
Auxier Focus Fund

Semi-Annual Report

December 31, 2003
(Unaudited)

Fund Advisor:

Auxier Asset Management, LLC
5000 S. W. Meadows Rd.
Suite 410
Lake Oswego, OR 97035

Toll Free: 877-3Auxier or (877) 328-9437

**AUXIER FOCUS FUND
PERFORMANCE UPDATE
DECEMBER 31, 2003**

| | Average Annual Total Returns (for periods ended December 31, 2003) | | | |
|-------------------|---|----------------|---------------|--|
| | <u>3 month</u> | <u>6 month</u> | <u>1 Year</u> | <u>Since Inception (December 31, 1998)</u> |
| Auxier Focus Fund | 11.68% | 15.79% | 26.75% | 8.23% |
| S&P 500 Index | 12.16% | 15.13% | 28.66% | -3.25% |

The S&P 500 Index is a widely recognized unmanaged index of common stock prices and is representative of a broader market and range of securities than is found in the Fund's portfolio. Individuals cannot invest directly in the index. Performance figures reflect the change in value of the stocks in the index, and reinvestment of dividends. The index returns do not reflect expenses, which have been deducted from the Fund's return. The performance of the Fund is computed on a total return basis, which includes reinvestment of all dividends and capital gains. THE FUND'S RETURN REPRESENTS PAST PERFORMANCE AND DOES NOT PREDICT FUTURE RESULTS. Investment returns and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

For a prospectus and more information, including charges and expenses, call toll free 1-877-328-9437. The prospectus should be read carefully before investing. Past performance does not guarantee future results. Shares when redeemed may be worth more or less than their original cost. Distributed by Unified Financial Securities, Inc, 431 N. Pennsylvania St. Indianapolis, IN 46204. Member NASD.

Management's Discussion of Fund Performance

Dear Fellow Shareholders,

The General Stock Market

The bellwether S&P 500 Index returned 15.13% for the six months ended December 31, 2003, and 28.66% for the year 2003. Still, the Index is down -11.67% over the past three years and -2.80% over the past five years. The investment moral: The sins of overpayment at bubble price levels can be hazardous to your portfolio's health. The market's sharp rebound in 2003 is normal, considering that the March 2000-March 2003 period marked a decline of close to -48%.

Since the March 2003 lows, the economy and the markets have benefited from hyper-stimulative measures by the U.S. federal government. These measures include low interest rates, tax cuts, and big spending. Many of the biggest movers in 2003 were low quality companies hit the hardest during the prior three years. Recently, stocks rated A+ by Standard and Poor's were trading at a 22% discount to stocks rated B, based on 2004 S&P earnings estimates.

Coming out of a recession, the lowest quality companies often outperform in anticipation of a dramatic upturn in profits. Once the profit cycle moderates, the backdrop tends to favor higher quality businesses.

Fund Results in 2003

The Auxier Focus Fund gained 15.79% for the six months ended December 31, 2003, slightly outperforming the S&P 500 Index, which returned 15.13% during the same period. As stated in prior letters, the Fund strives to match strong up-markets while outperforming materially in flat-to-down periods. To benefit fully from compounding, we feel this approach is most conducive to staying the course, especially in difficult times. The Fund's total return for the year ended December 31, 2003 was 26.75%. The stock portion of the Fund returned over 38% for the year while the corporate bond and preferred stock "work-outs" (described below) appreciated over 13%. Throughout the year, the Fund's average exposure to stocks was approximately 74%.

Work-outs

To add stability and predictability to returns, the Fund typically has a portion of its portfolio in fixed income securities that have a timetable. We refer to these securities as “work-outs,” because they are dependent upon a corporate-driven event or catalyst, as opposed to the supply and demand of the auction markets. Work-outs can arise from reorganizations, mergers, split-offs, spin-offs, sell-outs, etc. While these can be very rewarding in flat-to-down markets, they can penalize returns in a strong up-market. Over the past two years, this category has included corporate debt and preferred stock. As corporations overborrowed in the boom times, balance sheets suffered. This led to urgent actions to reduce debt, which benefited bondholders.

Typical Situations

Our goal in managing the Fund is to achieve a long-term record superior to the S&P 500 Index while taking far less risk. Our ideal investment scenario is one where we are able to purchase a very high quality, high return business with exceptional management selling at a wash-out, bargain price. We also look to invest in businesses whose sales and profits are progressing at a sustainable rate and whose prices are low due to misperceptions surrounding the true facts and fundamentals. We weigh the odds in an attempt to ensure that the potential rewards more than compensate for the level of risk. A stagnant price is normal and welcome while we are buying. As overall market levels become risky and overvalued, we then look for the “work-outs” that often can provide positive returns but shield us from sharp market declines. Rising prices lead us to adopt a more defensive posture.

Final Thoughts

In light of the numerous mutual fund scandals, we think it is timely to revisit a few of the guiding principles of Auxier Asset Management.

- We try hard to be intelligent and rational in the decision-making process.
- We work hard to anticipate and avoid conflicts of interest.
- We believe that money management is a serious responsibility, a privilege that we do not take lightly.
- We focus on the Fund’s investment objectives, and follow up with accountability, disclosure and candid, fact-based reporting on a regular basis.
- Our daily research effort is dedicated, persistent and diligent.

