16	(60)
(15)	SPDR S&P 500 ETF	179.00	04/16	(45)
(5,384)	SPDR S&P 500 ETF	170.00	03/17	(2,689,308)
(114)	The Boeing Co.	100.00	01/18	(91,200)
(205)	Union Pacific Corp.	65.00	01/17	(50,635)
Total Put Options Written (Premiums Received \$(3,705,331))				<u>(3,087,212)</u>
Total Written Options - (0.5)% (Premiums Received \$(5,438,511))				<u>\$ (4,809,894)</u>

ABSOLUTE STRATEGIES FUND

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

MARCH 31, 2016

ADR	American Depositary Receipt	(f)	Debt obligation initially issued at one coupon rate which converts to higher coupon rate at a specified date. Rate presented is as of March 31, 2016.
ETF	Exchange Traded Fund		
ETN	Exchange Traded Note		
LLC	Limited Liability Company	(g)	Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$48,759,920 or 5.2% of net assets.
LP	Limited Partnership		
PLC	Public Limited Company		
REIT	Real Estate Investment Trust		
(a)	All or a portion of this security is held as collateral for securities sold short.	(h)	Security is currently in default and is on scheduled interest or principal payment.
(b)	Subject to call option written by the Fund.	(i)	Security fair valued in accordance with procedures adopted by the Board of Trustees. At the period end, the value of these securities amounted to \$59,500 or 0.0% of net assets.
(c)	Subject to put option written by the Fund.		
(d)	Non-income producing security.		
(e)	Variable rate security. Rate presented is as of March 31, 2016.	(j)	Affiliated Company.
		(k)	Rate presented is yield to maturity.

At March 31, 2016, the Fund held the following credit default swap agreements:

Credit Default Swaps – Buy Protection

Counterparty	Reference Entity / Obligation	Pays Rate	Termination Date	Credit Spread as of 03/31/16 ¹	Notional Amount	Net Unrealized Appreciation (Depreciation)
Barclays	Eastman Chemical Co., 7.60%, 02/01/27	1.00%	12/20/20	0.77%	\$ 5,000,000	\$ (64,648)
Barclays	Macy's, Inc., 7.45%, 07/15/17	1.00	12/20/20	1.56	10,000,000	98,494
Barclays	Marriott International, Inc., 3.00%, 03/01/19	1.00	12/20/20	0.58	5,000,000	(1,529)
Barclays	Marriott International, Inc., 3.00%, 03/01/19	1.00	12/20/20	0.58	5,000,000	925
Barclays	Nordstrom Inc, 6.95%, 03/15/28	1.00	12/20/20	1.11	5,000,000	118,711
BNP Paribas	Host Hotels & Resorts, 4.75%, 03/01/23	1.00	06/20/21	1.05	10,000,000	(65,255)
BNP Paribas	International Paper Co., 7.50%, 08/15/21	1.00	06/20/21	0.96	5,000,000	(16,691)
BNP Paribas	Marriott International, Inc., 3.00%, 03/01/19	1.00	06/20/21	0.66	5,000,000	(18,043)
BNP Paribas	Pitney Bowes, Inc., 6.75%, 03/15/19	1.00	12/20/20	1.25	5,000,000	(28,197)
BNP Paribas	Ryder System, Inc., 2.55%, 06/01/19	1.00	12/20/20	0.93	10,000,000	163,635
Goldman Sachs & Co.	Dow Chemical Co., 7.38%, 11/01/29	1.00	12/20/20	0.57	5,000,000	(51,593)
Goldman Sachs & Co.	Eastman Chemical Co., 7.60%, 02/01/27	1.00	12/20/20	0.77	5,000,000	(42,414)
Goldman Sachs & Co.	International Paper Inc, 7.50%, 08/15/21	1.00	12/20/20	0.83	5,000,000	(21,824)
Goldman Sachs & Co.	Marriott International, Inc., 3.00%, 03/01/19	1.00	12/20/20	0.58	5,000,000	16,707
Goldman Sachs & Co.	Nordstrom, Inc., 6.95%, 03/15/28	1.00	12/20/20	1.11	5,000,000	61,528
Goldman Sachs & Co.	Pitney Bowes, Inc., 6.75%, 03/15/19	1.00	12/20/20	1.25	5,000,000	4,267
Goldman Sachs & Co.	Ryder Systems, Inc., 2.55%, 06/01/19	1.00	06/20/21	1.06	10,000,000	(23,203)
Morgan Stanley	GATX Corp., 6.00%, 02/15/18	1.00	12/20/20	2.11	5,000,000	170,540
						<u>\$ 301,410</u>

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

ABSOLUTE STRATEGIES FUND

NOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2016

At March 31, 2016, the Fund held the following futures contracts:

Contracts	Type	Expiration Date	Notional Contract Value	Net Unrealized Appreciation (Depreciation)
350	Silver Future	06/06/16	\$ 26,643,675	\$ 418,325
(4,500)	S&P 500 E-Mini Future	06/21/16	(453,662,975)	(7,924,525)
(30)	U.S. 10-year Treasury Note Future	07/06/16	(3,865,782)	(45,937)
(90)	U.S. 5-year Treasury Note Future	07/12/16	(10,792,269)	(112,497)
			<u>\$ (441,677,351)</u>	<u>\$ (7,664,634)</u>

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

Investment Company	Absolute Capital Opportunities Fund	Balance 03/31/15	Gross Additions	Gross Reductions	Balance 03/31/16	Realized Loss	Investment Income
Shares/Principal		-	1,196,695	-	1,196,695		
Cost	\$	-	\$ 12,010,000	\$ -	\$ 12,010,000	\$ -	\$ -
Proceeds			-	-	-		
Value		-	12,010,000	-	12,218,253		

As of March 31, 2016, the Fund had the following forward currency contracts outstanding:

Counterparty	Contracts to Sell	Settlement Date	Settlement Value	Net Unrealized Appreciation
Goldman Sachs & Co.	(3,726,603) Canadian Dollars	06/30/16	\$ 2,874,600	\$ 4,999

* Cost for federal income tax purposes is \$431,805,304 and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$	61,603,054
Gross Unrealized Depreciation		(54,217,333)
Net Unrealized Appreciation	<u>\$</u>	<u>7,385,721</u>

ABSOLUTE STRATEGIES FUND

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

MARCH 31, 2016

The following is a summary of the inputs used to value the Fund's investments and other financial instruments and liabilities as of March 31, 2016.

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Investments At Value				
Common Stock				
Consumer Discretionary	\$ 32,708,222	\$ -	\$ -	\$ 32,708,222
Consumer Staples	70,990,606	-	-	70,990,606
Energy	43,347,606	-	-	43,347,606
Financial	43,426,697	-	-	43,426,697
Healthcare	7,080,004	-	-	7,080,004
Industrial	34,286,000	-	-	34,286,000
Information Technology	26,460,320	-	-	26,460,320
Materials	27,031,344	-	-	27,031,344
Telecommunication Services	29,267,782	-	-	29,267,782
Utilities	4,498,714	-	-	4,498,714
Preferred Stock				
Information Technology	5,614,376	-	-	5,614,376
Asset Backed Obligations	-	4,129,987	-	4,129,987
Corporate Convertible Bonds	-	116,360,406	59,500	116,419,906
Corporate Non-Convertible Bonds	-	51,922,624	-	51,922,624
Exchange Traded Notes	1,665,303	-	-	1,665,303
Syndicated Loans	-	6,064,701	-	6,064,701
Warrants	11,630	-	-	11,630
Investment Companies	119,219,428	-	-	119,219,428
Commercial Paper	-	1,499,479	-	1,499,479
Money Market Funds	-	196,842,361	-	196,842,361
Purchased Options	371,517	8,495,055	-	8,866,572
Total Investments At Value	\$ 445,979,549	\$ 385,314,613	\$ 59,500	\$ 831,353,662
Other Financial Instruments**				
Credit Default Swaps	-	634,807	-	634,807
Forward Currency Contracts	-	4,999	-	4,999
Futures	418,325	-	-	418,325
Total Other Financial Instruments**	\$ 418,325	\$ 639,806	\$ -	\$ 1,058,131
Total Assets	\$ 446,397,874	\$ 385,954,419	\$ 59,500	\$ 832,411,793
Liabilities				
Securities Sold Short				
Common Stock	\$ (291,770,854)	\$ -	\$ -	\$ (291,770,854)
Investment Companies	(95,581,889)	-	-	(95,581,889)
Total Securities Sold Short	\$ (387,352,743)	\$ -	\$ -	\$ (387,352,743)
Other Financial Instruments**				
Written Options	(2,117,946)	(2,691,948)	-	(4,809,894)
Credit Default Swaps	-	(333,397)	-	(333,397)
Futures	(8,082,959)	-	-	(8,082,959)
Total Other Financial Instruments**	\$ (10,200,905)	\$ (3,025,345)	\$ -	\$ (13,226,250)
Total Liabilities	\$ (397,553,648)	\$ (3,025,345)	\$ -	\$ (400,578,993)

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

ABSOLUTE STRATEGIES FUNDNOTES TO SCHEDULES OF INVESTMENTS, SECURITIES SOLD SHORT AND CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2016

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

	<u>Corporate Convertible Bonds</u>	
Balance as of 03/31/15	\$	30,000
Accrued Accretion/(Amortization)		(28,137)
Change in Unrealized Appreciation/(Depreciation)		945,637
Realized Gain / (Loss)		(947,200)
Sales		(300)
Transfers In		59,500
Balance as of 03/31/16	\$	59,500
Net change in unrealized appreciation/(depreciation) from investments held as of 3/31/16***		(1,223,157)

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

The Fund utilizes the end of period methodology when determining transfers. There were no transfers among Level 1 and Level 2 for the year ended March 31, 2016. As of March 31, 2016, there was \$59,500 transferred from Level 2 into Level 3 as a result of a change from vendor supplied valuations to fair valued prices.

ABSOLUTE CREDIT OPPORTUNITIES FUND
PORTFOLIO HOLDINGS SUMMARY (Unaudited)
MARCH 31, 2016

Portfolio Breakdown (% of Net Assets)	
Long Positions	
Corporate Convertible Bonds	41.6%
Corporate Non-Convertible Bonds	41.4%
Money Market Fund	6.6%
Short Positions	
Common Stock	-12.7%
Other Assets less Liabilities*	23.1%
	100.0%

* Consists of deposits with the custodian and/or brokers for securities sold short, cash, foreign currency, prepaid expenses, receivables, payables, and accrued liabilities. Deposits with the custodian and/or brokers for securities sold short represent 19.0% of net assets. See Note 2 of the accompanying Notes to Financial Statements.

