
Auxier Focus Fund

Annual Report

June 30, 2013

Fund Adviser:

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AUXIER FOCUS FUND
PERFORMANCE UPDATE
June 30, 2013

ANNUALIZED

	Inception *	Ten Year	Five Year	Three Year	One Year
Auxier Focus Fund Investor Class Shares	7.06%	7.74%	8.17%	13.74%	15.06%
S&P 500 Index	2.87%	7.30%	7.01%	18.45%	20.60%

CUMULATIVE

	Inception *	Ten Year	Five Year	Three Year	One Year
Auxier Focus Fund Investor Class Shares	159.50%	110.76%	48.11%	47.15%	15.06%
S&P 500 Index	48.52%	102.25%	40.32%	66.20%	20.60%

* Fund inception: July 9, 1999

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 an investor's shares, when redeemed, may be worth more or less than original cost. As stated in the current prospectus, the Fund's Investor Class Share's annual operating expense ratio (gross) is 1.29%. The Fund's adviser has contractually agreed to reduce a portion of its fee and reimburse Fund expenses to limit total annual operating expenses at 1.25%, which is in effect until October 31, 2015. Other share classes may vary. The Fund charges a 2.0% redemption fee on shares redeemed within six months of purchase. For the most recent month-end performance, please call (877)328-9437 or visit the Fund's website at www.auxierasset.com. The recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future.

Summer 2013 Market Commentary

Auxier Focus Fund returned 2.03% for second quarter 2013 and 11.79 % for the six months through June 30. The Fund ended the quarter with 84.7% in stocks, 4.1% in bonds and 11.2% in cash. Our stockholdings gained 3.55% for the quarter and 15% for the first half. These returns beat the Standard and Poor's 500's (S&P) corresponding 2.91% for the quarter and 13.82%. Since inception in 1999 the Fund's cumulative return is 159.50%, three times the S&P's corresponding 48.52%, despite the index's much higher risk profile. While the S&P is always fully invested in 500 stocks, Auxier Focus's sturdier allocation averages 77% in stocks.

Commodities as measured by the Dow Jones UBS Commodity Index continued to correct, dropping 9.45% for the quarter. Gold dropped 23 %. The long boom in commodities (over 115 months) brought with it higher levels of debt that tend to accelerate the price declines during corrections. Global production has clearly caught up with demand. Reduced commodity speculation and lower raw material costs typically are favorable for the quality businesses we own.

Bonds as measured by the Lipper Intermediate Investment Grade Index declined in price 2.73% for the quarter. Bond yields have dropped over 85% since their peak some 32 years ago. Historically, the bond market has run in 30-35 year cycles, and we may be embarking on a new cycle of rising rates. Investors often forget that a normally functioning bond market (i.e., not manipulated by the Federal Reserve's current policies) can be just as volatile as the stock market. If the yield on 10-year Treasury notes rose to the median yield since 2000, 4.27%, investors could suffer losses in bond principal of greater than 20%. In June, investors pulled over \$79 billion from bond funds. Given the historic high prices and the dearth of yield, many bonds, like commodities, can now be classified as "speculative." Risk tends to be correlated with the degree of overvaluation of an asset class. The Fed's easy-money mandates have led investors to "underprice risk." For retirees who typically invest for income, it is critical that they are overcompensated for the risk taken. One example: many so-called

leveraged bond funds (closed-end funds that borrow to enhance returns) suffered 10-15% price declines over just a four-week period.

Where We Find Value Today

We aim to deploy capital at compelling prices created when a stock appears “hopelessly out of favor,” and then harvest fully valued shares in times of “euphoria.” Many of the positive contributors in the quarter were in healthcare names (WellPoint, Hospira, UnitedHealth, Health Management Associates) that were purchased over eighteen months ago at the height of panic and uncertainty surrounding ObamaCare. Extremely depressed price points allowed us to enjoy meaningful upside just to a mean valuation. Another example is H&R Block, which had dropped to an historic low price as the company lost its way through “diworsification.” Then management intensely refocused the business on taxes, and the stock has more than doubled from a very low base.

When investing in new positions, we are often buying at progressively weaker prices, thereby hurting our short-term performance. We are now finding bargains in quality businesses temporarily weighed down by financial woes in Europe and the UK. Some of the finest grocers in the world can be found in Europe. We have been investing in solid but struggling franchises like Tesco, the leading grocer in the UK. Similar to H&R Block, Tesco lost its way and over-expanded. But now the company is working hard to refocus on their customer. The European telecom industry seems poised for widespread consolidation. Among global players well-positioned in Europe, we have found enticing recessionary valuations in Telefonica (based in Spain) and America Movil (Mexico). We are probably early but after 30 years of weathering recessions and financial panics, we prefer investments subject to time risk, rather than price risk, as we patiently await the upside of pent-up demand being released from the grip of austerity.

Top Holdings on 06/30/2013	% Assets
Pepsico	3.6
Molson Coors Brewing	3.5
Tesco	3.1
Hospira	2.5
Bank of New York Mellon	2.2
BP	2.1
America Movil ADR	2.0
Merck & Co.	2.0
Procter & Gamble	1.9
Microsoft	1.9

Trends That Are Investors' Friends

There's lots of potential fire power to fuel meaningful mergers and acquisitions. U.S. corporations are sitting on close to \$1 trillion in cash at a time when revenue growth is sluggish. Banks have over \$1.6 trillion in reserves. The price of crude oil, one major commodity that's bucking the global correction, is vulnerable. Worldwide drilling rates are nearing 30-year highs, according to Schlumberger. And technology is in place for oil to tank as well. Additionally, capital spending on fixed investments in the U.S. stands at a 50-year low versus GDP. Rising interest rates could present problems. But they ironically could help strengthen the economy and lending levels because banks would be better compensated for the risk. An increase in net interest margins could expand credit, especially to cash-strapped small businesses. Conventional wisdom holds that higher rates are bad for stocks. But in 1987 long term bond yields spiked from 7% to 10% in just eight months, and yet the stock market gained over 40% before correcting big time on October 19 (aka Black Monday). This untapped lending potential could act as a huge stimulant when that money enters the real economy.