Thank you very much for your continued trust.

Jeff Auxier
President
Auxier Asset Management

Auxier Focus Fund
Schedule of Investments
December 31, 2003 (Unaudited)

| Common Stocks - 73.25% | Shares | Value |
|---|---------------|------------------|
| Accident & Health Insurance - 3.01% | | |
| AON Corp. | 12,500 | \$ 299,250 |
| Unumprovident Corp. | 49,600 | 782,192 |
| | | <u>1,081,442</u> |
| Aircraft - 0.53% | | |
| Boeing Co. | 4,500 | 189,630 |
| Beverages - 2.06% | | |
| Diageo Plc. (c) | 14,000 | 740,040 |
| Bottled & Canned Soft Drinks & Carbonated Waters - 0.43% | | |
| National Beverage Corp. (a) | 9,500 | 154,850 |
| Cable & Other Pay Television Services - 0.21% | | |
| Liberty Media Corp. (a) | 6,247 | 74,277 |
| Commercial Banks - 1.40% | | |
| City Bank of Lynnwood, WA | 15,500 | 503,750 |
| Construction, Mining & Materials Handling Machinery & Equip. - 0.34% | | |
| Dover Corp. | 3,100 | 123,225 |
| Dairy Products - 0.11% | | |
| Lifeway Foods, Inc. | 2,867 | 38,705 |
| Electric Housewares & Fans - 0.26% | | |
| Helen of Troy Ltd. (a) | 4,000 | 92,600 |
| Electric Services - 1.37% | | |
| Duke Energy Inc. | 24,000 | 490,800 |
| Electronic Computers - 0.18% | | |
| Ceridian Corp. (a) | 3,000 | 62,820 |
| Electronic Connectors - 0.85% | | |
| Tyco International Ltd.. | 11,500 | 304,750 |
| Federal & Federally - Sponsored Credit Agencies - 2.02% | | |
| Fannie Mae | 6,000 | 450,360 |
| Freddie Mac | 4,700 | 274,104 |
| | | <u>724,464</u> |
| Finance Services - 1.01% | | |
| American Express Co. | 7,500 | 361,725 |
| Fire, Marine & Casualty Insurance - 5.11% | | |
| American International Group, Inc. | 6,000 | 397,680 |
| Berkshire Hathaway, Inc. - Class B (a) | 35 | 98,525 |
| Chubb Corp. | 2,500 | 170,250 |
| SAFECO Corp. | 4,000 | 155,720 |
| Travelers Property Casualty Corp. Class A | 60,050 | 1,007,639 |
| Travelers Property Casualty Corp. Class B | 310 | 5,261 |
| | | <u>1,835,075</u> |

See accompanying notes which are an integral part of the financial statements.

Auxier Focus Fund
Schedule of Investments-Continued
December 31, 2003 (Unaudited)

| Common Stocks - 73.25% (Continued) | Shares | Value |
|---|---------------|------------------|
| Food and Kindred Products - 2.21% | | |
| Altria Group, Inc. | 12,300 | \$ 669,366 |
| Nestle SA (c) | 2,000 | 124,924 |
| | | <u>794,290</u> |
| Hospital & Medical Service Plans - 3.02% | | |
| Anthem, Inc. | 5,000 | 375,000 |
| First Health Group Corp. | 36,500 | 710,290 |
| | | <u>1,085,290</u> |
| Iron & Steel Foundries - 0.28% | | |
| Precision Castparts Corp. | 2,200 | 99,902 |
| Laboratory Analytical Instruments - 0.88% | | |
| Waters Corp. (a) | 9,500 | 315,020 |
| Miscellaneous Shopping Goods Stores - 0.14% | | |
| Office Depot, Inc. (a) | 3,000 | 50,130 |
| Motorcycles, Bicycles & Parts - 0.13% | | |
| Harley-Davidson, Inc. | 1,000 | 47,530 |
| Motor Vehicles & Passenger Car Bodies - 0.35% | | |
| General Motors Corp. | 2,375 | 126,825 |
| National Commercial Banks - 3.21% | | |
| Bank One Corp. | 4,200 | 191,478 |
| Citigroup, Inc. | 3,893 | 188,966 |
| Fleet Boston Corp. | 13,700 | 598,005 |
| MBNA Corp. | 7,000 | 173,950 |
| | | <u>1,152,399</u> |
| Oil & Gas Field Services - 0.57% | | |
| Willbros Group, Inc. (a) | 17,000 | 204,340 |
| Operative Builders - 0.49% | | |
| D.R. Horton, Inc. | 4,050 | 175,203 |
| Paper board containers & boxes - 0.38% | | |
| Longview Fibre Co. | 11,000 | 135,850 |
| Periodicals: Publishing or Publishing & Printing - 0.14% | | |
| Martha Stewart Living Omnimedia, Inc. | 5,000 | 49,250 |
| Petroleum Refining - 1.04% | | |
| ChevronTexaco Corp. | 4,000 | 345,560 |
| PetroChina Company Limited ADR | 500 | 28,525 |
| | | <u>374,085</u> |
| Pharmaceutical Preparations - 3.21% | | |
| Johnson & Johnson | 11,500 | 594,090 |
| Merck & Co., Inc. | 5,600 | 258,720 |
| Pfizer, Inc. | 8,500 | 300,305 |
| | | <u>1,153,115</u> |

See accompanying notes which are an integral part of the financial statements.