ABSOLUTE CREDIT OPPORTUNITIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2016

Principal	Security Description	Rate	Maturity	Value	Principal	Security Description	Rate	Maturity	Value
Long Positions - 89.6%					Materials - 0.9%				
Fixed Income Securities - 83.0%					\$ 200,000	Silver Standard Resources, Inc. ^{(a)(b)}	2.88%	02/01/33	\$ 147,125
Corporate Convertible Bonds - 41.6%					Telecommunication Services - 6.1%				
Consumer Discretionary - 2.3%					250,000	Blucora, Inc. ^(b)	4.25	04/01/19	190,000
\$ 400,000	JAKKS Pacific, Inc. ^{(a)(b)}	4.88%	06/01/20	\$ 376,500	400,000	Global Eagle Entertainment, Inc. ^(b)	2.75	02/15/35	315,250
Consumer Staples - 8.4%					200,000	Pandora Media, Inc. ^{(a)(b)}	1.75	12/01/20	173,250
100,000	Ascent Capital Group, Inc. ^(b)	4.00	07/15/20	63,188	200,000	Twitter, Inc. ^(b)	1.00	09/15/21	168,500
250,000	Carriage Services, Inc. ^(b)	2.75	03/15/21	275,156	175,000	Web.com Group, Inc. ^(b)	1.00	08/15/18	166,906
250,000	Depomed, Inc. ^(b)	2.50	09/01/21	234,219					<u>1,013,906</u>
500,000	Endologix, Inc. ^(b)	2.25	12/15/18	366,875	Utilities - 1.3%				
250,000	Healthways, Inc. ^(b)	1.50	07/01/18	230,312	300,000	EnerNOC, Inc. ^(b)	2.25	08/15/19	213,188
250,000	Monster Worldwide, Inc. ^(b)	3.50	10/15/19	229,844	Total Corporate Convertible Bonds (Cost \$7,970,888)				
				<u>1,399,594</u>					6,920,875
Energy - 3.0%					Corporate Non-Convertible Bonds - 41.4%				
250,000	Helix Energy Solutions Group, Inc. ^(b)	3.25	03/15/32	198,125	Consumer Discretionary - 8.8%				
350,000	Renewable Energy Group, Inc. ^(b)	2.75	06/15/19	305,812	225,000	GameStop Corp. ^(a)	5.50	10/01/19	216,844
				<u>503,937</u>	346,000	Hanesbrands, Inc.	6.38	12/15/20	358,542
Financial - 4.7%					245,000	K Hovnanian Enterprises, Inc.	7.50	05/15/16	244,234
350,000	Encore Capital Group, Inc. ^(b)	3.00	07/01/20	271,469	199,000	L Brands, Inc.	8.50	06/15/19	233,845
300,000	Forestar Group, Inc. ^(b)	3.75	03/01/20	259,875	410,000	MGM Resorts International	6.88	04/01/16	410,000
400,000	FXCM, Inc. ^(b)	2.25	06/15/18	244,000					<u>1,463,465</u>
				<u>775,344</u>	Consumer Staples - 6.2%				
Healthcare - 1.6%					300,000	Bumble Bee Holdings, Inc. ^(a)	9.00	12/15/17	301,875
300,000	Quidel Corp. ^(b)	3.25	12/15/20	267,938	343,000	Cenveo Corp. ^(a)	6.00	08/01/19	251,247
Industrial - 5.2%					182,000	ConvaTec Healthcare E SA ^(a)	10.50	12/15/18	187,688
300,000	Altra Industrial Motion Corp. ^(b)	2.75	03/01/31	343,687	282,000	Dean Holding Co.	6.90	10/15/17	296,100
300,000	Fluidigm Corp. ^(b)	2.75	02/01/34	166,500					<u>1,036,910</u>
400,000	TTM Technologies, Inc. ^(b)	1.75	12/15/20	358,250	Energy - 2.1%				
				<u>868,437</u>	165,000	Boardwalk Pipelines LP	5.88	11/15/16	165,411
Information Technology - 8.1%					280,000	Gastar Exploration, Inc.	8.63	05/15/18	180,600
600,000	Avid Technology, Inc. ^{(a)(b)}	2.00	06/15/20	399,375					<u>346,011</u>
250,000	inContact, Inc. ^{(a)(b)}	2.50	04/01/22	232,187	Financial - 5.7%				
250,000	Interactive Intelligence Group, Inc. ^{(a)(b)}	1.25	06/01/20	213,906	325,000	Ally Financial, Inc.	3.50	07/18/16	325,975
500,000	Quantum Corp. ^(b)	4.50	11/15/17	370,937	150,000	International Lease Finance Corp.	5.75	05/15/16	150,417
50,000	Unisys Corp. ^{(a)(b)}	5.50	03/01/21	49,938	217,000	iStar, Inc.	9.00	06/01/17	226,494
100,000	Verint Systems, Inc.	1.50	06/01/21	88,563	250,000	Realogy Group, LLC / The Sunshine Group Florida, Ltd. ^(a)	3.38	05/01/16	249,733
				<u>1,354,906</u>					<u>952,619</u>

ABSOLUTE CREDIT OPPORTUNITIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2016

Principal	Security Description	Rate	Maturity	Value
Industrial - 4.3%				
\$ 369,000	International Wire Group Holdings, Inc. ^(a)	8.50%	10/15/17	\$ 369,000
75,000	Masco Corp.	6.13	10/03/16	76,913
253,000	Spirit AeroSystems, Inc.	6.75	12/15/20	<u>262,329</u>
				<u>708,242</u>
Information Technology - 3.7%				
200,000	EarthLink Holdings Corp.	7.38	06/01/20	208,000
392,000	First Data Corp. ^(a)	6.75	11/01/20	<u>413,168</u>
				<u>621,168</u>
Telecommunication Services - 9.3%				
240,000	Clearwire Communications, LLC / Clearwire Finance, Inc. ^(a)	14.75	12/01/16	259,800
181,000	Entercom Radio, LLC	10.50	12/01/19	188,692
445,000	FairPoint Communications, Inc. ^(a)	8.75	08/15/19	423,306
150,000	iHeartCommunications, Inc.	9.00	12/15/19	111,563
388,000	Nielsen Finance LLC / Nielsen Finance Co.	4.50	10/01/20	398,185
155,000	ViaSat, Inc.	6.88	06/15/20	<u>161,588</u>
				<u>1,543,134</u>
Utilities - 1.3%				
200,000	Sabine Pass LNG LP	7.50	11/30/16	<u>205,925</u>
Total Corporate Non-Convertible Bonds (Cost \$7,117,177)				<u>6,877,474</u>
Total Fixed Income Securities (Cost \$15,088,065)				<u>13,798,349</u>
Shares	Security Description	Value		
Money Market Fund - 6.6%				
1,093,107	State Street Institutional Treasury Money Market Fund, 0.18% ^(c)			
	(Cost \$1,093,107)	<u>1,093,107</u>		
Total Long Positions - 89.6%				14,891,456
(Cost \$16,181,172)*				
Total Short Positions - (12.7)%				(2,102,647)
(Proceeds \$(3,000,834))*				
Other Assets & Liabilities, Net - 23.1%				<u>3,832,367</u>
Net Assets - 100.0%				<u><u>\$ 16,621,176</u></u>

ABSOLUTE CREDIT OPPORTUNITIES FUND

SCHEDULE OF SECURITIES SOLD SHORT

MARCH 31, 2016

Shares	Security Description	Value
Short Positions - (12.7)%		
Common Stock - (12.7)%		
Consumer Discretionary - (1.1)%		
(25,005)	JAKKS Pacific, Inc.	\$ (186,037)
Consumer Staples - (3.0)%		
(230)	Ascent Capital Group, Inc., Class A	(3,406)
(7,100)	Carriage Services, Inc.	(153,431)
(17,102)	Cenveo, Inc.	(7,183)
(9,069)	Depomed, Inc.	(126,331)
(7,510)	Endologix, Inc.	(62,784)
(4,731)	Healthways, Inc.	(47,736)
(29,739)	Monster Worldwide, Inc.	(96,949)
		<u>(497,820)</u>
Energy - (1.2)%		
(9,000)	Gastar Exploration, Inc.	(9,900)
(2,940)	Helix Energy Solutions Group, Inc.	(16,464)
(18,147)	Renewable Energy Group, Inc.	(171,308)
		<u>(197,672)</u>
Financial - (1.1)%		
(3,944)	Encore Capital Group, Inc.	(101,518)
(5,600)	Forestar Group, Inc.	(73,024)
(200)	FXCM, Inc., Class A	(2,148)
		<u>(176,690)</u>
Healthcare - (0.4)%		
(4,130)	Quidel Corp.	(71,284)
		<u>(71,284)</u>
Industrial - (2.3)%		
(6,793)	Altra Industrial Motion Corp.	(188,710)
(2,086)	Fluidigm Corp.	(16,834)
(26,048)	TTM Technologies, Inc.	(173,219)
		<u>(378,763)</u>
Information Technology - (2.2)%		
(12,224)	Avid Technology, Inc.	(82,634)
(9,995)	inContact, Inc.	(88,856)
(1,776)	Interactive Intelligence Group, Inc.	(64,682)
(142,179)	Quantum Corp.	(86,729)
(3,500)	Unisys Corp.	(26,950)
(480)	Verint Systems, Inc.	(16,022)
		<u>(365,873)</u>
Materials - (0.1)%		
(3,611)	Silver Standard Resources, Inc.	(20,041)
		<u>(20,041)</u>
Telecommunication Services - (1.1)%		
(1,100)	Blucora, Inc.	(5,676)
(9,312)	Global Eagle Entertainment, Inc.	(79,338)
(7,200)	Pandora Media, Inc.	(64,440)
(550)	Twitter, Inc.	(9,102)
(1,386)	Web.com Group, Inc.	(27,471)
		<u>(186,027)</u>
Utilities - (0.2)%		
(3,000)	EnerNOC, Inc.	(22,440)
		<u>(22,440)</u>
	Total Common Stock (Proceeds \$(3,000,834))	<u>(2,102,647)</u>
	Total Short Positions - (12.7)%	
	(Proceeds \$(3,000,834))	\$ (2,102,647)

ABSOLUTE CREDIT OPPORTUNITIES FUND

NOTES TO SCHEDULES OF INVESTMENTS AND SECURITIES SOLD SHORT

MARCH 31, 2016

- LLC Limited Liability Company
 LP Limited Partnership
 (a) Security exempt from registration under Rule 144A under the Securities Act of 1933. At the period end, the value of these securities amounted to \$4,264,942 or 25.7% of net assets.
 (b) All or a portion of this security is held as collateral for securities sold short.
 (c) Variable rate security. Rate presented is as of March 31, 2016.

At March 31, 2016, 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 03/31/16 ⁽¹⁾	Notional Amount	Net Unrealized Appreciation (Depreciation)
BNP Paribas	Host Hotels & Resorts, 4.75%, 03/01/23	1.00%	06/20/21	1.05%	\$ 5,000,000	\$ (32,627)
BNP Paribas	Nordstrom Inc, 6.95%, 03/15/28	1.00	12/20/20	1.11	5,000,000	1,498
BNP Paribas	Ryder System, Inc., 2.55%, 06/01/19	1.00	12/20/20	0.93	10,000,000	168,538
						<u>\$ 137,409</u>

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

* Cost for federal income tax purposes is \$13,502,118 and net unrealized depreciation consists of:

Gross Unrealized Appreciation	\$	1,043,246
Gross Unrealized Depreciation		(1,756,555)
Net Unrealized Depreciation	<u>\$</u>	<u>(713,309)</u>

The following is a summary of the inputs used to value the Fund's investments and other financial instruments and liabilities as of March 31, 2016.