Opportunity abounds today for the dedicated business analyst armed with the right temperament. Great management teams can find ways to build customer value through innovation and execution. Human nature, together with the emotions of fear and greed, will always conspire to create tremendous bargains in the auction markets. Globally, there are more democracies than ever before in history, setting the stage for more market-based reform. Mexico is privatizing its energy industry (the world's fourth largest in proven reserves) and encouraging competition in telecom and real estate. Even Cuba is introducing more market solutions to boost stagnant standards of living. Communications transparency is educating the masses about the inherent fallacy of centrally planned capital allocation. Look no further than China's state-directed investment policies, which have contributed to a loss in excess of \$700 billion in market value in the past few years. Contrast China's business bureaucrats with history's outstanding corporate capital allocators such as Henry Singleton of Teledyne and Tom Murphy of Capital Cities/ABC, both of whom excelled in the humility of decentralization. Hopefully more governments will understand the dangers of state controlled economies.

AUXIER FOCUS FUND
A MESSAGE TO OUR SHAREHOLDERS
JUNE 30, 2013

In closing, a wise investor once told me that the key to capturing the power of long-term compounding was to avoid speculative bubbles and the valuations they foster. Over the 14-year history of Auxier Focus, we have had to deal with successive technology, housing and commodity booms/busts. The next bubble to pop could be bonds. Unfortunately, over 70% of the world's liquid assets are held in fixed income securities widely perceived as "safe." In time, that money should increasingly shift to more productive assets and businesses that can better cope with the now hidden risks of bonds— inflation and diminishing purchasing power.

We appreciate your trust,

Jeff Auxier

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by calling (877) 328-9437 or visiting the Fund's website. Please read the prospectus carefully before you invest.

Fund returns (i) assume the reinvestment of all dividends and capital gain distributions and (ii) would have been lower during the period if certain fees and expenses had not been waived. Performance shown is for the Fund's Investor Class shares; returns for other share classes will vary. Performance for Investor Class shares for periods prior to December 10, 2004 reflects performance of the applicable share class of Auxier Focus Fund, a series of Unified Series Trust (the "Predecessor Fund"). Prior to January 3, 2003, the Predecessor Fund was a series of Ameriprime Funds. The performance of the Fund's Investor Class shares for the period prior to December 10, 2004 reflects the expenses of the Predecessor Fund.

The Fund may invest in value and/or growth stocks. Investments in value stocks are subject to risk that their intrinsic value may never be realized and investments in growth stocks may be susceptible to rapid price swings, especially during periods of economic uncertainty. In addition, the Fund may invest in mid-sized companies which generally carry greater risk than is customarily associated with larger companies. Moreover, if the Fund's portfolio is overweighted in a sector, any negative development affecting that sector will have a greater impact on the Fund than a fund that is not overweighted in that sector. An increase in interest rates typically causes a fall in the value of a debt security (Fixed-Income Securities Risk) with corresponding changes to the Fund's value. Foreign securities are subject to additional risks including international trade, currency, political, regulatory and diplomatic risks.

The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on 500 widely held common stocks. The Dow Jones UBS Commodity Index is a broadly diversified index that allows investors to track commodity futures through a single, simple measure. The index is composed of futures contracts on physical commodities. The Lipper Intermediate Investment Grade Index is an unmanaged index considered representative of intermediate investment grade debt funds tracked by Lipper. One cannot invest directly in an index.

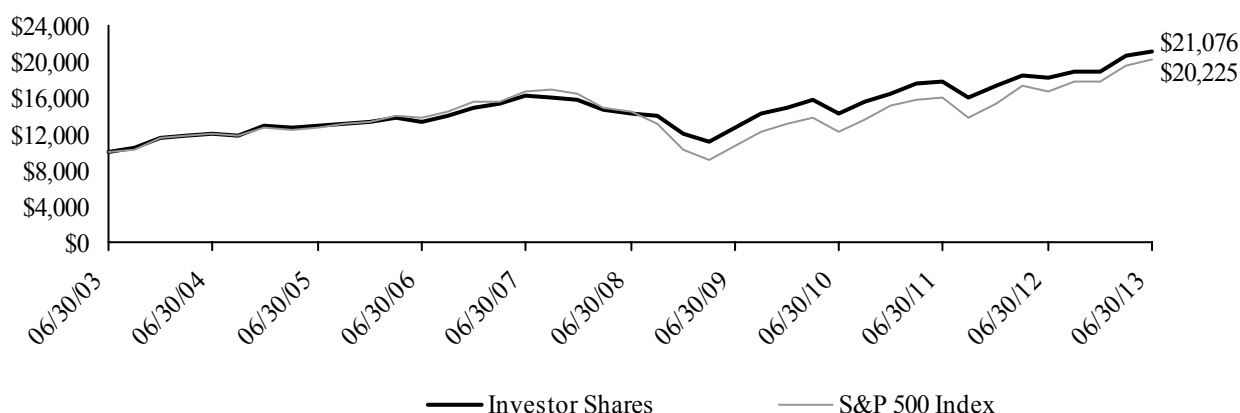
The recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future.

The views in this shareholder letter were those of the Fund Manager as of the letter's publication date and may not reflect his views on the date this letter is first distributed or anytime thereafter. These views are intended to assist readers in understanding the Fund's investment methodology and do not constitute investment advice.

AUXIER FOCUS FUND
PERFORMANCE CHART AND ANALYSIS (Unaudited)
JUNE 30, 2013

The following chart reflects the change in the value of a hypothetical \$10,000 investment in Investor Shares, including reinvested dividends and distributions, in the Fund compared with the performance of the benchmark, the S&P 500, over the past ten fiscal years. The S&P 500 is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The total return of the Fund's classes includes the maximum sales charge of 5.75% (A Shares only) and operating expenses that reduce returns, while the total return of the S&P 500 does not include the effect of sales charges and expenses. A Shares are subject to a 1.00% contingent deferred sales charge on shares purchased without an initial sales charge and redeemed less than one year after purchase. The total return of the S&P 500 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 S&P 500 does not include expenses. The Fund is professionally managed while the S&P 500 is unmanaged and is not available for investment.