Auxier Focus Fund
Schedule of Investments-Continued
December 31, 2003 (Unaudited)

| Common Stocks - 73.25% (Continued) | Shares | Value |
|--|------------------|---|
| Property Management - 0.23% FirstService Corp. (a) | 4,000 | \$ 83,760 |
| Radio & Tv Broadcasting & Communications Equipment - 0.20% Motorola, Inc. | 4,975 | <u>69,998.00</u> |
| Radiotelephone Communications - 0.27% AT&T Wireless Services, Inc. | 12,000 | <u>95,880</u> |
| Real Estate Investment Trusts - 1.53% Plum Creek Timber Co., Inc. | 18,000 | <u>548,100</u> |
| Refuse Systems - 0.90% Waste Management, Inc. | 10,900 | <u>322,640</u> |
| Retail - Drug Stores & Proprietary Stores - 0.24% CVS Corp. Medco Health Solutions, Inc. | 1,800 675 | 65,016 <u>22,943</u> <u>87,959</u> |
| Retail - Eating Places - 1.60% McDonald's Corp. Yum! Brands, Inc. (a) | 8,000 11,000 | 198,640 <u>378,400</u> <u>577,040</u> |
| Retail - Grocery Stores - 1.54% Kroger Corp. (a) Safeway, Inc. (a) | 14,500 13,000 | 268,395 <u>284,830</u> <u>553,225</u> |
| Retail - Jewelry Stores - 0.36% Zale Corp. (a) | 2,400 | <u>127,680</u> |
| Retail - Lumber & Other Building Materials Dealers - 0.20% Home Depot Inc. | 2,000 | <u>70,980</u> |
| Retail - Variety Stores - 0.41% Costco Wholesale Corp. | 4,000 | <u>148,720</u> |
| Savings Institution, Federally Chartered - 0.21% Washington Federal, Inc. | 2,600 | <u>73,840</u> |
| Savings Institutions, Not Federally Chartered - 1.73% Washington Mutual, Inc. | 15,450 | <u>619,854</u> |
| Services - Advertising -0.25% Valassis Communications, Inc. (a) | 3,000 | <u>88,050</u> |
| Services - Advertising Agencies - 2.48% Catalina Marketing Corp. The Interpublic Group of Co., Inc. | 22,900 27,500 | 461,664 <u>429,000</u> <u>890,664</u> |

See accompanying notes which are an integral part of the financial statements.

Auxier Focus Fund
Schedule of Investments-Continued
December 31, 2003 (Unaudited)

| Common Stocks - 73.25% (Continued) | Shares | Value |
|--|---------------|------------------|
| Services - Business Services - 3.73% | | |
| BISYS Group, Inc. | 27,700 | \$ 412,176 |
| Efunds Corp. (a) | 53,400 | 926,490 |
| | | <u>1,338,666</u> |
| Services - Computer Processing & Data Preparation - 4.41% | | |
| Automatic Data Processing, Inc. | 11,000 | 435,710 |
| Concord EFS, Inc. (a) | 28,000 | 415,520 |
| IMS Health, Inc. | 25,000 | 621,500 |
| SunGard Data Systems, Inc. (a) | 4,000 | 110,840 |
| | | <u>1,583,570</u> |
| Services - Computer Programming, Data Processing, Etc. - 1.23% | | |
| Electronic Data Systems Corp. | 18,000 | 441,720 |
| Services - Consumer Credit Reporting, Collection Agencies - 0.61% | | |
| Choicepoint, Inc. (a) | 5,700 | 217,113 |
| Services - Educational Services - 0.46% | | |
| ITT Educational Services, Inc. (a) | 1,100 | 51,667 |
| Learning Tree International, Inc. (a) | 6,600 | 114,774 |
| | | <u>166,441</u> |
| Services - General Medical & Surgical Hospitals - 2.79% | | |
| HCA, Inc. | 10,000 | 429,600 |
| Health Management Associates, Inc. | 14,200 | 340,800 |
| Tenet Healthcare Corp. | 11,000 | 176,550 |
| Universal Health Services, Inc. | 1,000 | 53,720 |
| | | <u>1,000,670</u> |
| Services-Home Health Care Services - 0.24% | | |
| Apria Healthcare Group, Inc. | 3,000 | 85,410 |
| Services - Management Consulting Services - 1.79% | | |
| Maximus, Inc. (a) | 16,400 | 641,732 |
| Services - Medical Laboratories - 2.02% | | |
| Laboratory Corp. of America Holdings | 19,600 | 724,220 |
| Services - Misc Health & Allied Services - 0.08% | | |
| Lincare Holdings, Inc. | 1,000 | 30,030 |
| Services - Motion Picture & Video Tape Production - 1.05% | | |
| Time Warner, Inc. | 21,000 | 377,790 |
| Services - Packaged Software - 0.55% | | |
| Equifax, Inc. | 8,000 | 196,000 |
| Services - Specialty Outpatient Facilities - 0.78% | | |
| SeraCare, Inc. (a) | 27,650 | 280,094 |

See accompanying notes which are an integral part of the financial statements.