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

	Level 1	Level 2	Level 3	Total
Assets				
Investments At Value				
Corporate Convertible Bonds	\$ -	\$ 6,920,875	\$ -	\$ 6,920,875
Corporate Non-Convertible Bonds	-	6,877,474	-	6,877,474
Money Market Fund	-	1,093,107	-	1,093,107
Total Investments At Value	\$ -	\$ 14,891,456	\$ -	\$ 14,891,456
Other Financial Instruments**				
Credit Default Swaps	-	170,036	-	170,036
Total Assets	\$ -	\$ 15,061,492	\$ -	\$ 15,061,492

ABSOLUTE CREDIT OPPORTUNITIES FUND

NOTES TO SCHEDULES OF INVESTMENTS AND SECURITIES SOLD SHORT

MARCH 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Liabilities				
Securities Sold Short				
Common Stock	\$ (2,102,647)	\$ -	\$ -	\$ (2,102,647)
Total Securities Sold Short	\$ (2,102,647)	\$ -	\$ -	\$ (2,102,647)
Other Financial Instruments**				
Credit Default Swaps	-	(32,627)	-	(32,627)
Total Other Financial Instruments**	\$ -	\$ (32,627)	\$ -	\$ (32,627)
Total Liabilities	\$ (2,102,647)	\$ (32,627)	\$ -	\$ (2,135,274)

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

The Fund utilizes the end of period methodology when determining transfers. There were no transfers among Level 1, Level 2 and Level 3 for the year ended March 31, 2016.

ABSOLUTE CAPITAL OPPORTUNITIES FUND
 PORTFOLIO HOLDINGS SUMMARY (Unaudited)
 MARCH 31, 2016

Portfolio Breakdown (% of Net Assets)	
Long Positions	
Common Stock	51.2%
Money Market Fund	46.2%
Purchased Options	2.0%
Short Positions	
Common Stock	-0.8%
Investment Companies	-33.9%
Written Options	-1.8%
Other Assets less Liabilities*	37.1%
	100.0%

* Consists of deposits with the custodian and/or brokers for securities sold short, cash, foreign currency, prepaid expenses, receiveables, payables and accrued liabilities. Deposits with the custodian and/or brokers for securities sold short represent 37.0% of net assets. See Note 2 of the accompanying Notes to Financial Statements.

Sector Breakdown	(% of Equity Holdings)	
	Long	Short
Consumer Discretionary	11.6%	100.0%
Consumer Staples	21.0%	0.0%
Energy	8.2%	0.0%
Financial	23.1%	0.0%
Healthcare	1.0%	0.0%
Industrial	16.0%	0.0%
Information Technology	5.4%	0.0%
Materials	7.2%	0.0%
Telecommunication Services	4.7%	0.0%
Utilities	1.8%	0.0%
	100.0%	100.0%

ABSOLUTE CAPITAL OPPORTUNITIES FUND

SCHEDULE OF INVESTMENTS

MARCH 31, 2016

Shares	Security Description	Value	Shares	Security Description	Value
Long Positions - 99.4%			250 QUALCOMM, Inc. ^(a) \$ 12,785		
Common Stock - 51.2%			340,363		
Consumer Discretionary - 5.9%			Materials - 3.7%		
1,585	American Airlines Group, Inc. ^{(a)(b)(c)}	\$ 65,001	890	Monsanto Co.	78,089
1,775	Bed Bath & Beyond, Inc. ^{(a)(d)}	88,111	1,595	Praxair, Inc.	182,548
385	CarMax, Inc. ^{(a)(d)}	19,674	3,750	Royal Gold, Inc.	192,337
770	CVS Health Corp. ^(a)	79,872	452,974		
4,305	General Motors Co. ^(a)	135,306	Telecommunication Services - 2.4%		
1,880	Harley-Davidson, Inc. ^{(a)(b)(c)}	96,500	104	Alphabet, Inc., Class A ^{(a)(d)}	79,341
2,850	Kohl's Corp. ^(a)	132,839	7	Alphabet, Inc., Class C ^{(a)(d)}	5,215
1,315	Macy's, Inc. ^{(a)(b)(c)}	57,978	2,365	CBS Corp., Class B ^(a)	130,288
730	VF Corp.	47,275	5,575	Spark Networks, Inc. ^{(a)(d)}	12,376
722,556			670	The Walt Disney Co. ^(a)	66,538
Consumer Staples - 10.8%			293,758		
1,965	Diageo PLC, ADR	211,965	Utilities - 0.9%		
3,045	Express Scripts Holding Co. ^(d)	209,161	2,600	ITC Holdings Corp.	113,282
2,550	Nestle SA, ADR	190,255	Total Common Stock		
1,740	Philip Morris International, Inc.	170,711	(Cost \$5,668,870)		
12,710	Quanta Services, Inc. ^{(a)(d)}	286,738	6,257,824		
6,140	Sanofi, ADR	246,582	Money Market Fund - 46.2%		
1,315,412			5,647,174 State Street Institutional Treasury		
Energy - 4.2%			Money Market Fund, 0.18% ^(e)		
1,105	Baker Hughes, Inc. ^(a)	48,432	(Cost \$5,647,174)		
1,145	Diamond Offshore Drilling, Inc. ^(a)	24,881	5,647,174		
1,140	FMC Technologies, Inc. ^{(a)(d)}	31,190	Contracts		
3,480	Halliburton Co. ^(a)	124,306	Security Description	Strike Price	Exp. Date
700	National Oilwell Varco, Inc. ^(a)	21,770	Value		
1,555	Schlumberger, Ltd.	114,681	Purchased Options - 2.0%		
4,870	Spectra Energy Corp.	149,022	Call Options Purchased - 1.9%		
514,282			296	SPDR S&P 500	
Financial - 11.8%				ETF	\$ 206.00 09/16
2,030	American Express Co. ^(a)	124,642	101	SPDR S&P 500	229,992
1,140	American International Group, Inc. ^{(a)(c)}	61,617		ETF	240.00 03/17
1,275	Aon PLC ^(a)	133,174	5,353		
11,660	Bank of America Corp. ^(a)	157,643	Total Call Options Purchased		
1,220	Berkshire Hathaway, Inc., Class B ^{(a)(d)}	173,094	(Premiums Paid \$233,346)		
4,410	Brookfield Asset Management, Inc., Class A	153,424	235,345		
2,800	CBRE Group, Inc., Class A ^{(a)(d)}	80,696	Put Options Purchased - 0.1%		
2,010	Citigroup, Inc. ^(a)	83,917	101	SPDR S&P 500	
2,590	JPMorgan Chase & Co. ^(a)	153,380		ETF	125.00 03/17
5,060	The Bank of New York Mellon Corp.	186,360	10,908		
2,400	WR Berkley Corp.	134,880	Total Put Options Purchased		
1,442,827			(Premiums Paid \$13,195)		
Healthcare - 0.5%			10,908		
410	Becton Dickinson and Co.	62,246	Total Purchased Options		
Industrial - 8.2%			(Premiums Paid \$246,541)		
950	Emerson Electric Co.	51,661	Total Long Positions - 99.4%		
2,750	Expeditors International of Washington, Inc.	134,228	(Cost \$11,562,585)*		
6,225	Jacobs Engineering Group, Inc. ^{(a)(d)}	271,099	Total Short Positions - (34.7)%		
6,315	Leucadia National Corp. ^(a)	102,114	(Proceeds \$(4,209,102))*		
1,575	The Boeing Co. ^{(a)(c)}	199,930	Total Written Options - (1.8)%		
920	Union Pacific Corp. ^{(a)(b)(c)}	73,186	(Premiums Received \$(245,712))*		
500	United Parcel Service, Inc., Class B ^(a)	52,735	(216,039)		
930	Valmont Industries, Inc. ^(a)	115,171	Other Assets & Liabilities, Net - 37.1%		
1,000,124			4,528,678		
Information Technology - 2.8%			Net Assets - 100.0%		
860	Accenture PLC, Class A ^(a)	99,244	\$ 12,220,517		
2,095	Apple, Inc. ^(a)	228,334			

ABSOLUTE CAPITAL OPPORTUNITIES FUND

SCHEDULE OF SECURITIES SOLD SHORT

MARCH 31, 2016

Shares	Security Description	Value
Short Positions - (34.7)%		
Common Stock - (0.8)%		
Consumer Discretionary - (0.8)%		
	(260) McDonald's Corp.	\$ (32,677)
	(530) The Home Depot, Inc.	<u>(70,718)</u>
Total Common Stock		
(Proceeds \$(94,805))		<u>(103,395)</u>
Investment Companies - (33.9)%		
	(20,140) SPDR S&P 500 ETF Trust	
	(Proceeds \$(4,114,297))	<u>(4,139,978)</u>
Total Short Positions - (34.7)%		
(Proceeds \$(4,209,102))		<u>\$ (4,243,373)</u>

ABSOLUTE CAPITAL OPPORTUNITIES FUND
SCHEDULE OF CALL AND PUT OPTIONS WRITTEN
MARCH 31, 2016

Contracts	Security Description	Strike Price	Exp. Date	Value
Written Options - (1.8)%				
Call Options Written - (0.7)%				
(16)	American Airlines Group, Inc.	\$ 50.00	01/17	\$ (2,560)
(7)	Harley-Davidson, Inc.	50.00	01/18	(5,439)
(10)	Macy's, Inc.	40.00	01/17	(6,430)
(296)	SPDR S&P 500 ETF	218.00	09/16	(61,568)
(9)	Union Pacific Corp.	90.00	01/17	(2,070)
Total Call Options Written (Premiums Received \$(75,625))				(78,067)
Put Options Written - (1.1)%				
(13)	American Airlines Group, Inc.	30.00	01/17	(1,820)
(24)	American International Group, Inc.	40.00	01/17	(2,448)
(7)	Harley-Davidson, Inc.	40.00	01/18	(2,590)
(13)	Joy Global, Inc.	15.00	01/17	(3,861)
(10)	Macy's, Inc.	30.00	01/17	(650)
(241)	SPDR S&P 500 ETF	170.00	03/17	(120,380)
(5)	The Boeing Co.	100.00	01/18	(4,000)
(9)	Union Pacific Corp.	65.00	01/17	(2,223)
Total Put Options Written (Premiums Received \$(170,087))				(137,972)
Total Written Options - (1.8)% (Premiums Received \$(245,712))				\$ (216,039)

ABSOLUTE CAPITAL OPPORTUNITIES FUND

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

MARCH 31, 2016

ADR	American Depositary Receipt	(c)	Subject to put option written by the Fund.
ETF	Exchange Traded Fund	(d)	Non-income producing security.
PLC	Public Limited Company	(e)	Variable rate security. Rate presented is as of March 31, 2016.
(a)	All or a portion of this security is held as collateral for securities sold short and options written.		
(b)	Subject to call option written by the Fund.		

* Cost for federal income tax purposes is \$7,355,368 and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$	429,224
Gross Unrealized Depreciation		(92,753)
Net Unrealized Appreciation	\$	<u>336,471</u>

The following is a summary of the inputs used to value the Fund's investments and other financial instruments and liabilities as of March 31, 2016.