**Comparison of Change in Value of a \$10,000 Investment
Investor Shares vs. S&P 500 Index**



Average Annual Total Returns Periods Ended June 30, 2013:	1 Year	5 Years	10 Years	Since Inception ⁽¹⁾
Investor Shares	15.06%	8.17%	7.74%	7.06%
S&P 500 Index (Since July 9, 2009)	20.60%	7.01%	7.30%	2.87%
A Shares (with sales charge) ⁽²⁾⁽³⁾	8.45%	6.90%	7.10%	6.61%
Institutional Shares ⁽³⁾	15.28%	8.23%	7.77%	7.08%

⁽¹⁾ Investor, A Shares and Institutional Shares commenced operations on July 9, 1999, July 8, 2005, and May 9, 2012, respectively.

⁽²⁾ Due to shareholder redemptions on August 21, 2005, net assets of the class were zero from the close of business on that date until September 22, 2005. Financial information presented for the period August 21, 2005 to September 22, 2005 reflects performance of Investor Shares of the Fund.

⁽³⁾ For A Shares and Institutional Shares, performance for the 5-year, 10-year and since inception periods are blended average annual returns which include the returns of the Investor Shares prior to commencement of operations of the A Shares and Institutional Shares.

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 visit the website of the Fund's investment adviser at www.auxierasset.com or call (877) 328-9437. As stated in the Fund's prospectus, the annual operating expense ratios (gross) for Investor Shares, A Shares and Institutional Shares, respectively are 1.29%, 1.65% and 1.76%, respectively. However, the Fund's adviser has agreed to contractually reduce a portion of its fees and to reimburse expenses such that total operating expenses do not exceed 1.25%, 1.25% and 1.00% for Investor Shares, A Shares and Institutional Shares, respectively, through at least October 31, 2015. Shares redeemed or exchanged within 180 days of purchase will be charged a 2.00% redemption fee. 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.

Performance for Investor Shares for periods prior to December 10, 2004, reflects performance and expenses of Auxier Focus Fund, a series of Unified Series Trust (the "Predecessor Fund"). Prior to January 3, 2003, the Predecessor Fund was a series of Ameriprime Funds.