Auxier Focus Fund
Schedule of Investments-Continued
December 31, 2003 (Unaudited)

| Common Stocks - 73.25% (Continued) | Shares | Value |
|---|---------------|-------------------|
| State Commercial Bank - 0.37% | | |
| Bank of New York, Inc. | 2,000 | \$ 66,240 |
| Cascade Financial Corp. | 2,500 | 48,448 |
| Frontier Financial Corp. | 500 | 16,580 |
| | | <u>131,268</u> |
| Surety Insurance - 1.04% | | |
| The PMI Group, Inc. | 10,000 | <u>372,300</u> |
| Surgical & Medical Instruments & Apparatus - 3.82% | | |
| Baxter International, Inc. | 13,500 | 412,020 |
| Guidant Corp. | 11,600 | 698,320 |
| Utah Medical Products, Inc. (a) | 10,000 | 259,200 |
| | | <u>1,369,540</u> |
| Telephone Communications (No Radiotelephone) - 0.17% | | |
| Sprint Corp. | 3,800 | <u>62,396</u> |
| Television Broadcasting Stations - 0.77% | | |
| Grupo Televisa, S.A. (c) | 6,900 | <u>275,034</u> |
| Tobacco Products - 0.25% | | |
| UST, Inc. | 2,500 | <u>89,225</u> |
| TOTAL COMMON STOCKS (Cost \$21,725,531) | | <u>26,282,991</u> |

| Corporate Bonds - 12.55% | Principal Amount | |
|--|-------------------------|---------|
| Coastal Corp. Note, 6.700%, 02/15/2027 | \$190,000 | 178,125 |
| Coastal Corp. Note, 6.200%, 05/15/2004 | 55,000 | 55,550 |
| Coastal Corp. Note, 6.500%, 06/1/2008 | 115,000 | 105,081 |
| Coastal Corp. Note, 7.500%, 08/15/2006 | 220,000 | 214,775 |
| Danka Business Systems, 10.000%, 4/1/2008 | 100,000 | 81,750 |
| Duke Capital Corp., 7.250%, 10/1/2004 | 360,000 | 372,460 |
| Finova Capital Corp., 7.500%, 11/15/2009 | 361,000 | 218,405 |
| Fruit of the Loom, 7.375%, 11/15/2023 | 50,000 | - |
| GMAC, 7.500%, 01/15/2012 | 40,000 | 40,084 |
| GMAC, 5.750%, 10/15/2006 | 100,000 | 103,670 |
| GMAC, 6.875%, 09/15/2011 | 200,000 | 215,749 |
| General Motors Corp., 7.125%, 7/15/2013 | 135,000 | 148,310 |
| Indianapolis Power & Light Co., 6.050%, 2/1/2004 | 30,000 | 30,073 |
| Indianapolis Power & Light Co., 8.000%, 10/15/2006 | 255,000 | 283,045 |
| Indianapolis Power & Light Co., 7.375%, 8/1/2007 | 65,000 | 72,119 |
| Monongahela Power, 5.000%, 10/01/2006 | 50,000 | 51,125 |
| Nevada Power Company, 6.200%, 04/15/2004 | 65,000 | 65,731 |
| Newpark Resource, Inc., 8.625%, 12/15/2007 | 50,000 | 52,000 |
| Pacific Gas & Electric, 6.250%, 03/01/2004 | 130,000 | 130,975 |
| Pacific Gas & Electric, 6.750%, 10/01/2023 | 21,000 | 21,735 |
| Pacific Gas & Electric, 5.875%, 10/01/2005 | 125,000 | 126,562 |
| Pacific Gas & Electric, 8.250%, 11/01/2022 | 60,000 | 62,400 |
| Sierra Pacific Power Company, 8.00%, 06/01/2008 | 275,000 | 299,063 |
| Southern California Edison, 6.375%, 01/15/2006 | 50,000 | 53,250 |
| Southern California Edison, 6.900%, 10/01/2018 | 100,000 | 102,750 |

See accompanying notes which are an integral part of the financial statements.