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Investments At Value				
Common Stock				
Consumer Discretionary	\$ 722,556	\$ -	\$ -	\$ 722,556
Consumer Staples	1,315,412	-	-	1,315,412
Energy	514,282	-	-	514,282
Financial	1,442,827	-	-	1,442,827
Healthcare	62,246	-	-	62,246
Industrial	1,000,124	-	-	1,000,124
Information Technology	340,363	-	-	340,363
Materials	452,974	-	-	452,974
Telecommunication Services	293,758	-	-	293,758
Utilities	113,282	-	-	113,282
Money Market Fund	-	5,647,174	-	5,647,174
Purchased Options	16,261	229,992	-	246,253
Total Investments At Value	\$ 6,274,085	\$ 5,877,166	\$ -	\$ 12,151,251
Total Assets	\$ 6,274,085	\$ 5,877,166	\$ -	\$ 12,151,251
Liabilities				
Securities Sold Short				
Common Stock	\$ (103,395)	\$ -	\$ -	\$ (103,395)
Investment Companies	(4,139,978)	-	-	(4,139,978)
Total Securities Sold Short	\$ (4,243,373)	\$ -	\$ -	\$ (4,243,373)
Other Financial Instruments**				
Written Options	(95,659)	(120,380)	-	(216,039)
Total Liabilities	\$ (4,339,032)	\$ (120,380)	\$ -	\$ (4,459,412)

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

The Fund utilizes the end of period methodology when determining transfers. There were no transfers among Level 1, Level 2 and Level 3 for the period ended March 31, 2016.

ABSOLUTE FUNDS
STATEMENTS OF ASSETS AND LIABILITIES
MARCH 31, 2016

	ABSOLUTE STRATEGIES FUND	ABSOLUTE CREDIT OPPORTUNITIES FUND	ABSOLUTE CAPITAL OPPORTUNITIES FUND
ASSETS			
Total investments, at value (Cost \$752,156,366, \$16,181,172 and \$11,562,585, respectively)	\$ 819,135,409	\$ 14,891,456	\$ 12,151,251
Total investments in affiliates, at value (Cost \$12,010,000, \$0 and \$0, respectively)	12,218,253	-	-
Total Investments	\$ 831,353,662	\$ 14,891,456	\$ 12,151,251
Deposits with brokers	434,934,497	3,153,598	4,517,220
Cash	56,922,074	647,707	1,270
Foreign currency (Cost \$12,712,017, \$0 and \$0, respectively)	13,530,349	-	-
Receivables:			
Fund shares sold	3,576,517	18,619	-
Investment securities sold	5,814,078	29,104	-
Dividends and interest	3,501,236	234,748	8,238
From investment adviser	-	9,535	-
Swap premiums paid	513,512	66,030	-
Unrealized gain on swap agreements	634,807	170,036	-
Unrealized gain on forward currency contracts	4,999	-	-
Prepaid expenses	31,312	9,875	3,783
Deferred offering costs	-	-	59,679
Total Assets	<u>1,350,817,043</u>	<u>19,230,708</u>	<u>16,741,441</u>
LIABILITIES			
Swap premiums received	793,918	204,328	-
Unrealized loss on swap agreements	333,397	32,627	-
Securities sold short, at value (Proceeds \$423,957,242, \$3,000,834 and \$4,209,102, respectively)	387,352,743	2,102,647	4,243,373
Call options written, at value (Premiums received \$1,733,180, \$0 and \$75,625, respectively)	1,722,682	-	78,067
Put options written, at value (Premiums received \$3,705,331, \$0 and \$170,087, respectively)	3,087,212	-	137,972
Payables:			
Investment securities purchased	11,701,997	168,956	-
Fund shares redeemed	1,157,206	94	-
Dividends on securities sold short	96,052	944	-
Due to broker for swaps open/closed	217,213	41,737	-
Other	49,004	-	1,962
Accrued Liabilities:			
Investment adviser fees	1,265,962	-	28,423
Trustees' fees and expenses	845	15	22
Fund services fees	76,149	4,903	3,200
Other expenses	231,140	53,281	27,905
Total Liabilities	<u>408,085,520</u>	<u>2,609,532</u>	<u>4,520,924</u>
NET ASSETS	<u>\$ 942,731,523</u>	<u>\$ 16,621,176</u>	<u>\$ 12,220,517</u>
COMPONENTS OF NET ASSETS			
Paid-in capital	\$ 843,100,313	\$ 18,049,321	\$ 11,993,098
Undistributed (distributions in excess of) net investment income	(291,374)	233,623	(11,075)
Accumulated net realized gain (loss)	2,042,113	(1,407,648)	(345,574)
Net unrealized appreciation (depreciation)	97,880,471	(254,120)	584,068
NET ASSETS	<u>\$ 942,731,523</u>	<u>\$ 16,621,176</u>	<u>\$ 12,220,517</u>
SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)			
Institutional Shares	88,153,628	1,718,779	1,196,696
R Shares	2,554,676	-	-
NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE			
Institutional Shares (based on net assets of \$916,746,893, \$16,621,176 and \$12,220,517, respectively)	\$ 10.40	\$ 9.67	\$ 10.21
R Shares (based on net assets of \$25,984,630, \$0 and \$0, respectively)	\$ 10.17	\$ -	\$ -

ABSOLUTE FUNDS
STATEMENTS OF OPERATIONS
YEAR OR PERIOD ENDED MARCH 31, 2016

	ABSOLUTE STRATEGIES FUND	ABSOLUTE CREDIT OPPORTUNITIES FUND	ABSOLUTE CAPITAL OPPORTUNITIES FUND*
INVESTMENT INCOME			
Dividend income (Net of foreign withholding taxes of \$570,051, \$0 and \$86, respectively)	\$ 10,310,282	\$ 261	\$ 26,540
Interest income	9,462,805	1,016,600	-
Total Investment Income	<u>19,773,087</u>	<u>1,016,861</u>	<u>26,540</u>
EXPENSES			
Investment adviser fees	19,258,322	546,592	39,603
Fund services fees	799,712	65,093	9,333
Transfer agent fees:			
Institutional Shares	121,330	-	-
R Shares	79,927	-	-
Distribution fees:			
R Shares	89,217	-	-
Custodian fees	242,623	79,593	6,288
Registration fees:			
Institutional Shares	33,471	19,833	-
R Shares	18,734	-	-
Professional fees	411,453	56,913	19,849
Trustees' fees and expenses	90,958	3,929	25
Offering costs	-	-	19,893
Dividend and interest expense on securities sold short	6,713,924	9,067	709
Interest expense	3,044,695	36,660	5,556
Miscellaneous expenses	1,304,215	73,805	6,873
Total Expenses	<u>32,208,581</u>	<u>891,485</u>	<u>108,129</u>
Fees waived and expenses reimbursed	(39,602)	(180,734)	(53,598)
Net Expenses	<u>32,168,979</u>	<u>710,751</u>	<u>54,531</u>
NET INVESTMENT INCOME (LOSS)	<u>(12,395,892)</u>	<u>306,110</u>	<u>(27,991)</u>
NET REALIZED AND UNREALIZED GAIN (LOSS)			
Net realized gain (loss) on:			
Investments	82,662,202	(980,877)	23,984
Foreign currency transactions	617,450	-	-
Futures	21,121,325	174,164	-
Securities sold short	50,249,320	427,290	(396,171)
Written options	9,562,204	40,856	26,617
Swaps	(462,146)	(195,834)	-
Net realized gain (loss)	<u>163,750,355</u>	<u>(534,401)</u>	<u>(345,570)</u>
Net change in unrealized appreciation (depreciation) on:			
Investments in unaffiliated issuers	(142,048,446)	(2,097,231)	588,666
Investments in affiliated issuers	208,253	-	-
Foreign currency translations	1,037,710	-	-
Futures	(2,101,133)	-	-
Securities sold short	9,576,278	1,213,183	(34,271)
Written options	(3,209,345)	(1,954)	29,673
Swaps	552,181	340,286	-
Net change in unrealized appreciation (depreciation)	<u>(135,984,502)</u>	<u>(545,716)</u>	<u>584,068</u>
NET REALIZED AND UNREALIZED GAIN (LOSS)	<u>27,765,853</u>	<u>(1,080,117)</u>	<u>238,498</u>
INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 15,369,961</u>	<u>\$ (774,007)</u>	<u>\$ 210,507</u>

* Commencement of operations was December 30, 2015.

ABSOLUTE FUNDS
STATEMENTS OF CHANGES IN NET ASSETS

	ABSOLUTE STRATEGIES FUND		ABSOLUTE CREDIT OPPORTUNITIES FUND		ABSOLUTE CAPITAL OPPORTUNITIES FUND
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	December 30, 2015* Through March 31, 2016
OPERATIONS					
Net investment income (loss)	\$ (12,395,892)	\$ (14,918,251)	\$ 306,110	\$ (1,207,379)	\$ (27,991)
Net realized gain (loss)	163,750,355	228,062,972	(534,401)	12,299,543	(345,570)
Net change in unrealized appreciation (depreciation)	(135,984,502)	(194,074,237)	(545,716)	(7,384,562)	584,068
Increase (Decrease) in Net Assets Resulting from Operations	15,369,961	19,070,484	(774,007)	3,707,602	210,507
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	-	-	(53,365)	-	-
Net realized gain:					
Institutional Shares	(80,762,590)	-	-	(9,289,553)	-
R Shares	(2,260,518)	-	-	-	-
Total Distributions to Shareholders	(83,023,108)	-	(53,365)	(9,289,553)	-
CAPITAL SHARE TRANSACTIONS					
Sale of shares:					
Institutional Shares	215,827,423	334,071,848	2,786,811	6,223,597	12,010,010
R Shares	15,701,944	11,749,373	-	-	-
Reinvestment of distributions:					
Institutional Shares	72,366,513	-	52,114	8,978,744	-
R Shares	2,150,061	-	-	-	-
Redemption of shares:					
Institutional Shares	(898,554,282)	(1,457,939,569)	(33,488,068)	(76,731,116)	-
R Shares	(38,555,236)	(29,767,032)	-	-	-
Increase (Decrease) in Net Assets from Capital Share Transactions	(631,063,577)	(1,141,885,380)	(30,649,143)	(61,528,775)	12,010,010
Increase (Decrease) in Net Assets	(698,716,724)	(1,122,814,896)	(31,476,515)	(67,110,726)	12,220,517
NET ASSETS					
Beginning of Period	1,641,448,247	2,764,263,143	48,097,691	115,208,417	-
End of Period (Including line (a))	\$ 942,731,523	\$ 1,641,448,247	\$ 16,621,176	\$ 48,097,691	\$ 12,220,517
SHARE TRANSACTIONS					
Sale of shares:					
Institutional Shares	20,104,305	29,931,356	282,705	573,333	1,196,696
R Shares	1,473,324	1,066,560	-	-	-
Reinvestment of distributions:					
Institutional Shares	7,150,841	-	5,238	909,701	-
R Shares	216,740	-	-	-	-
Redemption of shares:					
Institutional Shares	(83,374,581)	(130,739,579)	(3,416,424)	(7,079,414)	-
R Shares	(3,601,304)	(2,710,123)	-	-	-
Increase (Decrease) in Shares	(58,030,675)	(102,451,786)	(3,128,481)	(5,596,380)	1,196,696
(a) Undistributed (distributions in excess of) net investment income	\$ (291,374)	\$ (4,118,782)	\$ 233,623	\$ 7,639	\$ (11,075)

* Commencement of operations.

