

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.



YIELDQUEST

FUNDS

**YIELDQUEST CORE EQUITY FUND
YIELDQUEST TOTAL RETURN BOND FUND
YIELDQUEST TAX-EXEMPT BOND FUND**

**SEMI ANNUAL REPORT
APRIL 30, 2010**

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FINRA Member**

YIELDQUEST FUNDS' PORTFOLIO BREAKDOWNS (unaudited)

CORE EQUITY FUND

Portfolio Breakdown as of April 30, 2010	% of Total Investment
Equity Exchange Traded Funds	57.74%
Equity Closed-End Funds	30.01%
Commodity Exchange Traded Funds	3.24%
Common Stocks	2.53%
Taxable Fixed Income Exchange Traded Funds	2.20%
Asset Allocation Closed-End Funds	1.95%
Other/Short-Term*	<u>2.33%</u>
Total	<u>100.00%</u>

TOTAL RETURN BOND FUND

Portfolio Breakdown as of April 30, 2010	% of Total Investment
Corporate Bonds	24.17%
Taxable Fixed Income Closed-End Funds	9.42%
Commodity Exchange Traded Funds	8.74%
Foreign Bonds	8.31%
Municipal Bonds	6.18%
Taxable Fixed Income Exchange Traded Funds	6.10%
Taxable Municipal Bonds	4.75%
Equity Closed-End Funds	2.73%
Equity Exchange Traded Funds	2.00%
Asset Allocation Closed-End Funds	1.66%
Other/Short-Term*	<u>25.94%</u>
Total	<u>100.00%</u>

TAX-EXEMPT BOND FUND

Portfolio Breakdown as of April 30, 2010	% of Total Investment
Municipal Bonds	84.99%
Commodity Exchange Traded Funds	6.39%
Taxable Fixed Income Closed-End Funds	3.40%
Equity Exchange Traded Funds	1.41%
Municipal Closed-End Funds	1.28%
Other/Short-Term*	<u>2.53%</u>
Total	<u>100.00%</u>

* "Other/Short-Term" includes short-term investments, plus other investments not included in the categories above that comprised less than 1% of a Fund's total investments at the time of measurement. Portfolio composition is subject to change.

YIELDQUEST CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited)

April 30, 2010

% of Net Assets	Description	Shares	Value
2.72%	COMMON STOCKS		
0.21%	Apparel		
	Christian Dior SA	100	\$ 10,682
	Hermes International	50	6,633
			<u>17,315</u>
1.49%	Banks		
	Goldman Sachs Group, Inc./The	850	123,420
0.42%	Holding Companies		
	LVMH Moet Hennessy Louis Vuitton SA	300	34,687
0.12%	Lodging		
	Orient-Express Hotels Ltd., Class A (a)	700	9,555
0.48%	Retail		
	Bulgari SpA	500	4,164
	Compagnie Financiere Richemont SA	600	22,218
	PPR	100	13,508
			<u>39,890</u>
	Total Common Stocks (Cost \$184,927)		<u>224,867</u>
102.26%	EXCHANGE TRADED/CLOSED-END FUNDS		
2.10%	Asset Allocation Closed-End Funds		
	Evergreen International Balanced Income Fund	6,100	85,522
	Gabelli Dividend & Income Trust	2,500	35,725
	NFJ Dividend, Interest & Premium Strategy Fund (b)	3,300	52,305
			<u>173,552</u>
3.48%	Commodity Exchange Traded Funds		
	iPath Dow Jones-UBS Commodity Index Total Return ETN (a)	6,700	272,154
	ProShares Ultra DJ-AIG Commodity (a)	600	15,588
			<u>287,742</u>
32.25%	Equity Closed-End Funds		
	Blue Chip Value Fund, Inc. (a)	41,650	141,610
	Boulder Growth & Income Fund, Inc. (a)	21,900	132,714
	Boulder Total Return Fund, Inc. (a) (b)	5,650	83,620
	Central Securities Corp.	7,647	159,287
	Cohen & Steers Closed-End Opportunity Fund, Inc. (c)	29,900	381,823
	Cohen & Steers Dividend Majors Fund, Inc. (b)	6,100	70,272
	First Opportunity Fund, Inc. (b)	14,350	100,593
	Greater China Fund, Inc. (b)	10,500	122,325
	H&Q Healthcare Investors	4,150	53,618
	H&Q Life Sciences Investors	4,700	49,350
	Japan Equity Fund, Inc. (b)	19,900	117,410
	John Hancock Bank and Thrift Opportunity Fund (b)	7,625	133,132
	Liberty All-Star Equity Fund	17,620	86,514
	Liberty All-Star Growth Fund, Inc. (b)	21,975	87,021
	Macquarie Global Infrastructure Total Return Fund, Inc.	4,100	63,099
	Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund	5,250	64,732
	Madison Strategic Sector Premium Fund	3,400	43,214
	Morgan Stanley China A Share Fund (a)	6,600	183,810
	RiverSource LaSalle International Real Estate Fund, Inc. (b)	2,900	22,736
	Royce Focus Trust, Inc. (a) (b)	8,000	55,200
	Royce Micro-Cap Trust, Inc. (a)	19,150	169,478
	Royce Value Trust, Inc. (a)	13,550	170,595
	Tri-Continental Corp. (b)	13,700	173,990
			<u>2,666,143</u>