Auxier Focus Fund
Schedule of Investments-Continued
December 31, 2003 (Unaudited)

| | <u>Principal Amount</u> | <u>Value</u> |
|---|-----------------------------|------------------|
| Corporate Bonds - 12.55% (continued) | | |
| Southern Energy Inc., 7.900%, 7/15/2009 | 200,000 | \$ 130,000 |
| Tenet Healthcare Corp., 6.375%, 12/1/2011 | 295,000 | 284,675 |
| Transportacion Maritima Mexica, 9.500%, 5/15/2003 (a) (d) | 70,000 | 72,100 |
| Tyco International Ltd. Note, 5.875%, 11/01/2004 | 50,000 | 51,625 |
| Tyco International Ltd. Note, 6.375%, 01/15/2004 | 50,000 | 50,000 |
| WMX Technologies, Inc. 7.000%, 05/15/2005 | 51,000 | 54,095 |
| Waste Management, Inc., 7.650%, 03/15/2011 | 571,000 | 666,097 |
| Waste Management, Inc., 7.375%, 08/01/2010 | 94,000 | 108,764 |
| TOTAL CORPORATE BONDS (Cost \$4,211,376) | | <u>4,502,143</u> |
| Municipal Bonds -2.82% | | |
| Ontario Hydro Residual Strip, 0.00%, 10/15/2021 (a) | 1,095,000 | 303,343 |
| Ontario Hydro Residual Strip, 0.00%, 8/18/2022 (a) | 235,000 | 60,828 |
| Ontario Hydro Residual Strip, 0.00%, 10/1/2020 (a) | 1,500,000 | 443,395 |
| Ontario Hydro Residual Strip, 0.00%, 11/27/2020 (a) | 706,000 | <u>205,687</u> |
| TOTAL MUNICIPAL BONDS (Cost \$872,728) | | <u>1,013,253</u> |
| Preferred Stocks - 2.50% | | |
| | <u>Shares</u> | |
| AEP Texas Central Co. 4.00% | 305 | \$ 22,875 |
| Boston Edison Co. 4.25% | 200 | 14,100 |
| Cincinnati Gas & Electric Co. 4.75% | 300 | 24,872 |
| Cincinnati Gas & Electric Co. 4.00% | 400 | 31,700 |
| Connecticut Light & Power Co. \$2.00 | 1,000 | 32,000 |
| Connecticut Light & Power Co. 3.90% | 1,500 | 46,500 |
| Connecticut Light & Power Co. \$1.90 | 1,500 | 43,875 |
| Dayton Power & Light Co. 3.90% | 1,500 | 96,000 |
| Great Plains Energy Inc. 4.50% | 1,300 | 98,800 |
| Hawaiian Electric Co. 4.25% | 4,000 | 49,000 |
| Indianapolis Power & Light Co. 4.00% | 300 | 13,800 |
| MidAmerican Energy Co. 3.90% | 80 | 5,600 |
| MidAmerican Energy Co. 3.30% | 78 | 4,212 |
| Mississippi Power Co. 7.00% | 600 | 58,800 |
| Monongahela Power Co. 4.40% | 100 | 6,510 |
| Northern Indiana Public Services Co. 4.25% | 1,300 | 96,070 |
| Pacific Enterprises Inc. 4.50% | 1,000 | 82,700 |
| PECO Energy Co. 3.80% | 400 | 28,000 |
| Public Service Electric & Gas Co. 4.08% | 945 | 71,820 |
| TXU US Holdings Co. \$5.08 | 600 | 48,000 |
| Westar Energy Inc. 4.25% | 300 | <u>19,847</u> |
| TOTAL PREFERRED STOCKS (Cost \$836,464) | | <u>895,081</u> |
| Exchange Traded Funds - 0.45% | | |
| iShares MSCI Germany Index Fund | 10,000 | <u>161,900</u> |
| TOTAL EXCHANGE TRADED FUNDS (Cost \$94,200) | | <u>161,900</u> |

See accompanying notes which are an integral part of the financial statements.

Auxier Focus Fund
Schedule of Investments-Continued
December 31, 2003 (Unaudited)

| | <u>Shares</u> | <u>Value</u> |
|---|---------------|-----------------------------|
| Money Market Securities - 8.21% | | |
| Huntington Money Market Fund, 0.20%, (Cost \$2,946,391) (b) | 2,946,391 | \$ 2,946,391 |
| TOTAL MONEY MARKET SECURITIES | | <u>2,946,391</u> |
| TOTAL INVESTMENTS (Cost \$30,686,690) - 99.78% | | <u>\$ 35,801,759</u> |
| Cash and other assets less liabilities - 0.22% | | <u>79,499</u> |
| TOTAL NET ASSETS - 100.00% | | <u><u>\$ 35,881,258</u></u> |

(a) Non-income producing.

(b) Variable rate security; the coupon rate shown represents the rate at June 30, 2003.

(c) American Depositary Receipt

(d) The bond is in default and past its maturity date. The company is in negotiations with bondholders to pay the bond.

Auxier Focus Fund
Statement of Assets and Liabilities
December 31, 2003
(Unaudited)

Assets

| | |
|---|-------------------|
| Investments in securities, at value (cost \$30,686,690) | \$ 35,801,759 |
| Receivable for fund shares sold | 154,727 |
| Interest receivable | 69,549 |
| Dividends receivable | 37,217 |
| Total assets | <u>36,063,252</u> |

Liabilities

| | |
|-------------------------------------|----------------|
| Payable for investments purchased | 137,068 |
| Accrued advisory fees | 39,159 |
| Payable for fund shares repurchased | 5,767 |
| Total liabilities | <u>181,994</u> |