ABSOLUTE FUNDS
FINANCIAL HIGHLIGHTS

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

Period Ended	Investment Operations				Distributions to Shareholders from:			Net Asset Value, End of Period	Total Return	Net Assets, End of Period (000's)
	Net Asset Value, Beginning of Period	Net Investment Income (Loss)(a)	Net Realized and Unrealized Gains (Losses) on Investments	Total from Investment Operations	Net Investment Income	Net Realized Gains	Total Distribution to Shareholders			
ABSOLUTE STRATEGIES FUND										
INSTITUTIONAL SHARES										
03/31/16	\$11.04	\$(0.11)	\$0.31	\$0.20	\$—	\$(0.84)	\$(0.84)	\$10.40	2.05%	\$916,747
03/31/15	11.01	(0.08)	0.11	0.03	—	—	—	11.04	0.27	1,592,872
03/31/14	11.24	(0.10)	(0.13)	(0.23)	—	—	—	11.01	(2.05)	2,697,675
03/31/13	11.09	(0.10)	0.25	0.15	—	—	—	11.24	1.35	3,799,857
03/31/12	10.80	(0.09)	0.45	0.36	(0.02)	(0.05)	(0.07)	11.09	3.36	3,889,319
R SHARES										
03/31/16	10.88	(0.17)	0.30	0.13	—	(0.84)	(0.84)	10.17	1.41	25,985
03/31/15	10.90	(0.13)	0.11	(0.02)	—	—	—	10.88	(0.18)	48,577
03/31/14	11.18	(0.14)	(0.14)	(0.28)	—	—	—	10.90	(2.50)	66,589
03/31/13	11.08	(0.15)	0.25	0.10	—	—	—	11.18	0.90	88,390
03/31/12	10.82	(0.16)	0.47	0.31	—	(0.05)	(0.05)	11.08	2.87	94,113
ABSOLUTE CREDIT OPPORTUNITIES FUND										
INSTITUTIONAL SHARES										
03/31/16	\$9.92	\$0.09	\$(0.33)	\$(0.24)	\$(0.01)	\$—	\$(0.01)	\$9.67	(2.40)%	\$16,621
03/31/15	11.03	(0.18)	0.64	0.46	—	(1.57)	(1.57)	9.92	4.28	48,098
03/31/14	11.63	(0.22)	(0.38)	(0.60)	—	—	—	11.03	(5.16)	115,208
03/31/13	11.59	(0.26)	0.30	0.04	—	—	—	11.63	0.34	382,447
03/31/12	12.41	(0.25)	(0.21)	(0.46)	—	(0.36)	(0.36)	11.59	(3.68)	510,921
ABSOLUTE CAPITAL OPPORTUNITIES FUND										
INSTITUTIONAL SHARES										
03/31/16(c)	\$10.00	\$(0.03)	\$0.24	\$0.21	\$—	\$—	\$—	\$10.21	2.10%(d)	\$12,221

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

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

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

(d) Not annualized.

(e) Annualized.

ABSOLUTE FUNDS
FINANCIAL HIGHLIGHTS

Ratios/Supplemental Data (Ratios to Average Net Assets)

Net Investment Income (Loss)	Net Expenses	Dividend and Interest Expenses	Net Expenses without Dividend and Interest Expenses	Gross Expenses	Portfolio Turnover Rate
(1.02)%	2.65%	0.81%	1.84%	2.66%(b)	70%
(0.70)	2.58	0.79	1.79	2.58	78
(0.85)	2.45	0.72	1.73	2.47(b)	75
(0.87)	2.57	0.84	1.73	2.57	68
(0.80)	2.58	0.85	1.73	2.58	112
(1.59)	3.23	0.83	2.40	3.24(b)	70
(1.17)	3.09	0.79	2.30	3.09	78
(1.23)	2.92	0.73	2.19	2.93(b)	75
(1.34)	2.98	0.84	2.14	2.98	68
(1.43)	2.95	0.81	2.14	2.95	112
0.90%	2.08%	0.13%	1.95%	2.62%(b)	83%
(1.62)	2.46	0.51	1.95	3.39(b)	218
(1.95)	3.19	0.39	2.80	3.44(b)	157
(2.25)	3.94	0.99	2.95	4.00(b)	205
(2.12)	3.56	0.61	2.95	3.58(b)	430
(1.13%(e))	2.20%(e)	0.25%(e)	1.95%(e)	4.37%(b)(e)	6%(d)

Note 1. Organization

Absolute Strategies Fund, Absolute Credit Opportunities Fund and Absolute Capital Opportunities Fund (individually, a “Fund” and collectively, the “Funds”) are diversified portfolios of Forum Funds (the “Trust”).

The Trust is a Delaware statutory trust that is registered as an open-end, management investment company under the Investment Company Act of 1940 (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 Credit Opportunities Fund currently offers Institutional Shares. Absolute Credit Opportunities Fund commenced operations on October 21, 2008. Absolute Credit 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. Absolute Capital Opportunities Fund currently offers Institutional Shares. Absolute Capital Opportunities Fund commenced operations on December 30, 2015. Absolute Capital Opportunities Fund seeks to achieve long-term capital appreciation with a lower sensitivity to traditional financial market indices, such as the S&P 500 Index.

Effective October 1, 2014, the Absolute Opportunities Fund changed its investment strategy and was renamed Absolute Credit Opportunities Fund.

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 increases and decreases in net assets from operations during the fiscal year. Actual amounts could differ from those estimates. The following summarizes the significant accounting policies of each Fund:

Security Valuation – Exchange-traded securities such as shares of exchange traded funds and over-the-counter securities are valued using the last quoted trade 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 the last quoted sale price is outside the closing bid and ask price, will be valued at the mean of the closing bid and ask price. Shares of non-exchange-traded open-end mutual funds are valued at net asset value (“NAV”). Futures contracts 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 and other financial instruments 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 March 31, 2016, for each Fund's investments is included in each Fund's Notes to Schedules of Investments, Securities Sold Short and Call and Put Options Written.

Security Transactions, Investment Income and Realized Gain and Loss – Investment transactions are accounted for on the trade date. Dividend income and expense are recorded on the ex-dividend date. Foreign dividend income and expense are recorded on the ex-dividend date or as soon as possible after 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.

Foreign Currency Transactions – Each Fund may enter into transactions to purchase or sell foreign currency contracts and options on foreign currency. Forward currency contracts are agreements to exchange one currency for another at a future date and at a specified price. A fund may use forward currency contracts to facilitate transactions in foreign securities, to manage a fund's foreign currency exposure and to protect the U.S. dollar value of its underlying portfolio securities against the effect of possible adverse movements in foreign exchange rates. These contracts are intrinsically valued daily based on forward rates, and a fund's net equity therein, representing unrealized gain or loss on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is recorded as a component of net asset value. These instruments involve market risk, credit risk, or both kinds of risks, in

excess of the amount recognized in the Statements of Assets and Liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates. Due to the risks associated with these transactions, a fund could incur losses up to the entire contract amount, which may exceed the net unrealized value included in its net asset value.

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

Notional amounts of each individual futures contract outstanding as of March 31, 2016, for Absolute Strategies Fund, are disclosed in the Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written.

Securities Sold Short – Each Fund may sell a security short to increase investment returns. Each Fund may also sell a security short in anticipation of a decline in the market value of a security. A short sale is a transaction in which 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 Brokers as shown on the Statements of Assets and Liabilities and the securities held long as shown on the Schedules of Investments. Dividends and interest paid on securities sold short are recorded as an expense on each Fund’s Statement of Operations.

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

The values of each individual purchased option outstanding as of March 31, 2016, are disclosed in each Fund’s Schedule of Investments.

Written Options – When a fund writes an option, an amount equal to the premium received by the fund is recorded as a liability and is subsequently adjusted to the current value of the option written. Premiums received from writing options that expire unexercised are treated by the fund on the expiration date as realized gain from written options. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or if the premium is less than the amount

ABSOLUTE FUNDS
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016

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 March 31, 2016, are disclosed in each Fund's Schedule of Call and Put Options Written. Transactions in written options during the year or period ended March 31, 2016, were as follows:

Absolute Strategies Fund

	Calls		Puts	
	Number of Contracts	Premiums	Number of Contracts	Premiums
<i>Options Outstanding, March 31, 2015</i>	(13,147)	\$ (3,669,055)	(32,915)	\$ (17,232,727)
Options written	(16,528)	(3,208,696)	(31,339)	(7,838,559)
Options terminated in closing transactions	10,924	3,400,338	47,177	17,305,141
Options exercised	3,300	1,152,538	1,000	517,634
Options expired	8,013	591,695	8,843	3,543,180
<i>Options Outstanding, March 31, 2016</i>	<u>(7,438)</u>	<u>\$ (1,733,180)</u>	<u>(7,234)</u>	<u>\$ (3,705,331)</u>

Absolute Credit Opportunities Fund

	Calls		Puts	
	Number of Contracts	Premiums	Number of Contracts	Premiums
<i>Options Outstanding, March 31, 2015</i>	(291)	\$ (3,598)	-	\$ -
Options written	(716)	(20,549)	(366)	(91,594)
Options terminated in closing transactions	60	2,850	182	50,684
Options exercised	35	1,614	-	-
Options expired	912	19,683	184	40,910
<i>Options Outstanding, March 31, 2016</i>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

Absolute Capital Opportunities Fund

	Calls		Puts	
	Number of Contracts	Premiums	Number of Contracts	Premiums
<i>Options Outstanding, December 30, 2015</i>	-	\$ -	-	\$ -
Options written	(436)	(115,251)	(680)	(224,457)
Options terminated in closing transactions	-	-	348	51,756
Options exercised	98	39,626	-	-
Options expired	-	-	10	2,614
<i>Options Outstanding, March 31, 2016</i>	<u>(338)</u>	<u>\$ (75,625)</u>	<u>(322)</u>	<u>\$ (170,087)</u>

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

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

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

Notional amounts of each individual credit default swap agreement outstanding as of March 31, 2016, for each Fund, if any, are disclosed in each Fund's Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written.

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

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

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

Notional amounts of each individual interest rate swap agreement outstanding as of March 31, 2016, if any, are disclosed in each Fund's Notes to Schedule of Investments, Securities Sold Short and Call and Put Options Written. The Funds did not enter into any interest rate swaps during the year or period ended March 31, 2016.

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

When-Issued Transactions – Each Fund may purchase securities on a forward commitment or 'when-issued' basis. A fund records a when-issued transaction on the trade date and will segregate with the custodian qualifying assets that have a value sufficient to make payment for the securities purchased. Securities purchased on a when-issued basis are marked-to-market daily and the fund begins earning interest on the settlement date. Losses may arise

due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

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

Federal Taxes – Each Fund intends to qualify each year as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (“Code”) and to distribute all of their taxable income to shareholders. In addition, by distributing in each calendar year substantially all of their net investment income and capital gains, if any, the Funds will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required. Each Fund files a U.S. federal income and excise tax return as required. 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 March 31, 2016, there are no uncertain tax positions that would require financial statement recognition, de-recognition, or disclosure.

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

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

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

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

Note 3. Cash – Concentration in Uninsured Account

For cash management purposes each Fund may concentrate cash with each Fund’s custodian. This typically results in cash balances exceeding the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. As of March 31, 2016, the Absolute Strategies Fund and Absolute Credit Opportunities Fund held \$56,672,074 and \$397,707, respectively, as cash reserves at Citibank, N.A. and State Street Bank and Trust Company that exceeded the FDIC insurance limit.

Note 4. Fees and Expenses

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

Each sub-advisory fee, calculated as a percentage of each Fund’s average daily net assets managed by each sub-

adviser, is paid by the Adviser.