AUXIER FOCUS FUND
SCHEDULE OF INVESTMENTS
JUNE 30, 2013

Shares	Security Description	Value	Shares	Security Description	Value
Common Stock - 84.3%			125,400	PepsiCo, Inc.	\$ 10,256,466
Communications - 5.8%			62,850	Philip Morris International, Inc.	5,444,067
267,500	America Movil SAB de CV, ADR	\$ 5,818,125	109,029	PRGX Global, Inc. (a)	598,569
276,750	Corning, Inc.	3,938,153	583,991	Tesco PLC, ADR	8,905,863
15,499	DIRECTV (a)	955,048	67,500	The Coca-Cola Co.	2,707,425
10,000	News Corp., Class A	326,000	1,500	The JM Smucker Co.	154,725
455,505	Oi SA, Preference Shares, ADR	819,909	119,084	The Kroger Co.	4,113,161
35,794	Oi SA, ADR	70,156	71,975	The Procter & Gamble Co.	5,541,355
337,150	Telefonica SA, ADR (a)	4,318,891	206,240	The Western Union Co.	3,528,766
3,000	Viacom, Inc., Class B	204,150	99,000	Unilever NV, ADR	3,891,690
		<u>16,450,432</u>			<u>85,621,873</u>
Consumer Discretionary - 11.3%			Energy - 4.4%		
132,579	Apollo Group, Inc., Class A (a)	2,349,300	4,425	Apache Corp.	370,948
136,150	Arcos Dorados Holdings, Inc., Class A	1,590,232	143,710	BP PLC, ADR	5,998,455
45,477	Bridgepoint Education, Inc. (a)	553,910	16,750	Chevron Corp.	1,982,195
39,380	Coach, Inc.	2,248,204	15,600	ConocoPhillips	943,800
37,860	Comcast Corp., Class A	1,585,577	10,200	Exxon Mobil Corp.	921,570
2,122	CST Brands, Inc. (a)	65,379	800	Lukoil OAO, ADR	46,120
51,490	CVS Caremark Corp.	2,944,198	11,700	Petroleo Brasileiro SA, ADR	157,014
2,297	Discovery Communications, Inc., Class A (a)	177,351	7,800	Phillips 66	459,498
2,297	Discovery Communications, Inc., Class C (a)	160,009	22,550	Transocean, Ltd.	1,081,273
15,887	Gruma S.A.B. de C.V., ADR (a)	289,779	19,100	Valero Energy Corp.	664,107
176,090	H&R Block, Inc.	4,886,497			<u>12,624,980</u>
1,100	ITT Educational Services, Inc. (a)	26,840	Financials - 11.8%		
2,640	Jamba, Inc. (a)	39,415	42,250	Aflac, Inc.	2,455,570
241,878	Lincoln Educational Services Corp.	1,274,697	39,000	American International Group, Inc. (a)	1,743,300
28,000	Lowe's Cos., Inc.	1,145,200	1,280	Ameriprise Financial, Inc.	103,526
12,750	McDonald's Corp.	1,262,250	179,083	Bank of America Corp.	2,303,007
37,650	Newell Rubbermaid, Inc.	988,313	16,000	Berkshire Hathaway, Inc., Class B (a)	1,790,720
9,800	NIKE, Inc., Class B	624,064	76,724	Central Pacific Financial Corp. (a)	1,381,032
3,250	Sally Beauty Holdings, Inc. (a)	101,075	26,725	Franklin Resources, Inc.	3,635,135
3,884	The Andersons, Inc.	206,590	14,700	Janus Capital Group, Inc.	125,097
9,925	The Home Depot, Inc.	768,890	12,675	Legg Mason, Inc.	393,052
290	Time Warner Cable, Inc.	32,619	60,700	Marsh & McLennan Cos., Inc.	2,423,144
12,650	Time Warner, Inc.	731,423	7,350	Mastercard, Inc., Class A	4,222,575
21,608	Universal Technical Institute, Inc.	223,211	12,745	Mercury General Corp.	560,270
19,160	Value Line, Inc.	162,860	227,600	The Bank of New York Mellon Corp.	6,384,180
62,000	Wal-Mart Stores, Inc.	4,618,380	38,418	The Travelers Cos., Inc.	3,070,367
52,552	Weight Watchers International, Inc.	2,417,392	7,350	U.S. Bancorp	265,703
8,600	Yum! Brands, Inc.	596,324	3,974	Unum Group	116,716
		<u>32,069,979</u>	9,500	Visa, Inc., Class A	1,736,125
Consumer Staples - 30.0%			23,000	Waddell & Reed Financial, Inc., Class A	1,000,500
42,600	AbbVie, Inc.	1,761,084	500	Wells Fargo & Co.	20,635
11,050	Alkermes PLC (a)	316,914			<u>33,730,654</u>
451,578	Alliance One International, Inc. (a)	1,715,996	Health Care - 14.1%		
62,500	Altria Group, Inc.	2,186,875	42,600	Abbott Laboratories	1,485,888
187,002	Avon Products, Inc.	3,932,652	29,400	Becton Dickinson and Co.	2,905,602
19,200	Baxter International, Inc.	1,329,984	55,725	GlaxoSmithKline PLC, ADR	2,784,578
15,100	British American Tobacco PLC, ADR	1,554,394	315,117	Health Management Associates, Inc., Class A (a)	4,953,639
13,200	Coca-Cola HBC AG, ADR	308,616	53,450	Johnson & Johnson	4,589,217
3,404	Columbia Sportswear Co.	213,261	1,000	Laboratory Corp. of America Holdings (a)	100,100
9,375	Diageo PLC, ADR	1,077,656	100,753	Medtronic, Inc.	5,185,757
48,050	Dr. Pepper Snapple Group, Inc.	2,206,937	122,710	Merck & Co., Inc.	5,699,880
49,228	Express Scripts Holding Co. (a)	3,036,875	85,132	Pfizer, Inc.	2,384,547
182,889	Hospira, Inc. (a)	7,006,478	6,842	Quest Diagnostics, Inc.	414,831
20,100	Kelly Services, Inc., Class A	351,147	56,934	UnitedHealth Group, Inc.	3,728,038
3,620	Kraft Foods Group, Inc.	202,250	27,221	WellPoint, Inc.	2,227,767
4,450	Manpowergroup, Inc.	243,860	50,900	Zimmer Holdings, Inc.	3,814,446
208,132	Molson Coors Brewing Co., Class B	9,961,198			<u>40,274,290</u>
16,862	Mondelez International, Inc., Class A	481,073			
15,600	Monster Beverage Corp. (a)	948,012			
3,760	National Beverage Corp. (a)	65,687			
100	Nestle SA, ADR	6,578			
43,052	Paychex, Inc.	1,572,259			

AUXIER FOCUS FUND
SCHEDULE OF INVESTMENTS
JUNE 30, 2013

		<u>Value</u>		
Total Investments - 94.0%			PORTFOLIO HOLDINGS	
(Cost \$210,834,820)*		\$ 267,885,857	% of Net Assets	
Other Assets & Liabilities, Net – 6.0%		17,121,129	Common Stock	84.3%
Net Assets – 100.0%		\$ 285,006,986	Preferred Stock	0.4%
ADR	American Depositary Receipt		Corporate Non-Convertible Bonds	3.0%
LLC	Limited Liability Company		Foreign Municipal Bonds	0.5%
PLC	Public Limited Company		Municipal Bonds	0.2%
(a)	Non-income producing security.		U.S. Government & Agency Obligations	5.6%
(b)	Variable rate security. Rate presented is as of June 30, 2013.		Cash and Other Net Assets	6.0%
(c)	Zero coupon bond. Interest rate presented is yield to maturity.			<u>100.0%</u>
(d)	Rate presented is yield to maturity.			

* Cost for federal income tax purposes is \$210,840,574 and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$ 66,567,614
Gross Unrealized Depreciation	(9,522,331)
Net Unrealized Appreciation	<u>\$ 57,045,283</u>

The following is a summary of the inputs used to value the Fund's investments as of June 30, 2013.

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments At Value				
Common Stock				
Communications	\$16,450,432	\$ -	-	-\$16,450,432
Consumer Discretionary	32,069,979	-	-	32,069,979
Consumer Staples	85,621,873	-	-	85,621,873
Energy	12,624,980	-	-	12,624,980
Financials	33,730,654	-	-	33,730,654
Health Care	40,274,290	-	-	40,274,290
Industrials	4,196,238	-	-	4,196,238
Information Technology	7,564,846	-	-	7,564,846
Materials	5,493,835	-	-	5,493,835
Telecommunications	2,064,438	-	-	2,064,438
Utilities	175,668	-	-	175,668
Preferred Stock	-	1,103,200	-	1,103,200
Corporate Non-Convertible Bonds	-	8,638,477	-	8,638,477
Foreign Municipal Bonds	-	1,431,995	-	1,431,995
Municipal Bonds	-	445,115	-	445,115
U.S. Government & Agency Obligations	-	15,999,837	-	15,999,837
Total Investments At Value	<u>\$240,267,233</u>	<u>\$27,618,624</u>	<u>\$ -</u>	<u>-\$267,885,857</u>