YIELDQUEST CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Shares	Value
62.06%	Equity Exchange Traded Funds		
	Claymore/BNY Mellon BRIC ETF (b)	3,000	\$ 127,020
	Consumer Staples Select Sector SPDR Fund	11,800	326,034
	Energy Select Sector SPDR Fund	2,000	119,820
	Financial Select Sector SPDR Fund	5,300	85,595
	Health Care Select Sector SPDR Fund	5,900	182,487
	Industrial Select Sector SPDR Fund (b)	9,600	313,248
	iShares Dow Jones U.S. Home Construction Index Fund (b)	9,300	141,825
	iShares Dow Jones U.S. Transportation Average Index Fund	800	67,488
	iShares FTSE/Xinhua China 25 Index Fund	4,100	167,362
	iShares MSCI Australia Index Fund (b)	5,000	117,350
	iShares MSCI Brazil Index Fund (b)	4,100	296,430
	iShares MSCI Japan Index Fund (b)	23,800	247,282
	iShares MSCI Singapore Index Fund	9,700	116,788
	iShares MSCI Spain Index Fund	2,200	87,164
	iShares S&P North American Technology-Semiconductors Index Fund	1,650	83,193
	Market Vectors Steel Index Fund	650	41,425
	Materials Select Sector SPDR Trust	7,800	265,278
	Oil Services HOLDRs Trust	1,000	123,660
	Powershares Golden Dragon Halter USX China Portfolio	7,600	190,380
	ProShares Ultra Financials (b)	4,270	300,138
	ProShares Ultra Health Care	3,300	166,419
	ProShares Ultra Oil & Gas (b)	5,800	215,934
	ProShares Ultra Technology (b)	6,700	377,880
	ProShares UltraShort MSCI Emerging Markets (a)	840	41,513
	ProShares UltraShort Russell 2000 (a)	9,900	180,675
	ProShares UltraShort S&P500 (a)	6,400	191,040
	SPDR Metals & Mining ETF	550	30,668
	Technology Select Sector SPDR Fund (b)	5,400	126,576
	Telecom HOLDRs Trust (b)	6,000	143,760
	Utilities Select Sector SPDR Fund (b)	8,400	255,948
			<u>5,130,380</u>
2.37%	Taxable Fixed Income Exchange Traded Funds		
	ProShares UltraShort 20+ Year Treasury	1,200	54,192
	ProShares UltraShort 7-10 Year Treasury	2,850	141,360
			<u>195,552</u>
	Total Exchange Traded/Closed-End Funds (Cost \$7,333,695)		<u>8,453,369</u>
		<u>Contracts</u>	
0.41%	PURCHASED OPTIONS (a)		
	iShares Barclays 20+ Year Treasury:		
	05/22/2010, Put @ \$88	34	442
	05/22/2010, Put @ \$89	192	4,800
	05/22/2010, Put @ \$90	146	6,132
	05/22/2010, Put @ \$91	86	5,934
	iShares Russell 2000, 05/22/2010, Put @ \$71	42	5,880
	SPDR S&P 500 ETF Trust, 05/22/2010, Put @ \$118	59	10,443
	Total Purchased Options (Cost \$42,625)		<u>33,631</u>
		<u>Shares</u>	
2.09%	SHORT-TERM INVESTMENT		
	Dreyfus Institutional Reserves Money Market Fund 0.00% (d)	172,962	172,962
	Total Short-Term Investment (Cost \$172,962)		<u>172,962</u>

See accompanying notes to financial statements.