Distribution – Foreside Fund Services, LLC serves as each Fund’s distributor (the “Distributor”). The Distributor is not affiliated with the Adviser or Atlantic Fund Administration, LLC (d/b/a Atlantic Fund Services) (“Atlantic”) or their affiliates. Absolute Strategies Fund has adopted a Distribution Plan (the “Plan”) for R Shares of the Fund in accordance with Rule 12b-1 of the Act. Under the Plan, 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 \$50,000 for service to the Trust (\$66,000 for the Chairman), and the Audit Committee Chairman and Vice Chairman receive an additional \$6,000 annually. The Trustees and Chairman may receive additional fees for special Board meetings. Each Trustee is also reimbursed for all reasonable out-of-pocket expenses incurred in connection with his duties as a Trustee, including travel and related expenses incurred in attending Board meetings. The amount of Trustees’ fees attributable to each Fund is disclosed in the Statements of Operations. Certain officers of the Trust are also officers or employees of the above named service providers, and during their terms of office received no compensation from each Fund.

Note 5. Expense Reimbursements and Fees Waived

The Adviser has contractually agreed to waive its 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 and expenses, proxy expenses and extraordinary expenses) of Institutional Shares of Absolute Credit Opportunities Fund and Absolute Capital Opportunities to 1.95% through August 1, 2017. The Adviser waived fees of \$180,734 and \$53,598 for Absolute Credit Opportunities Fund and Absolute Capital Opportunities Fund, respectively, for the year or period ended March 31, 2016.

During the year, Absolute Strategies Fund invested in Absolute Capital Opportunities Fund. As of March 31, 2016, Absolute Strategies Fund owned approximately 99.9% of Absolute Capital Opportunities Fund. The Adviser has agreed to waive fees in an amount equal to the fee it receives from Absolute Capital Opportunities Fund based on Absolute Strategies Fund investment in Absolute Capital Opportunities Fund. For the year ended March 31, 2016, the Adviser waived fees of \$39,602 for Absolute Strategies Fund.

The Absolute Credit Opportunities Fund and Absolute Capital Opportunities Fund may repay the Adviser for fees waived and expenses reimbursed pursuant to the expense cap if such payment is made within three years of the fee waiver or expense reimbursement and the resulting expenses do not exceed 1.95%. As of March 31, 2016, the amount of waived fees and reimbursed expenses subject to recapture by the Adviser are as follows:

	<u>Amount of Fees Waived and/or Expenses Reimbursed</u>	<u>Expiration Date to Recoup Fees Waived and/or Expenses Reimbursed</u>	<u>Fees Recouped</u>
<i>Absolute Credit Opportunities Fund</i>			
March 31, 2014	\$ 686,328	March 31, 2017	\$ -
March 31, 2015	\$ 695,506	March 31, 2018	\$ -
March 31, 2016	\$ 180,734	March 31, 2019	\$ -
<i>Absolute Capital Opportunities Fund</i>			
March 31, 2016	\$ 53,598	March 31, 2019	\$ -

Note 6. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments during the year or period ended March 31, 2016, were as follows:

Absolute Strategies Fund

Non-U.S. Government Obligations		U.S. Government Obligations	
Purchases	Sales	Purchases	Sales
\$ 546,204,768	\$ 993,571,912	\$ 6,209,885	\$ 22,265,237

Absolute Credit Opportunities Fund

Non-U.S. Government Obligations	
Purchases	Sales
\$ 21,513,215	\$ 41,850,403

Absolute Capital Opportunities Fund

Non-U.S. Government Obligations	
Purchases	Sales
\$ 5,969,346	\$ 282,437

Note 7. Summary of Derivative Activity

The volume of open derivative positions may vary on a daily basis as each Fund transacts derivative contracts in order to achieve the exposure desired by the Adviser. The notional value of activity for the year or period ended March 31, 2016, for any derivative type during the period is as follows:

	Absolute Strategies Fund	Absolute Credit Opportunities Fund	Absolute Capital Opportunities Fund
Forward Currency Contracts	\$ 47,258,054	\$ -	\$ -
Futures Contracts	3,943,113,356	15,192,160	-
Purchased Options	41,027,417	248,119	641,427
Written Options	(11,047,255)	(112,143)	(339,708)
Credit Default Swaps	197,000,000	60,000,000	-

Each Fund's use of derivatives for the year or period ended March 31, 2016, was limited to credit default swaps, options, forward currency contracts and futures contracts.

Following is a summary of the effect of derivatives on the Statements of Assets and Liabilities as of March 31, 2016:

Absolute Strategies Fund

Location:	Currency Contracts	Credit Contracts	Equity Contracts
Asset derivatives:			
Swap premiums paid	\$ -	\$ 513,512	\$ -
Unrealized gain on swap agreements	-	634,807	-
Unrealized gain on forward currency contracts	4,999	-	-
Total investments, at value	-	-	8,866,572
Total asset derivatives	\$ 4,999	\$ 1,148,319	\$ 8,866,572
Liability derivatives:			
Swap premiums received	\$ -	\$ (793,918)	\$ -
Unrealized loss on swap agreements	-	(333,397)	-
Call options written, at value	-	-	(1,722,682)
Put options written, at value	-	-	(3,087,212)
Total liability derivatives	\$ -	\$ (1,127,315)	\$ (4,809,894)

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Absolute Credit Opportunities Fund

Location:	Credit Contracts
Asset derivatives:	
Swap premiums paid	\$ 66,030
Unrealized gain on swap agreements	170,036
Total asset derivatives	\$ 236,066
Liability derivatives:	
Swap premiums received	\$ (204,328)
Unrealized loss on swap agreements	(32,627)
Total liability derivatives	\$ (236,955)

Absolute Capital Opportunities Fund

Location:	Equity Contracts
Asset derivatives:	
Total investments, at value	\$ 246,253
Total asset derivatives	\$ 246,253
Liability derivatives:	
Call options written, at value	\$ (78,067)
Put options written, at value	(137,972)
Total liability derivatives	\$ (216,039)

Realized and unrealized gains and losses on derivatives contracts for the year or period ended March 31, 2016, by each Fund are recorded in the following locations on the Statements of Operations:

Absolute Strategies Fund

Location:	Commodity Contracts	Credit Contracts	Equity Contracts	Forward Currency Contracts	Interest Contracts
Net realized gain (loss) on:					
Swaps	\$ -	\$ (462,146)	\$ -	\$ -	\$ -
Futures	3,876,599	-	18,153,221	-	(908,495)
Investments	-	-	(5,695,003)	-	-
Written options	-	-	9,562,204	-	-
Foreign currency transactions	-	-	-	(208,936)	-
Total net realized gain (loss)	\$ 3,876,599	\$ (462,146)	\$ 22,020,422	\$ (208,936)	\$ (908,495)
Net change in unrealized appreciation (depreciation) on:					
Swaps	\$ -	\$ 552,181	\$ -	\$ -	\$ -
Futures	(28,550)	-	(2,186,614)	-	114,031
Investments	-	-	3,564,912	-	-
Written options	-	-	(3,209,345)	-	-
Foreign currency translations	-	-	-	4,999	-
Total net change in unrealized appreciation (depreciation)	\$ (28,550)	\$ 552,181	\$ (1,831,047)	\$ 4,999	\$ 114,031

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Absolute Credit Opportunities Fund

Location:	Credit Contracts	Equity Contracts
Net realized gain (loss) on:		
Swaps	\$ (195,834)	\$ -
Futures	-	174,164
Investments	-	(39,759)
Written Options	-	40,856
Total net realized gain (loss)	\$ (195,834)	\$ 175,261
Net change in unrealized appreciation (depreciation) on:		
Swaps	\$ 340,286	\$ -
Written Options	-	(1,954)
Total net change in unrealized appreciation (depreciation)	\$ 340,286	\$ (1,954)

Absolute Capital Opportunities Fund

Location:	Equity Contracts
Net realized gain (loss) on:	
Investments	\$ 22,704
Written Options	26,617
Total net realized gain (loss)	\$ 49,321
Net change in unrealized appreciation (depreciation) on:	
Investments	\$ (288)
Written Options	29,673
Total net change in unrealized appreciation (depreciation)	\$ 29,385

Asset (Liability) amounts shown in the table below represent amounts for derivative related investments at March 31, 2016. These amounts may be collateralized by cash or financial instruments.

	Gross Asset (Liability) as Presented in the Statement of Assets and Liabilities	Financial Instruments (Received) Pledged**	Cash Collateral (Received) Pledged**	Net Amount
<i>Absolute Strategies Fund</i>				
Assets:				
Over-the-counter derivatives*	\$ 10,019,890	\$ -	\$ -	\$ 10,019,890
Liabilities:				
Over-the-counter derivatives*	(5,937,209)	4,807,149	1,130,060	-
<i>Absolute Credit Opportunities Fund</i>				
Assets:				
Over-the-counter derivatives*	\$ 236,066	\$ -	\$ -	\$ 236,066
Liabilities:				
Over-the-counter derivatives*	(236,955)	-	236,955	-
<i>Absolute Capital Opportunities Fund</i>				
Assets:				
Over-the-counter derivatives*	\$ 246,253	\$ -	\$ -	\$ 246,253
Liabilities:				
Over-the-counter derivatives*	(216,039)	216,039	-	-

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

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

Note 8. Federal Income Tax

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

	<u>Ordinary Income</u>	<u>Long-Term Capital Gain</u>	<u>Distribution in Excess</u>	<u>Total</u>
Absolute Strategies Fund				
2016	\$ 16,332,639	\$ 75,730,523	\$ -	\$ 92,063,162
2015	-	-	-	-
Absolute Credit Opportunities Fund				
2016	53,365	-	-	53,365
2015	-	7,556,820	1,732,733	9,289,553

The Absolute Capital Opportunities Fund did not pay any distributions for the fiscal period ended March 31, 2016.

Equalization debits included in the distributions were as follows:

	<u>Ordinary Income</u>	<u>Long-Term Capital Gain</u>	<u>Distribution in Excess</u>	<u>Total</u>
Absolute Strategies Fund				
2016	\$ 240,575	\$ 8,799,479	\$ -	\$ 9,040,054
2015	-	-	-	-
Absolute Credit Opportunities Fund				
2016	-	-	-	-
2015	-	-	-	-

As of March 31, 2016, distributable earnings (accumulated loss) on a tax basis were as follows:

	<u>Undistributed Ordinary Income</u>	<u>Undistributed Long-Term Gain</u>	<u>Capital and Other Losses</u>	<u>Unrealized Appreciation (Depreciation)</u>	<u>Total</u>
Absolute Strategies Fund	\$ 34,763,411	\$ 56,331,552	\$ -	\$ 8,536,247	\$ 99,631,210
Absolute Credit Opportunities Fund	228,068	-	(1,085,868)	(570,345)	(1,428,145)
Absolute Capital Opportunities Fund	-	-	(109,052)	336,471	227,419

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

As of March 31, 2016, the Absolute Credit Opportunities Fund had \$142,252 of available short-term capital loss carryforwards and \$943,616 of available long-term capital loss carryforwards that have no expiration date.

For tax purposes, the current year post-October loss was \$97,977 for Absolute Capital Opportunities Fund (realized during the period December 30, 2015 through March 31, 2016), and the current deferred late year ordinary loss was \$11,075 for Absolute Capital Opportunities Fund (realized during the period January 1, 2016 through March 31, 2016). These losses were recognized for tax purposes on the first business day of the Fund's current fiscal year, April 1, 2016.