Net Assets

\$ 35,881,258

Net Assets consist of:

| | |
|---|----------------|
| Capital Stock and paid in capital | \$ 30,795,300 |
| Undistributed net investment income (loss) | 16,205 |
| Accumulated net realized gain (loss) on investments | (45,316) |
| Net unrealized appreciation (depreciation) on: | |
| investment securities | 4,960,764 |
| currency | 154,305 |
| | <u>154,305</u> |

Net Assets

\$ 35,881,258

Net Asset Value

Offering price and redemption price per share (\$35,881,258 / 2,688,111 shares outstanding) \$ 13.35

Auxier Focus Fund
Statement of Operations
Six Months ended December 31, 2003
(Unaudited)

| | |
|--|---------------------|
| Investment Income | |
| Dividend income | \$ 197,625 |
| Interest income | 213,034 |
| Total Income | <u>410,659</u> |
| Expenses | |
| Investment advisor fee | 199,375 |
| Trustee expenses | 958 |
| Total Expenses | <u>200,333</u> |
| Reimbursed expenses (a) | (958) |
| Net operating expenses | <u>199,375</u> |
| Net Investment Income (Loss) | <u>211,284</u> |
| Realized & Unrealized Gain (Loss) | |
| Net realized gain (loss) on investment securities | 10,171 |
| Capital gain income from other investment companies | 10,182 |
| Change in net unrealized appreciation (depreciation) on: | |
| investment securities | 4,184,737 |
| currency | 49,855 |
| Net realized and unrealized gain (loss) on investment securities | <u>4,254,945</u> |
| Net increase (decrease) in net assets resulting from operations | <u>\$ 4,466,229</u> |

(a) See note 3 to the financial statements.

Auxier Focus Fund
Statement of Changes In Net Assets

| Increase (Decrease) in Net Assets | Six Months ended Dec. 31, 2003 (Unaudited) | Year ended June 30, 2003 |
|---|---|-------------------------------------|
| Operations | | |
| Net investment income (loss) | \$ 211,284 | \$ 375,499 |
| Net realized gain (loss) on investment securities | 10,171 | (44,938) |
| Capital gain income from other investment companies | 10,182 | |
| Change in net unrealized appreciation (depreciation) | <u>4,234,592</u> | <u>1,120,832</u> |
| Net increase (decrease) in net assets resulting from operations | <u>4,466,229</u> | <u>1,451,393</u> |
| Distributions | | |
| From net investment income | (452,176) | (172,070) |
| From net realized gain | - | (289,084) |
| Total distributions | <u>(452,176)</u> | <u>(461,154)</u> |
| Capital Share Transactions | | |
| Proceeds from shares sold | 7,035,679 | 11,831,518 |
| Reinvestment of distributions | 451,024 | 460,746 |
| Amount paid for shares repurchased | <u>(759,679)</u> | <u>(4,780,526)</u> |
| Net increase (decrease) in net assets resulting from share transactions | <u>6,727,024</u> | <u>7,511,738</u> |
| Total Increase (Decrease) in Net Assets | <u>10,741,077</u> | <u>8,501,978</u> |
| Net Assets | | |
| Beginning of period | <u>25,140,181</u> | <u>16,638,203</u> |
| End of period [including accumulated net investment income (loss) of \$16,205 and \$246,914, respectively] | <u>\$ 35,881,258</u> | <u>\$ 25,140,181</u> |
| Capital Share Transactions | | |
| Shares sold | 561,821 | 1,099,134 |
| Shares issued in reinvestment of distributions | 34,143 | 42,940 |
| Shares repurchased | <u>(61,021)</u> | <u>(458,027)</u> |
| Net increase (decrease) from capital transactions | <u>534,943</u> | <u>684,047</u> |

See accompanying notes which are an integral part of the financial statements.

Auxier Focus Fund
Financial Highlights

| | <u>Six Months ended</u> <u>Dec. 31, 2003</u> <u>(Unaudited)</u> | <u>Year ended</u> <u>Jun. 30, 2003</u> | <u>Year ended</u> <u>Jun. 30, 2002</u> | <u>Year ended</u> <u>Jun. 30, 2001</u> | <u>Period ended</u> <u>Jun. 30, 2000</u> (a) |
|---|---|---|---|---|---|
| Selected Per Share Data | | | | | |
| Net asset value, beginning of period | \$ 11.68 | \$ 11.33 | \$ 11.43 | \$ 9.99 | \$ 10.00 |
| Income from investment operations: | | | | | |
| Net investment income (loss) | 0.06 | 0.20 | 0.08 | 0.17 | 0.18 |
| Net realized and unrealized gain (loss) | 1.78 | 0.42 | (0.07) | 1.43 | (0.16) |
| Total from investment operations | 1.84 | 0.62 | 0.01 | 1.60 | 0.02 |
| Less Distributions to shareholders: | | | | | |
| From net investment income | (0.17) | (0.10) | (0.09) | (0.13) | (0.03) |
| From net realized gain | - | (0.17) | (0.02) | (0.03) | - |
| Total distributions | (0.17) | (0.27) | (0.11) | (0.16) | (0.03) |
| Net asset value, end of period | \$ 13.35 | \$ 11.68 | \$ 11.33 | \$ 11.43 | \$ 9.99 |
| Total Return | 15.79% (b) | 5.72% | 0.07% | 16.11% | 0.23% (b) |
| Ratios and Supplemental Data | | | | | |
| Net assets, end of period (000) | \$ 35,881 | \$ 25,141 | \$ 16,638 | \$ 7,084 | \$ 1,336 |
| Ratio of expenses to average net assets | 1.34% (c) | 1.35% | 1.35% | 1.35% | 1.35% (c) |
| Ratio of expenses to average net assets before waiver & reimbursement | 1.35% (c) | 1.36% | 1.37% | 1.41% | 1.62% (c) |
| Ratio of net investment income to average net assets | 1.43% (c) | 1.89% | 0.73% | 1.56% | 1.84% (c) |
| Ratio of net investment income to average net assets before waiver & reimbursement | 1.42% (c) | 1.88% | 0.71% | 1.50% | 1.57% (c) |
| Portfolio turnover rate | 6.68% | 36.53% | 55.72% | 41.46% | 187.85% |

