AAM AUXIER•ASSET MANAGEMENT LLC

Auxier REPORT

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AUXIER FOCUS FUND
PERFORMANCE UPDATE
SEPTEMBER 30, 2003

AUXFX RETURNS VS. S&P 500 INDEX

	AUXIER FOCUS FUND	S&P 500 INDEX	DIFFERENCE
6/30/03 - 9/30/03	3.68%	2.65%	1.03%
12/31/02 - 9/30/03	13.50%	14.72%	-1.22%
12/31/01-12/31/02	-6.79%	-22.10%	15.31%
12/31/00-12/31/01	12.67%	-11.88%	24.55%
12/31/99-12/31/00	4.05%	-9.10%	13.15%
since Fund's inception 7/9/99	27.66%	-24.61%	52.27%

The one-year average annual total return for the Auxier Focus Fund as of 9/30/03 was 19.53%.

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.

As of September 30, 2003, the Fund held a 0.9% position in Johnson & Johnson and a 2.7% position in Traveler's Property Casualty Corp.

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, SIPC

Management Discussion of Fund Performance

Dear Fellow Shareholders:

The Auxier Focus Fund ended the third quarter with a return of 3.68%, beating the 2.65% gain for the S&P 500. The Fund has not been fully invested in stocks. This conservativism allows us to weather unpredictable storms and continue to keep playing the game. Your manager has a substantial percentage of his personal net worth committed to the Fund for the long term.

As of September 30, Morningstar ranked the Fund #11 out of 615 Large-Cap Value funds for three-year annualized total returns. The Wall Street Journal Online continues to list the Fund in its "Scorecard for Best Multi-Cap Core Funds, 3 Years Best Performers", ranking it #9 of 388 for the period ending September 30 (based on 3 year annualized total return).

General Market

A number of factors have contributed to the favorable performance of stocks over the past six months. They include:

- massive government stimulation in terms of deficit spending and tax cuts
- continued low interest rates
- a weaker US dollar, which helps boost domestic pricing
- a prolonged period of corporate cost cutting, leading to above-average earnings leverage with a small uptick in revenues

“Reflationary" Federal Reserve policies have benefited the highest risk sectors of the market, to the detriment of government bonds. Just as investors were plowing into bonds the fundamentals changed, and the risk for that sector increased materially. This reinforces the need for rational, fact–based research and an aggressive monitoring of fundamentals for all investment classes with regard to price, value and margin of safety. The one constant in the markets is change.

The Latest Credit Card -- Your House

Another area that warrants close scrutiny is the continued borrowing binge by Americans. We live in a time where purchases are made based upon what the lending institution says we can afford. People are generally unaware of the perils of excessive borrowing. Consumer and mortgage debt is at the highest percentage of disposable income ever. It is also 25% higher than before the last recession. This comes at a time when home prices in relation to rental incomes (the home price/earnings ratio) currently stand 18% higher than the 25-year average. Borrowing against an overpriced asset can be devastating if that asset drops in value. People forget that the liability remains even if the asset value does not. From an investment standpoint we look for attractively priced assets that are being sold at distressed prices due to such over-borrowing.

Attractive Investment Situation

The ideal situation is a world class business franchise, with honest, proven management, that has been hammered down by a temporary but solvable problem. As an example, years ago Johnson & Johnson had very strong operating fundamentals but the company suffered a crisis with bad Tylenol. The resulting price drop created a compelling buy. One company that we have owned off and on for years, priced very cheap in today’s market, is the insurer Travelers. Chairman Robert Lipp has done an exceptional job putting together a disciplined, conservative management team. The stock is down due to lingering asbestos worries, which is a problem that Congress is addressing. The stock at $15.70 trades at eight times projected 2004 earnings. If the stock could reach twelve times 2004 earnings, the upside is over 60%. At that valuation the company would still be 30% cheaper than the S&P 500’s earnings multiple.

Philosophy and Approach

We believe that the power of compounding is the most important investment concept. It is vital to avoid permanent capital losses which interrupt the process. A disciplined, rational, business-like approach is utilized. We try to identify the ideal investments ahead of time and then wait for mistakes in the market leading to material misappraisals. We want to know more about the business than the market. If the mistake is deemed temporary and the price is right, we act. We are not expecting help from the general stock market for our returns. Rather, our emphasis is on an intensive research effort that helps us to exploit discrepancies between the price of assets and their underlying value—often a result of fearful emotions in the marketplace.

We appreciate your continued support!

Jeff Auxier