On the Statements of Assets and Liabilities, as a result of permanent book to tax differences, certain amounts have been reclassified for the year or period ended March 31, 2016. The following reclassifications were the result of book to tax differences resulting from real estate investment trusts, partnerships, passive foreign investment holdings, grantor trusts, straddles, constructive sales, short dividend reclassifications, currency,

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paydowns, convertible bond premium adjustments, contingent payment debt instruments, credit default swap income, inflation indexed securities, registered investment companies, equalization, organization cost amortization, non-deductible offering costs and net operating losses and have no impact on the net assets of each Fund.

	<u>Undistributed Net Investment Income (Loss)</u>	<u>Accumulated Net Realized Gain (Loss)</u>	<u>Paid-in-Capital</u>
Absolute Strategies Fund	\$ 16,223,300	\$ (25,263,785)	\$ 9,040,485
Absolute Credit Opportunities Fund	(26,761)	26,761	-
Absolute Capital Opportunities Fund	16,916	(4)	(16,912)

Note 9. Subsequent Events

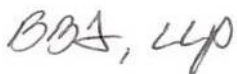
Subsequent events occurring after the date of this report through the date these financial statements were issued have been evaluated for potential impact and each Fund has had no such events.

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

We have audited the accompanying statements of assets and liabilities of the Absolute Strategies Fund, Absolute Credit Opportunities Fund and Absolute Capital Opportunities Fund (the "**Funds**"), each a series of shares of beneficial interest in the Forum Funds, including the schedules of investments, as of March 31, 2016, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended and the financial highlights for each of the years in the five-year period then ended for Absolute Credit Opportunities Fund and Absolute Strategies Fund, and the statements of operations and changes in net assets, and the financial highlights for the period December 30, 2015 (commencement of operations) through March 31, 2016 for the Absolute Capital Opportunities Fund. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of March 31, 2016, by correspondence with the custodian, agent banks, counterparties and brokers and by other appropriate auditing procedures where responses from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Absolute Strategies Fund, Absolute Credit Opportunities Fund and Absolute Capital Opportunities Fund as of March 31, 2016, and the results of their operations for the year then ended, the changes in net assets for each of the years in the two-year period then ended and financial highlights for each of the years in the five-year period then ended for the Absolute Credit Opportunities Fund and Absolute Strategies Fund, and the operations and changes in net assets and the financial highlights for the period December 30, 2015 to March 31, 2016 for the Absolute Capital Opportunities Fund, in conformity with accounting principles generally accepted in the United States of America.



BBD, LLP

**Philadelphia, Pennsylvania
May 27, 2016**

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ADDITIONAL INFORMATION (Unaudited)

MARCH 31, 2016

Investment Advisory Agreement Approval for Absolute Strategies Fund and Absolute Credit Opportunities Fund

At the December 11, 2015 Board meeting, the Board, including the Independent Trustees, considered the approval of the continuance of the investment advisory agreement between Absolute Investment Advisers LLC (the "Adviser") and the Trust pertaining to the Funds (the "Advisory Agreement") and the subadvisory agreements between the Adviser and the following subadvisers to the Absolute Strategies Fund and Absolute Credit Opportunities Fund: Harvest Capital Strategies LLC; Kovitz Investment Group, LLC; LakeWater Capital LLC; Longhorn Capital Partners, LLC; Madden Asset Management, LLC; Mohican Financial Management, LLC; Sabal Capital Management, LLC; St. James Investment Company, LLC; The Boston Company Asset Management, LLC; and Yacktman Asset Management LP (the "Subadvisers") (the "Subadvisory Agreements"). In preparation for its deliberations, the Board requested and reviewed written responses from the Adviser and Subadvisers to due diligence questionnaires circulated on the Board's behalf. The Board also discussed the materials with Fund counsel and, as necessary, with the Trust's administrator, Atlantic Fund Services. During its deliberations, the Board also received an oral presentation from the Adviser, and was assisted by the advice of Trustee counsel.

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

Nature, Extent and Quality of Services

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

Performance

In connection with a presentation by the Adviser regarding its approach to managing the Funds, including the investment objective and strategy and the Adviser's discussion of the performance of each of the Subadvisers, the Board reviewed the performance of the Funds compared to their respective benchmarks. With respect to the Absolute Strategies Fund ("Strategies Fund"), the Board observed that the Fund had outperformed its primary benchmark, the S&P 500 Index, for the one-year period ended September 30, 2015, but had underperformed the primary benchmark for the three-, five-, and ten-year periods ended September 30, 2015. The Board observed that the Strategies Fund had similarly outperformed the HFRX Global Hedge Index, the secondary benchmark index, for the one-, five-, and ten-year periods ended September 30, 2015, but had underperformed the HFRX Global Hedge Index for the three-year period ended September 30, 2015. With respect to the Absolute Credit Opportunities Fund ("Credit Opportunities Fund"), the Board observed that the Credit Opportunities Fund had outperformed its primary benchmark index, the HFRX Global Hedge Fund Index, for the one-year period ended September 30, 2015, but had

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underperformed the HFRX Global Hedge Index for the three- and five-year periods ended September 30, 2015. In addition, the Board observed that, for the one-year period ended September 30, 2015, the Credit Opportunities Fund had outperformed the HFRX Fixed Income Credit Index, a benchmark believed by the Adviser to be an appropriate broad-based market comparison for the Fund.

The Board noted the Adviser's representation that it was not the objective of the Funds to outperform specific market indices because the Funds employ unique investment strategies to seek absolute returns, irrespective of any benchmark or market performance. The Board also noted the Adviser's representation that the Funds tended to lag the performance of equity indices due, in part, to the Funds' portfolios having been comprised of a balance of both long and short positions for the past several years and because the Funds' strategies are designed in part to be countercyclical, performing well in relation to the indices during declining markets but lagging the performance of the indices during rising markets.

The Board also considered each Fund's performance relative to its Lipper, Inc. ("Lipper") peer group, noting that, based on the information provided by Lipper, the Strategies Fund performed at the median of its Lipper peer group for the one-year period ended September 30, 2015 and underperformed the median of its peers for the three- and five-year periods ended September 30, 2015. The Board observed that the Credit Opportunities Fund had outperformed the median of its Lipper peers for the one-year period ended September 30, 2015, but had underperformed the median of its Lipper peers for the three- and five-year periods ended September 30, 2015.

Addressing the Funds' apparent underperformance relative to their Lipper peer groups, the Adviser represented that it does not view the peer funds identified by Lipper to be comparable to the Funds and, referencing the hedge-fund-like strategies of the Funds, explained the basis for this view. The Board noted the Adviser's representations that the most direct comparison for each Fund would be other funds employing a multi-manager, multi-strategy approach with varying long and short exposures. The Board reviewed each Fund's performance compared to another group of funds that were not included in the Funds' Lipper peer groups, but that the Adviser provided as a meaningful comparison (the "Comparable Funds"). The Board considered the Adviser's explanation as to why the performance of the Comparable Funds should be taken into account in evaluating the performance of the Funds and considered the Funds' performance relative to the Comparable Funds. The Board also noted the Adviser's report that, since their respective inceptions, the cumulative returns of both the Funds compared favorably with those of the Comparable Funds over the same periods.

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

Compensation

The Board evaluated the Adviser's compensation for providing advisory services to each Fund. The Board considered the Adviser's representation that the advisory fee rates and actual total expense ratios of hedge funds provide more apt points of comparison for the Funds than the fee rates and expense ratios of the funds in the identified Lipper peer groups. In this regard, the Board considered the Adviser's explanation that the complex strategies of hedge funds are more similar to the strategies of each of the Funds than the mutual funds in the Lipper peer groups. In addition, with respect to advisory fee rates and total expenses, the Board noted the Adviser's representation that hedge funds' fees typically consist of a high base advisory fee and additional

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performance-based fee. The Board recognized that the Adviser's fees do not include performance fees and that the Adviser pays all of the Subadvisers out of its advisory fee. In this regard, the Board observed that the Funds do not directly pay any subadvisory fees.

The Board took into consideration comparative information on each Fund's actual advisory fee rate and total expenses compared to its Lipper peer group. In this regard, the Board noted that the Adviser's actual advisory fee rate and the actual total expense ratio of each Fund were each higher than the median of each Fund's respective Lipper peer group. The Board noted further that, although the Adviser had implemented breakpoints that would reduce the advisory fee rate charged to the Strategies Fund, the Fund did not currently have assets under management that exceed the Fund's first fee schedule breakpoint. In addition, with respect to the Credit Opportunities Fund, the Board recognized that the Adviser had contractually agreed to limit the Credit Opportunities Fund's total operating expenses, subject to certain exceptions.

Under these circumstances, the Board concluded that it was difficult to make meaningful comparisons between the Funds' actual advisory fee rates and total expense ratios and those of the Funds' Lipper peers due to, among other things, variations between the services provided by the Adviser to the Funds and those provided to the Lipper peer group of funds by their advisers. Further, the Board concluded that the complex investment strategies utilized by the Adviser for the Funds are comparable to the strategies provided to hedge funds by their advisers at much higher advisory fee rates than those charged by the Adviser. Based on the foregoing, and on all of the information presented, the Board concluded that the advisory fees paid to the Adviser by the Funds were reasonable.

Cost of Services and Profitability

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

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

Economies of Scale

The Board considered whether either of the Funds could benefit from economies of scale. The Board noted that, with respect to the Strategies Fund, the Adviser had implemented fee schedule breakpoints by contractually waiving its advisory fee at certain asset levels, though the Fund was not currently operating at asset levels that would result in a break in the advisory fee. With respect to the Credit Opportunities Fund, the Board considered the Adviser's representation that the Credit Opportunities Fund could potentially benefit from economies of scale as assets grow, but that the Adviser had determined that breakpoints were not appropriate at this time due to the size of the Fund. Based on the foregoing information, and other considerations, the Board concluded that shareholders of the Strategies Fund should have an opportunity to share in future economies of scale and that economies of scale were not yet a material factor to be considered with respect to the Credit Opportunities Fund.

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Other Benefits

The Board noted the Adviser's representation that, aside from its contractual advisory fees, it does not benefit in a material way from its relationship with the Funds. Based on the foregoing representation, the Board concluded that other benefits received by the Adviser from its relationship with the Funds were not a material factor in approving the continuation of the 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. In light of the fact that each Fund is a multi-manager Fund, however, for which the Adviser identifies Subadvisers whose strategies it seeks to combine to achieve the Fund's investment objective, when considering the renewal of the Subadvisory Agreements, the Board gave significant weight to the Adviser's recommendation that each Subadvisory Agreement be renewed and to the Adviser's representation that the reappointment of the Subadvisers would positively contribute to the Adviser's successful execution of the Funds' overall strategies. The Board reviewed a memorandum from Fund counsel discussing the legal standards applicable to its consideration of the Advisory Agreement and Subadvisory Agreements. Based on its review, including consideration of each of the factors referenced above, the Board determined, in the exercise of its reasonable business judgment, that the advisory arrangement, as outlined in each Advisory Agreement and in each Subadvisory Agreement, was fair and reasonable in light of the services performed or to be performed, expenses incurred or to be incurred and such other matters as the Board considered relevant.