(a) For the period July 9, 1999 (commencement of operations) through June 30, 2000.

(b) For periods of less than a full year, total return is not annualized.

(c) Annualized.

The Auxier Focus Fund
Notes to the Financial Statements
December 31, 2003 (Unaudited)

NOTE 1. ORGANIZATION

Auxier Focus Fund (the "Predecessor Fund") was organized as a non-diversified series of the AmeriPrime Funds on February 2, 1999 and commenced operations on July 9, 1999. On January 3, 2003, all assets and liabilities of the Predecessor Fund were acquired by the Auxier Focus Fund (the "Fund"), a series of Unified Series Trust (the "Trust"), in a tax-free reorganization. The Fund was organized as a non-diversified series of the Trust on December 18, 2002. The Trust is an open-end investment company established under the laws of Ohio by an Agreement and Declaration of Trust dated October 17, 2002 (the "Trust Agreement"). The Agreement permits the Board of Trustees (the "Board") to issue an unlimited number of shares of beneficial interest of separate series without par value. The Fund is one of the series of funds currently authorized by the Trustees. The Fund's investment objective is to provide long-term capital appreciation. The investment advisor to the Fund is Auxier Asset Management, LLC (the "Advisor").

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Securities Valuation - Equity securities generally are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when the Advisor believes such prices accurately reflect the fair market value of such securities. Securities that are traded on any stock exchange are generally valued by the pricing service at the last quoted sale price. Lacking a last sale price, an exchange traded security is generally valued by the pricing service at its last bid price. Securities traded in the NASDAQ over-the-counter market generally are valued by the pricing service at the NASDAQ Official Closing Price. When market quotations are not readily available, when the Advisor determines that the market quotation or the price provided by the pricing service does not accurately reflect the current market value or when restricted securities are being valued, such securities are valued as determined in good faith by the Advisor, in conformity with guidelines adopted by and subject to review of the Board.

Fixed income securities generally are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when the Advisor believes such prices accurately reflect the fair market value of such securities. A pricing service utilizes electronic data processing techniques based on yield spreads relating to securities with similar characteristics to determine prices for normal institutional-size trading units of debt securities without regard to sale or bid prices. If the Advisor decides that a price provided by the pricing service does not accurately reflect the fair market value of the securities, when prices are not readily available from a pricing service or when restricted or illiquid securities are being valued, securities are valued at fair value as determined in good faith by the Advisor, in conformity with guidelines adopted by and subject to review of the Board of Trustees. Short-term investments in fixed income securities with maturities of less than 60 days when acquired, or which subsequently are within 60 days of maturity, are valued by using the amortized cost method of valuation, which the Board has determined will represent fair value.

Federal Income Taxes- There is no provision for federal income tax. The Fund intends to qualify each year as a "regulated investment company" under Sub-Chapter M of the Internal Revenue Code of 1986, as amended, by distributing substantially all of its net investment income and net realized capital gains.

Security Transactions and Related Income- The Fund follows industry practice and records security transactions on the trade date. The specific identification method is used for determining gains or losses for financial statements and income tax purposes. Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Discounts and premiums on securities purchased are amortized over the life of the respective securities.

Dividends and Distributions- The Fund intends to distribute substantially all of its net investment income as dividends to its shareholders on at least an annual basis. The Fund intends to distribute its net realized long term capital gains and its net realized short term capital gains at least once a year. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their

The Auxier Focus Fund
Notes to the Financial Statements - continued
December 31, 2003 (Unaudited)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES - continued

ultimate treatment for federal income tax purposes. These differences are caused by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes.

NOTE 3. FEES AND OTHER TRANSACTIONS WITH AFFILIATES

The Advisor to the Fund is Auxier Asset Management, LLC. Under the terms of the management agreement (the "Agreement"), the Advisor manages the Fund's investments subject to approval of the Board of Trustees and pays all of the expenses of the Fund, except brokerage fees and commissions, taxes, borrowing costs (such as interest and dividend expenses on securities sold short), fees and expenses of the non-interested Trustees and extraordinary expenses. As compensation for its management services and agreement to pay the Fund's expenses, the Fund is obligated to pay the Advisor a fee at the annual rate of 1.35% of the average value of its daily net assets. It should be noted that most investment companies pay their own operating expenses directly, while the Fund's expenses, except those specified above, are paid by the Advisor. For the six months ended December 31, 2003, the Advisor earned a fee of \$199,375 from the Fund. At December 31, 2003, the Fund owed the Advisor \$39,159 for its advisory services.