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

AUXIER FOCUS FUND
STATEMENT OF ASSETS AND LIABILITIES
JUNE 30, 2013

ASSETS

Total investments, at value (Cost \$210,834,820)	\$ 267,885,857
Cash	17,103,456
Receivables:	
Fund shares sold	220,051
Investment securities sold	518,312
Dividends and interest	713,401
Prepaid expenses	23,179
Total Assets	<u>286,464,256</u>

LIABILITIES

Payables:	
Investment securities purchased	1,098,652
Fund shares redeemed	33,781
Accrued Liabilities:	
Investment adviser fees	239,681
Trustees' fees and expenses	180
Fund services fees	34,048
Other expenses	50,928
Total Liabilities	<u>1,457,270</u>

NET ASSETS

\$ 285,006,986

COMPONENTS OF NET ASSETS

Paid-in capital	\$ 222,578,263
Undistributed net investment income	1,595,099
Accumulated net realized gain	3,782,587
Net unrealized appreciation	57,051,037
NET ASSETS	<u>\$ 285,006,986</u>

SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)

Investor Shares	14,930,422
A Shares	115,834
Institutional Shares	284,729

NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE*

Investor Shares (based on net assets of \$277,536,365)	<u>\$ 18.59</u>
A Shares (based on net assets of \$2,157,645)	<u>\$ 18.63</u>
A Shares Maximum Public Offering Price Per Share (net asset value per share/(100%-5.75%))	<u>\$ 19.77</u>
Institutional Shares (based on net assets of \$5,312,976)	<u>\$ 18.66</u>

*Shares redeemed or exchanged within 180 days of purchase are charged a 2.00% redemption fee.

AUXIER FOCUS FUND
STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2013

INVESTMENT INCOME

Dividend income (Net of foreign withholding taxes of \$62,981)	\$ 5,501,808
Interest income	1,053,609
Total Investment Income	<u>6,555,417</u>

EXPENSES

Investment adviser fees	2,652,258
Fund services fees	339,349
Transfer agent fees:	
Investor Shares	60,575
A Shares	874
Institutional Shares	57
Distribution fees:	
A Shares	4,840
Custodian fees	26,969
Registration fees:	
Investor Shares	15,385
A Shares	1,832
Institutional Shares	7,430
Professional fees	48,203
Trustees' fees and expenses	8,894
Miscellaneous expenses	233,923
Total Expenses	<u>3,400,589</u>
Fees waived and expenses reimbursed	<u>(91,117)</u>
Net Expenses	<u>3,309,472</u>

NET INVESTMENT INCOME

3,245,945

NET REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) on:	
Investments	3,805,414
Foreign currency transactions	17
Net realized gain	<u>3,805,431</u>
Net change in unrealized appreciation (depreciation) on Investments	<u>30,379,936</u>

NET REALIZED AND UNREALIZED GAIN

34,185,367

INCREASE IN NET ASSETS FROM OPERATIONS

\$ 37,431,312

AUXIER FOCUS FUND
STATEMENTS OF CHANGES IN NET ASSETS

	<u>For the Year Ended June 30, 2013</u>		<u>For the Year Ended June 30, 2012</u>	
		<u>Shares</u>		<u>Shares</u>
OPERATIONS				
Net investment income	\$ 3,245,945		\$ 2,794,389	
Net realized gain	3,805,431		2,386,651	
Net change in unrealized appreciation (depreciation)	<u>30,379,936</u>		<u>4,018,817</u>	
Increase in Net Assets Resulting from Operations		<u>37,431,312</u>		<u>9,199,857</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM				
Net investment income:				
Investor Shares	(3,345,187)		(2,114,894)	
A Shares	(20,863)		(13,062)	
Institutional Shares	(25,206)		-	
Net realized gain:				
Investor Shares	(1,800,956)		(2,884,600)	
A Shares	(13,195)		(17,043)	
Institutional Shares	<u>(9,775)</u>		<u>-</u>	
Total Distributions to Shareholders		<u>(5,215,182)</u>		<u>(5,029,599)</u>
CAPITAL SHARE TRANSACTIONS				
Sale of shares:				
Investor Shares	46,679,365	2,687,515	103,203,829	6,529,964
A Shares	327,028	19,179	979,449	62,557
Institutional Shares	4,058,596	226,829	1,218,054	74,992
Reinvestment of distributions:				
Investor Shares	5,041,540	301,707	4,913,643	317,980
A Shares	30,079	1,797	28,684	1,855
Institutional Shares	34,981	2,092	-	-
Redemption of shares:				
Investor Shares	(49,230,617)	(2,816,017)	(32,622,079)	(2,041,326)
A Shares	(132,450)	(7,863)	(28,719)	(1,831)
Institutional Shares	(340,053)	(18,753)	(6,984)	(431)
Redemption fees	<u>32,290</u>	<u>-</u>	<u>74,935</u>	<u>-</u>
Increase in Net Assets from Capital Share Transactions	<u>6,500,759</u>	<u>396,486</u>	<u>77,760,812</u>	<u>4,943,760</u>
Increase in Net Assets		<u>38,716,889</u>		<u>81,931,070</u>
NET ASSETS				
Beginning of Year		<u>246,290,097</u>		<u>164,359,027</u>
End of Year (Including line (a))	<u>\$ 285,006,986</u>		<u>\$ 246,290,097</u>	
(a) Undistributed net investment income.	<u>\$ 1,595,099</u>		<u>\$ 1,734,396</u>	