Investment Advisory Agreement Approval for Absolute Capital Opportunities Fund

At the June 12, 2015 Board meeting, the Board, including the Independent Trustees, considered the initial approval of the investment advisory agreement between Absolute Investment Advisers, LLC (the "Adviser") and the Trust pertaining to the Absolute Capital Opportunities Fund (the "Advisory Agreement") and the approval of the respective investment subadvisory agreements (the "Subadvisory Agreements") between the Adviser and Kovitz Investment Group, LLC ("Kovitz") and St. James Investment Company, LLC ("St. James," and, together with Kovitz, the "Subadvisers"). In preparation for its deliberations, the Board requested and reviewed written responses from the Adviser to a due diligence questionnaire circulated on the Board's behalf. The Board also discussed the materials with Fund Counsel and, as necessary, with the Trust's administrator, Atlantic Fund Services. During its deliberations, the Board received an oral presentation from the Adviser, and was assisted by the advice of Trustee Counsel.

In evaluating the Advisory Agreement and the Subadvisory Agreements for the Fund, the Board reviewed written materials furnished by the Adviser, the Subadvisers, and the administrator, including information regarding the Adviser's and each Subadviser's personnel, operations and financial condition. In evaluating the Subadvisers, the Board took into account the Adviser's representations that it had been satisfied with the Subadvisers' implementation of the Adviser's objectives with respect to other series of the Trust.

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

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Nature, Extent and Quality of Services

Based on written materials received, a presentation from senior representatives of the Adviser and a discussion with the Adviser about the personnel, operations and financial condition of itself and each Subadviser, and discussions with the Trust's CCO regarding the Adviser and the Subadvisers, the Board considered the quality of services to be provided by the Adviser under the Advisory Agreement and by each Subadviser under each Subadvisory Agreement. In this regard, the Board considered information regarding the experience, qualifications and professional background of the portfolio managers and other personnel at the Adviser and the Subadvisers with principal responsibility for the Fund's investments; the investment philosophy and decision-making process of those professionals; the capability and integrity of the Adviser's and each Subadviser's senior management and staff; and the quality of the Adviser's and each Subadviser's services with respect to regulatory compliance.

The Board considered also the adequacy of the Adviser's and each Subadviser's resources. The Board noted the Adviser's and each Subadviser's representation that it is financially stable and has the operational capability needed to provide high-quality investment advisory services to the Fund for the foreseeable future. The Board also considered the Adviser's analysis and recommendations regarding each Subadviser. Based on the presentation and the materials provided by the Adviser and the Subadvisers in connection with the Board's consideration of the Advisory Agreement and each Subadvisory Agreement, the Board concluded that, overall, it was satisfied with the nature, extent and quality of services to be provided to the Fund by the Adviser under the Advisory Agreement and each Subadviser under each of their respective Subadvisory Agreements.

Performance

Recognizing that the Fund is new and has no performance history, the Board did not consider the performance history of the Fund. Instead, the Board considered the performance achieved by the Adviser and each Subadviser, including managing another series of the Trust, the Absolute Strategies Fund. The Board noted that, although the Absolute Strategies Fund had underperformed its primary benchmark over the one-, three-, and five-year periods ended March 31, 2015, each of the Subadvisers had performed in accordance with the objectives specified by the Adviser. With respect to longer term performances, the Board considered the composite performance of private accounts managed by each Subadviser pursuant to an investment strategy similar to the strategy to be employed by the Subadviser for the Fund. Based on the foregoing and other relevant factors, the Board concluded that the Adviser's and Subadvisers' management of the Fund could benefit the Fund and its shareholders.

Compensation

The Board evaluated the Adviser's proposed compensation for providing advisory services to the Fund and analyzed comparative information on "actual" advisory fee rates (i.e., after fee waivers), and actual total expenses of the Fund's relevant Lipper peer group. The Board noted that the Adviser's proposed actual advisory fee rate and the Fund's actual total expense ratio were each consistent with the fee rate and expense ratio of other series managed by the Adviser and were each among the most expensive in the Fund's Lipper peer group. The Board also recognized that the Adviser would pay each of the Subadvisers' subadvisory fees out of its own advisory fee. Based on the foregoing, the Board concluded that the Adviser's advisory fee rate to be charged to the Fund was reasonable.

Cost of Services and Profitability

The Board considered information provided by the Adviser regarding the estimated costs of services and its estimated profitability with respect to the Fund. The Board also considered the estimated percentage and amount of the Adviser's fee that would be retained by the Adviser and the estimated percentage and amount of the advisory fee that would be paid to the Subadvisers. The Board considered that profits to be realized by the Adviser would be a function of the future growth in assets of the Fund and concluded that the costs of the services to be provided and profits to be realized by the Adviser were not a material factor in approving the Advisory Agreement.

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

Economies of Scale

The Board evaluated whether the Fund would benefit from any economies of scale. In this respect, the Board considered the Adviser's representation that it could be difficult for the Fund to achieve large economies of scale because the investment strategies of the Subadvisers, which are employed by the Fund, are not high-capacity strategies – meaning the Subadvisers generally cannot successfully manage ever-larger amounts of assets. In this respect, the Board noted that the Adviser was not proposing breakpoints at this time because the Fund had not yet commenced operations and assets under management would need to achieve economies of scale. Based on the foregoing information, the Board concluded that economies of scale were not a material factor in approving the Advisory Agreement.

Other Benefits

The Board noted the Adviser's representation that, aside from its contractual advisory fees, it would not benefit in a material way from its relationship with the Fund. Based on the foregoing representation, the Board concluded that other benefits received by the Adviser from its relationship with the Fund were not a material factor to consider in approving the continuation of the 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. In light of the fact that the Fund is a multi-manager Fund, however, for which the Adviser identifies Subadvisers whose strategies it seeks to combine to achieve the Fund's investment objective, when considering the approval of the Subadvisory Agreements, the Board gave significant weight to the Adviser's recommendation that each Subadvisory Agreement be approved and to the Adviser's representation that the appointment of the Subadvisers would positively contribute to the Adviser's successful execution of the Fund's overall strategy. The Board reviewed a memorandum from Fund Counsel discussing the legal standards applicable to its consideration of the Advisory Agreement and Subadvisory Agreements. 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 Advisory Agreement and each Subadvisory 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.

Proxy Voting Information

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

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Availability of Quarterly Portfolio Schedules

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

Shareholder Expense Example

As a shareholder of the Funds, you incur ongoing costs, including management fees, distribution (12b-1) fees and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from October 1, 2015 for Absolute Strategies Fund and Absolute Credit Opportunities Fund and from December 30, 2015 for Absolute Capital Opportunities Fund, through March 31, 2016.

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.

	Beginning Account Value October 1, 2015	Ending Account Value March 31, 2016	Expenses Paid During Period*	Annualized Expense Ratio*
Absolute Strategies Fund				
Institutional Shares				
Actual	\$ 1,000.00	\$ 998.74	\$ 12.54	2.51%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,012.45	\$ 12.63	2.51%
R Shares				
Actual	\$ 1,000.00	\$ 995.84	\$ 15.32	3.07%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,009.65	\$ 15.42	3.07%
Absolute Credit Opportunities Fund				
Institutional Shares				
Actual	\$ 1,000.00	\$ 984.73	\$ 9.73	1.96%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,015.20	\$ 9.87	1.96%

* Expenses are equal to each Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year divided by 366 to reflect the half-year period.

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	Beginning Account Value <u>December 30, 2015</u>	Ending Account Value <u>March 31, 2016</u>	Expenses Paid During Period**	Annualized Expense Ratio**
Absolute Capital Opportunities Fund				
Institutional Shares				
Actual	\$ 1,000.00	\$ 1,021.00	\$ 5.59	2.20%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,014.00	\$ 11.08	2.20%

** 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 366 to reflect the half-year period (except that the average account values reflect the Fund's actual return information for the 92-day period between December 30, 2015, the commencement date of Fund operations, through March 31, 2016).

Federal Tax Status of Dividends Declared during the Fiscal Year

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

Trustees and Officers of the Trust

The Board is responsible for oversight of the management of the Trust's business affairs and of the exercise of all the Trust's powers except those reserved for the shareholders. The following table provides information about each Trustee and certain officers of the Trust. Each Trustee and officer holds office until the person resigns, is removed, or is replaced. Unless otherwise noted, the persons have held their principal occupations for more than five years. The address for all Trustees and officers is Three Canal Plaza, Suite 600, Portland, Maine 04101. Mr. Keffer is considered an Interested Trustee due to his affiliation with Atlantic. Each Fund's Statement of Additional Information includes additional information about the Trustees and is available, without charge and upon request, by calling (888) 992-2765.

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Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series of Fund Complex¹ Overseen by Trustee	Other Directorships Held by Trustee
Independent Trustees					
J. Michael Parish Born: 1943	Chairman of the Board; Trustee; Chairman, Nominating Committee and Qualified Legal Compliance Committee	Since 1989 (Chairman since 2004)	Retired since 2003; formerly, Partner, Wolf, Block, Schorr and Solis-Cohen, LLP (law firm) 2002-2003; Partner, Thelen Reid & Priest LLP (law firm) 1995-2002.	26	None
Costas Azariadis Born: 1943	Trustee	Since 1989	Professor of Economics, Washington University since 2006.	26	None
James C. Cheng Born: 1942	Trustee; Chairman, Audit Committee	Since 1989	President, Technology Marketing Associates (marketing company for small- and medium-sized businesses in New England) since 1991.	26	None
David Tucker Born: 1958	Trustee; Vice Chairman	Since 2011 (Vice Chairman since 2015)	Director, Blue Sky Experience (a charitable endeavor) since 2008; Senior Vice President & General Counsel, American Century Companies (an investment management firm) 1998-2008.	48	Trustee, Forum Funds II, Forum ETF Trust and U.S. Global Investors Funds
Interested Trustee					
John Y. Keffer ² Born: 1942	Trustee; Vice Chairman	Since 1989	Chairman, Atlantic since 2008; President, Forum Investment Advisors, LLC since 2011; President, Forum Foundation (a charitable organization) since 2005; President, Forum Trust, LLC (a non-depository trust company chartered in the State of Maine) since 1997.	48	Director, Wintergreen Fund, Inc.; Trustee, Forum Funds II, Forum ETF Trust and U.S. Global Investors Funds
Officers					
Jessica Chase Born: 1970	President; Principal Executive Officer	Since 2015	Senior Vice President, Atlantic since 2008.	N/A	N/A
Karen Shaw Born: 1972	Treasurer; Principal Financial Officer	Since 2008	Senior Vice President, Atlantic since 2008.	N/A	N/A
Zachary Tackett Born: 1988	Vice President; Secretary; Anti-Money Laundering Compliance Officer	Since 2014	Associate Counsel, Atlantic since 2014; Intern Associate, Coakley & Hyde, PLLC, 2010-2013.	N/A	N/A
Michael J. McKeen Born: 1971	Vice President	Since 2009	Senior Vice President, Atlantic since 2008.	N/A	N/A
Timothy Bowden Born: 1969	Vice President	Since 2009	Manager, Atlantic since 2008.	N/A	N/A
Geoffrey Ney Born: 1975	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.	N/A	N/A
Todd Proulx Born: 1978	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.	N/A	N/A

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

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

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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

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

DISTRIBUTOR

Foreside Fund Services, LLC
Three Canal Plaza, Suite 100
Portland, Maine 04101
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.