The Fund retains Unified Fund Services, Inc., ("Unified") a wholly owned subsidiary of Unified Financial Services, Inc., to manage the Fund's business affairs and provide the Fund with administrative, transfer agency and fund accounting services, including all regulatory reporting and necessary office equipment and personnel. The Advisor paid all administrative, transfer agency and fund accounting fees on behalf of the Fund per the Agreement. Certain Trustees and the officers of the Trust are members of management and employees of Unified, and/or shareholders of Unified Financial Services, Inc.

Unified Financial Securities, Inc., a wholly owned subsidiary of Unified Financial Services, Inc., acts as the principal distributor of the Fund's shares. There were no payments made by the Fund to the Distributor during the fiscal year ended November 30, 2003. A Trustee and officers of the Trust are a director and/or officer, respectively, of the Distributor and of Unified Financial Services, Inc. (the parent company of the Distributor and Unified), and may be deemed to be affiliates of the Distributor.

NOTE 4. INVESTMENTS

For the six months ended December 31, 2003, purchases and sales of investment securities, excluding short-term investments and U.S. government obligations were \$9,018,537 and \$1,779,069 respectively.

As of December 31, 2003, the net unrealized appreciation of investments for tax purposes was as follows:

| | <u>Amount</u> |
|------------------------------------|----------------------------|
| Gross Appreciation | \$ 5,477,880 |
| Gross (Depreciation) | <u>(362,811)</u> |
| Net Appreciation on Investments | <u><u>\$ 5,115,069</u></u> |

At December 31, 2003, the aggregate cost of securities, excluding U.S. government obligations, for federal income tax purposes was \$30,686,690.

The Auxier Focus Fund
Notes to the Financial Statements- continued
December 31, 2003 (Unaudited)

NOTE 5. ESTIMATES

Preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 6. RELATED PARTY TRANSACTIONS

The beneficial ownership, either directly or indirectly, of 25% or more of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the Investment Company Act of 1940. As of December 31, 2003, Charles Schwab & Co., for the benefit of its customers, held 49.58% of the Fund's shares.

NOTE 7. DISTRIBUTION TO SHAREHOLDERS

On December 29, 2003, an income distribution of \$0.1721 per share was declared. The dividend was paid on December 29, 2003 to shareholders of record on December 24, 2003.

The distributions paid during the fiscal year ended June 30, 2003 and the period ended December 31, 2003 were as follows:

| Distributions paid from: | <u>December 31, 2003</u> | <u>June 30, 2003</u> |
|--------------------------|--------------------------|----------------------|
| Ordinary Income | \$ 452,176 | \$ 172,069 |
| Short-Term Capital Gain | - | 134,524 |
| Long-Term Capital Gain | - | 154,560 |
| | <u>\$ 452,176</u> | <u>\$ 461,153</u> |

As of June 30, 2003, the components of distributable earnings (accumulated losses) on a tax basis were as follows:

| | |
|---|---------------------|
| Undistributed ordinary income/(accumulated losses) | \$ 246,914 |
| Undistributed long-term capital gain/(accumulated losses) | (37,227) |
| Unrealized appreciation/(depreciation) | 862,217 |
| | <u>\$ 1,071,904</u> |

As of December 31, 2003, the components of distributable earnings (accumulated losses) on a tax basis were as follows:

| | |
|---|---------------------|
| Undistributed ordinary income/(accumulated losses) | 16,205 |
| Undistributed long-term capital gain/(accumulated losses) | (45,316) |
| Unrealized appreciation/(depreciation) | 5,115,069 |
| Total Distributable Earnings | <u>\$ 5,085,958</u> |

PROXY VOTING

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling the Fund at (888) 912-4562.

TRUSTEES

Timothy L. Ashburn, Chairman
Gary E. Hippenstiel
Stephen A. Little
Daniel J. Condon
Ronald C. Tritschler

OFFICERS

Timothy L. Ashburn, President and Asst. Secretary
Thomas G. Napurano, Chief Financial Officer and Treasurer
Carol J. Highsmith, Secretary

INVESTMENT ADVISOR

Auxier Asset Management, LLC.
5000 S.W. Meadows Rd., Suite 410
Lake Oswego, OR 97035

DISTRIBUTOR

Unified Financial Securities, Inc.
431 N. Pennsylvania Street
Indianapolis, Indiana 46204

INDEPENDENT ACCOUNTANTS

McCurdy & Associates CPA's, Inc.
27955 Clemens Rd.
Westlake, OH 44145

LEGAL COUNSEL

Thompson Coburn, LLP
One US Bank Plaza
St. Louis, MO 63101

CUSTODIAN

Huntington National Bank
41 South Street
Columbus, OH 43125

This report is intended only for the information of shareholders or those who have received the Fund's prospectus which contains information about the Fund's management fee and expenses. Please read the prospectus carefully before investing.

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