AUXIER FOCUS FUND
FINANCIAL HIGHLIGHTS

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

	For the Years Ended June 30,				
	2013	2012	2011	2010	2009(a)
INVESTOR SHARES					
NET ASSET VALUE, Beginning of Year	\$ 16.49	\$ 16.45	\$ 13.49	\$ 12.16	\$ 14.22
INVESTMENT OPERATIONS					
Net investment income (b)	0.21	0.22	0.26	0.32	0.19
Net realized and unrealized gain (loss)	2.23	0.20(c)	3.00	1.27	(1.77)
Total from Investment Operations	2.44	0.42	3.26	1.59	(1.58)
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	(0.22)	(0.16)	(0.29)	(0.26)	(0.16)
Net realized gain	(0.12)	(0.23)	(0.01)	—	(0.32)
Total Distributions to Shareholders	(0.34)	(0.39)	(0.30)	(0.26)	(0.48)
REDEMPTION FEES (b)	—(d)	0.01	—(d)	—(d)	—(d)
NET ASSET VALUE, End of Year	\$ 18.59	\$ 16.49	\$ 16.45	\$ 13.49	\$ 12.16
TOTAL RETURN	15.06%	2.84%	24.35%	12.99%	(10.92)%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of Year (000's omitted)	\$277,536	\$243,366	\$163,699	\$100,712	\$84,660
Ratios to Average Net Assets:					
Net investment income	1.22%	1.36%	1.68%	2.29%	1.53%
Net expense	1.25%	1.25%	1.25%	1.30%	1.35%
Gross expense (e)	1.28%	1.27%	1.25%	1.30%	1.35%
PORTFOLIO TURNOVER RATE	11%	8%	20%	15%	24%

- (a) Effective November 1, 2008, C Shares were reclassified as Investor Shares. For the Period July 1, 2008 through November 1, 2008, total return for C Shares was (12.68)%. For the aforementioned period, the annualized gross expenses and net expenses ratios were 2.35% and 2.10% respectively.
- (b) Calculated based on average shares outstanding during each year.
- (c) The net realized and unrealized gain (loss) per share does not correlate to the aggregate of the net realized and unrealized loss in the Statement of Operations for the year ended June 30, 2012, primarily due to the timing of the sales and repurchases of the Fund's shares in relation to fluctuating market values for the Fund's portfolio.
- (d) Less than \$0.01 per share.
- (e) Reflects the expense ratio excluding any waivers and/or reimbursements.

AUXIER FOCUS FUND
FINANCIAL HIGHLIGHTS

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

	For the Years Ended June 30,				
	2013	2012	2011	2010	2009
A SHARES					
NET ASSET VALUE, Beginning of Year	\$ 16.49	\$ 16.45	\$ 13.49	\$ 12.17	\$ 14.22
INVESTMENT OPERATIONS					
Net investment income (a)	0.21	0.22	0.25	0.32	0.18
Net realized and unrealized gain (loss)	2.24	0.21(b)	3.01	1.26	(1.75)
Total from Investment Operations	2.45	0.43	3.26	1.58	(1.57)
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	(0.19)	(0.16)	(0.29)	(0.26)	(0.16)
Net realized gain	(0.12)	(0.23)	(0.01)	—	(0.32)
Total Distributions to Shareholders	(0.31)	(0.39)	(0.30)	(0.26)	(0.48)
REDEMPTION FEES (a)	—(c)	—(c)	—(c)	—(c)	—(c)
NET ASSET VALUE, End of Year	<u>\$ 18.63</u>	<u>\$ 16.49</u>	<u>\$ 16.45</u>	<u>\$ 13.49</u>	<u>\$ 12.17</u>
TOTAL RETURN (d)	15.06%	2.84%	24.35%	12.90%	(10.85)%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of Year (000's omitted)	\$2,158	\$1,694	\$660	\$157	\$148
Ratios to Average Net Assets:					
Net investment income	1.22%	1.39%	1.61%	2.29%	1.49%
Net expense	1.25%	1.25%	1.25%	1.30%	1.35%
Gross expense (e)	1.62%	1.52%	1.50%	1.55%	1.60%
PORTFOLIO TURNOVER RATE	11%	8%	20%	15%	24%

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

(b) The net realized and unrealized gain (loss) per share does not correlate to the aggregate of the net realized and unrealized loss in the Statement of Operations for the year ended June 30, 2012, primarily due to the timing of the sales and repurchases of the Fund's shares in relation to fluctuating market values for the Fund's portfolio.

(c) Less than \$0.01 per share.

(d) Total Return does not include the effect of front end sales charge or contingent deferred sales charge.

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

AUXIER FOCUS FUND
FINANCIAL HIGHLIGHTS

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

	For the Year Ended June 30, 2013	May 9, 2012 (a) through June 30, 2012
INSTITUTIONAL SHARES		
NET ASSET VALUE, Beginning of Period	\$ 16.50	\$ 16.27
INVESTMENT OPERATIONS		
Net investment income (b)	0.26	0.04
Net realized and unrealized gain	<u>2.22</u>	<u>0.19</u>
Total from Investment Operations	<u>2.48</u>	<u>0.23</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net investment income	(0.20)	—
Net realized gain	<u>(0.12)</u>	<u>—</u>
Total Distributions to Shareholders	<u>(0.32)</u>	<u>—</u>
REDEMPTION FEES (b)	<u>—(c)</u>	<u>—(c)</u>
NET ASSET VALUE, End of Period	<u>\$ 18.66</u>	<u>\$ 16.50</u>
TOTAL RETURN	15.28%	1.41%(d)
RATIOS/SUPPLEMENTARY DATA		
Net Assets at End of Period (000's omitted)	\$ 5,313	\$ 1,230
Ratios to Average Net Assets:		
Net investment income	1.48%	1.62%(e)
Net expense	1.00%	1.10%(e)
Gross expense (f)	1.55%	1.50%(e)
PORTFOLIO TURNOVER RATE	11%	8%(d)

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- (a) Commencement of operations.
(b) Calculated based on average shares outstanding during each period.
(c) Less than \$0.01 per share.
(d) Not annualized.
(e) Annualized.
(f) Reflects the expense ratio excluding any waivers and/or reimbursements.

Note 1. Organization

The Auxier Focus Fund (the "Fund") is a diversified portfolio 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 the Fund's shares of beneficial interest without par value. The Fund currently offers three classes of shares: Investor Shares, A Shares and Institutional Shares. A Shares are offered at net asset value plus a maximum sales charge of 5.75%. A Shares are also subject to contingent deferred sales charge ("CDSC") of 1.00% on purchases without an initial sales charge and redeemed less than one year after they are purchased. Investor Shares and Institutional Shares are not subject to a sales charge. Investor Shares, A Shares and Institutional Shares commenced operations on July 9, 1999, July 8, 2005 and May 9, 2012, respectively. The Fund's investment objective is to provide long-term capital appreciation.

On August 27, 2008, the Board of Trustees of the Trust approved the conversion of the Fund's C Shares into Investor Shares. On November 1, 2008, each shareholder of C Shares received Investor Shares in a dollar amount equal to their investment in C Shares as of that date.

Note 2. Summary of Significant Accounting Policies

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

Security Valuation – Exchange-traded securities and over-the-counter securities are valued using the last quoted sale or official closing price, provided by independent pricing services as of the close of trading on the market or exchange for which they are primarily traded, on each Fund business day. In the absence of a sale, such securities are valued at the mean of the last bid and ask price provided by independent pricing services. Non-exchange traded securities for which quotations are available are valued using the last quoted sales price, or in the absence of a sale at the mean of the last bid and ask prices provided by independent pricing services. Debt securities may be valued at prices supplied by a fund's pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics such as rating, interest rate and maturity. Shares of open-end mutual funds are valued at net asset value ("NAV"). Short-term investments that mature in 60 days or less may be valued at amortized cost.

The Fund values its investments at fair value pursuant to procedures adopted by the Trust's Board of Trustees (the "Board") if (1) market quotations are insufficient or not readily available or (2) the adviser believes that the values available are unreliable. The Trust's Valuation Committee, as defined in the Fund's registration statement, performs certain functions as they relate to the administration and oversight of the 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 the 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.

The 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 the 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 the Fund's own assumptions in determining the fair value of investments)

The aggregate value by input level, as of June 30, 2013, for the Fund's investments is included at the end of the Fund's Schedule of Investments.

Security Transactions, Investment Income and Realized Gain and Loss – Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Foreign dividend income is recorded on the ex-dividend date or as soon as possible after the Fund determines the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded on an accrual basis. 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.

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.

Distributions to Shareholders – Distributions to shareholders of net investment income and 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 the Fund, timing differences and differing characterizations of distributions made by the Fund.

Federal Taxes – The Fund intends to continue to qualify each year as a regulated investment company under Subchapter M of the Internal Revenue Code and to distribute all of its taxable income to shareholders. In addition, by distributing in each calendar year substantially all of its net investment income and capital gains, if any, the Fund will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required. The 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 June 30, 2013, there are no uncertain tax positions that would require financial statement recognition, de-recognition, or disclosure.

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

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

Redemption Fees – A shareholder who redeems shares within 180 days of purchase will incur a redemption fee of 2.00% of the current net asset value of shares redeemed, subject to certain limitations. The fee is charged for the benefit of the remaining shareholders and will be paid to the Fund to help offset transaction costs. The fee is accounted for as an addition to paid-in capital. The Fund reserves the right to modify the terms of or terminate the fee at any time. There are limited exceptions to the imposition of the redemption fee.

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

Note 3. Fees and Expenses

Investment Adviser – Auxier Asset Management LLC (the “Adviser”), is the investment adviser to the Fund. Pursuant to an investment advisory agreement, the Adviser receives an advisory fee from the Fund at an annual rate of 1.00% of the Fund’s average daily assets.

Distribution – Foreside Fund Services, LLC serves as the 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. The Fund has adopted a Distribution Plan (the “Plan”) for A 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 A Shares. The Distributor has no role in determining the investment policies or which securities are to be purchased or sold by the Trust or its Funds.

For the year ended June 30, 2013, there were \$12,783 in front-end sales charges assessed on the sale of A Shares and no contingent deferred sales charges were assessed on the sale of A Shares. The Distributor received \$1,830 of the total front-end sales charges. Such amounts are set aside by the Distributor and used solely for distribution-related expenses.

Other Service Providers – Atlantic provides fund accounting, fund administration, compliance and transfer agency services to the Fund. Atlantic also provides certain shareholder report production, and EDGAR conversion and filing services. Atlantic provides a Principal Executive Officer, a Principal Financial Officer, a Chief Compliance Officer, and an Anti-Money Laundering Officer to the Fund, as well as certain additional compliance support functions.

Trustees and Officers – The Trust pays each independent Trustee an annual retainer fee of \$45,000 for service to the Trust (\$66,000 for the Chairman). The Trustees and Chairman may receive additional fees for special Board meetings. Each Trustee is also reimbursed for all reasonable out-of-pocket expenses incurred in connection with his duties as a Trustee, including travel and related expenses incurred in attending Board meetings. The amount of Trustees’ fees attributable to the Fund is disclosed in the Statement of Operations. Certain officers of the Trust are also officers or employees of the above named service providers, and during their terms of office received no compensation from the Fund.

Note 4. Expense Reimbursements and Fees Waived

The Adviser has contractually agreed to waive a portion of its fees and reimburse expenses through October 31, 2015, to the extent necessary to maintain the total operating expenses at 1.25% of average daily net assets of the Investor Shares and A Shares and 1.00% of average daily net assets of Institutional Shares. These contractual waivers may only be raised or eliminated with consent of the Board. Other fund service providers have voluntarily agreed to waive a portion of their fees. These voluntary reductions may be reduced or eliminated at any time. For the year ended June 30, 2013, fees waived and expenses reimbursed were as follows:

Investment Adviser Fees Waived	Investment Adviser Expenses Reimbursed	Other Waivers	Total Fees Waived
\$ 6,397	\$ 19,030	\$ 65,690	\$ 91,117

Note 5. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments during the year ended June 30, 2013, were \$45,734,375 and \$25,171,492, respectively.

Note 6. Federal Income Tax and Investment Transactions

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

	<u>2013</u>	<u>2012</u>
Ordinary Income	\$ 4,175,748	\$ 2,278,235
Long-Term Capital Gain	1,039,434	2,751,364
	<u>\$ 5,215,182</u>	<u>\$ 5,029,599</u>

As of June 30, 2013, distributable earnings (accumulated loss) on a tax basis were as follows:

Undistributed Ordinary Income	\$	2,014,198
Undistributed Long-Term Gain		3,369,242
Unrealized Appreciation		57,045,283
Total	<u>\$</u>	<u>62,428,723</u>

The difference between components of distributable earnings on a tax basis and the amounts reflected in the Statement of Assets and Liabilities are primarily due to wash sales.

On the Statement of Assets and Liabilities, as a result of permanent book to tax differences, certain amounts have been reclassified for the year ended June 30, 2013. The following reclassification was the result of passive foreign investment companies and currency gain/loss reclassification and has no impact on the net assets of the Fund.

Accumulated Net Investment Income (Loss)	\$	6,014
Undistributed Net Realized Gain (Loss)		(6,014)

Note 7. Recent Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2011-11 related to disclosures about offsetting assets and liabilities. In January 2013, the FASB issued ASU No. 2013-01 which gives additional clarification to ASU 2011-11. The amendments in this ASU require an entity to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position. The ASU is effective for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. The guidance requires retrospective application for all comparative periods presented. Management is currently evaluating the impact these amendments may have on the Fund’s financial statements.

Note 8. Subsequent Events

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

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of Forum Funds
and the Shareholders of Auxier Focus Fund

We have audited the accompanying statement of assets and liabilities of the Auxier Focus Fund, a series of shares of beneficial interest in the Forum Funds, including the schedule of investments, as of June 30, 2013, and the related statement 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. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the 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 June 30, 2013 by correspondence with the custodian 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 Auxier Focus Fund as of June 30, 2013, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two year period then ended and its financial highlights for each of the years in the five year period then ended, in conformity with accounting principles generally accepted in the United States of America.

BBD, LLP

BBD, LLP

Philadelphia, Pennsylvania
August 15, 2013

Proxy Voting Information

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling (877) 328-9437, on the Fund's website at www.auxierasset.com and on the U.S. Securities and Exchange Commission's (the "SEC") website at www.sec.gov. The Fund's proxy voting record for the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling (877) 328-9437 and on the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedules

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. 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 Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments on certain classes, redemption fees, exchange fees, and CDSC fees, and (2) ongoing costs, including management fees, 12b-1 fees, and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund, and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from January 1, 2013, through June 30, 2013.

Actual Expenses – The first line under each share class of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during the period.

Hypothetical Example for Comparison Purposes – The second line under each share class of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

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

	Beginning Account Value January 1, 2013	Ending Account Value June 30, 2013	Expenses Paid During Period*	Annualized Expense Ratio*
Investor Shares				
Actual	\$ 1,000.00	\$ 1,117.85	\$ 6.56	1.25%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,018.60	\$ 6.26	1.25%
A Shares				
Actual	\$ 1,000.00	\$ 1,118.25	\$ 6.57	1.25%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,018.60	\$ 6.26	1.25%

AUXIER FOCUS FUND
 ADDITIONAL INFORMATION (Unaudited)
 JUNE 30, 2013

	Beginning Account Value January 1, 2013	Ending Account Value June 30, 2013	Expenses Paid During Period*	Annualized Expense Ratio*
Institutional Shares				
Actual	\$ 1,000.00	\$ 1,120.05	\$ 5.05	0.96%
Hypothetical (5% return before taxes)	\$ 1,000.00	\$ 1,020.03	\$ 4.81	0.96%

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

Federal Tax Status of Dividends Declared during the Tax Year

For federal income tax purposes, dividends from short-term capital gains are classified as ordinary income. The Fund designates 91.62% of its income dividend distributed as qualifying for the corporate dividends-received deduction (DRD) and 100.00% for the qualified dividend rate (QDI) as defined in Section 1(h)(11) of the Internal Revenue Code. The Fund also designates 14.76% of its income dividends as qualified interest income exempt from U.S. tax for foreign shareholders (QII) and 18.79% of its income dividends as qualified short-term gain exempt from U.S. tax for foreign shareholders (QSD).

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. The Fund's Statement of Additional Information includes additional information about the Trustees and is available, without charge and upon request, by calling (877) 328-9437.

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series of Trust 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.	24	0
Costas Azariadis Born: 1943	Trustee	Since 1989	Professor of Economics, Washington University since 2006.	24	0
James C. Cheng Born: 1942	Trustee; Chairman, Audit Committee	Since 1989	President, Technology Marketing Associates (marketing company for small- and medium-sized businesses in New England) since 1991.	24	0

AUXIER FOCUS FUND

ADDITIONAL INFORMATION (Unaudited)

JUNE 30, 2013

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series of Trust Overseen by Trustee	Other Directorships Held by Trustee
David Tucker Born: 1958	Trustee	Since 2011	Director, Blue Sky Experience since 2008; Senior Vice President & General Counsel, American Century Companies 1998-2008.	24	Trustee, Forum Funds II and Forum ETF Trust
Interested Trustee John Y. Keffer ¹ Born: 1942	Trustee; Vice Chairman	Since 1989	Chairman, Atlantic since 2008; 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.	24	Director, Wintergreen Fund, Inc.; Trustee, Forum Funds II and Forum ETF Trust
Officers					
Stacey E. Hong Born: 1966	President; Principal Executive Officer	Since 2008	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
David Faherty Born: 1970	Vice President	Since 2009	Senior Counsel, Atlantic since 2009; Vice President, Citi Fund Services Ohio, Inc. 2007-2009.	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
Lina Bhatnagar Born: 1971	Secretary	Since 2008	Senior Administration Specialist, Atlantic since 2008.	N/A	N/A

¹Atlantic is a subsidiary of Forum Holdings Corp. I, a Delaware corporation that is wholly owned by Mr. Keffer.

Auxier Focus Fund

FOR MORE INFORMATION

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