YIELDQUEST CORE EQUITY FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Shares	Value
107.48%	Total Investments (Cost \$7,734,209)		\$ 8,884,829
(7.48)%	Net other assets (liabilities)		(618,236)
100.00%	NET ASSETS		\$ 8,266,593

14.70% EXCHANGE TRADED/CLOSED-END FUNDS SOLD SHORT

Consumer Discretionary Select Sector SPDR Fund	3,300	114,939
iShares MSCI South Korea Index Fund	2,850	148,001
Market Vectors Russia ETF	1,950	66,105
Powershares Golden Dragon Halter USX China Portfolio (b)	21,500	538,575
Rydex S&P Equal Weight ETF	4,950	216,365
SPDR Barclays Capital High Yield Bond ETF	555	22,305
SPDR S&P 500 ETF Trust	250	29,715
Vanguard Emerging Markets ETF	1,170	49,210
WisdomTree India Earnings Fund	1,300	30,238

Total Exchange Traded/Closed-End Funds Sold Short
(Proceeds \$1,383,567) **\$ 1,215,453**

	<u>Local Currency</u>	<u>Market Value</u>	<u>Settlement Date</u>	<u>Unrealized Gain/(Loss)</u>
FOREIGN CURRENCY TO SELL:				
Australian Dollar	157,917	\$ 146,002	05/07/2010	\$ 72
Japanese Yen	26,438,460	281,473	05/07/2010	1,313
				<u>1,385</u>
Total Net Unrealized Gain (Loss) on open Forward Foreign Currency Contracts				\$ 1,385

	<u>Contracts</u>	<u>Notional Value</u>	<u>Unrealized Gain/(Loss)</u>
FUTURES CONTRACTS PURCHASED			
DJ Euro Stoxx 50, expires 06/21/2010	31	\$ 1,235,238	\$ (17,889)
Nasdaq 100 E-Mini, expires 06/18/2010	26	1,081,486	42,266
S&P 500 E-Mini, expires 06/18/2010	25	1,469,665	(9,585)
			<u>14,792</u>
FUTURES CONTRACTS SOLD SHORT			
90 Day Euro\$, expires 12/13/2010	2	2,000,000	(1,005)
90 Day Euro\$, expires 03/14/2011	18	18,000,000	(5,108)
E-Mini Crude Oil, expires 06/21/2010	11	481,565	(7,740)
Russell 2000 Mini, expires 06/18/2010	9	667,197	(23,247)
			<u>(37,100)</u>
Total			\$ (22,308)

- (a) Non-income producing security.
(b) All or a portion of the security is pledged as collateral for securities sold short.
(c) All or a portion of the security is segregated in connection with forward currency and futures contracts.
(d) Rate represents effective yield.

ETF Exchange-Traded Fund
ETN Exchange-Traded Note
HOLDRs Holding Company Depositary Receipts
SPDR S&P Depositary Receipts

YIELDQUEST TOTAL RETURN BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited)

April 30, 2010

% of Net Assets	Description	Principal	Value
23.00%	CORPORATE BONDS		
6.05%	Airlines		
	American Airlines, Inc., 7.858%, 10/01/2011, Series 01-2 (a)	\$ 100,000	\$ 103,000
	AMR Corp.:		
	9.750%, 08/15/2021 (a)	469,000	384,580
	9.880%, 06/15/2020 (a)	343,000	281,260
	Continental Airlines, Inc.:		
	6.648%, 09/15/2017, Series 981A (a)	222,830	226,173
	6.703%, 06/15/2021, Series 01A1 (a)	107,107	108,178
	6.748%, 03/15/2017, Series 981B (a)	154,441	151,352
	6.795%, 08/02/2018, Series 991B (a)	160,201	153,793
	7.033%, 06/15/2011, Series 011C (a)	185,868	187,727
	7.339%, 04/19/2014, Series 071C (a)	177,015	173,474
	7.461%, 04/01/2013, Series 971B (a)	20,003	19,803
	7.566%, 03/15/2020, Series 992B (a)	131,887	129,909
	8.560%, 07/02/2014, Series 962B (a)	52,788	52,260
	Delta Airlines, Inc.:		
	7.570%, 11/18/2010, Series 00A2 (a)	75,000	76,781
	7.711%, 09/18/2011, Series 011B (a)	460,000	460,000
	7.920%, 11/18/2010, Series 001B (a)	425,000	431,375
	Northwest Airlines, Inc.:		
	6.841%, 04/01/2011, Series 1A-2 (a)	250,000	252,500
	7.950%, 03/01/2015, Series 992B (a)	956,924	861,232
	Southwest Airlines Co., 7.220%, 07/01/2013, Series 95A3, Callable 06/07/2010 @ 100 (a)	85,024	89,700
	United Airlines, Inc., 7.730%, 07/01/2010, Series 00A2 (a)	17,467	17,597
			<u>4,160,694</u>
0.18%	Automotive		
	Motors Liquidation Co., 8.375%, 07/15/2033 (a) (b)	320,000	124,000
0.32%	Entertainment		
	Comcast Corp., 6.950%, 08/15/2037 (a)	195,000	217,938
14.89%	Financial Services		
	American Express Co., 8.125%, 05/20/2019 (a)	1,000,000	1,226,837
	American Express Credit Corp., 5.875%, 05/02/2013, Series C, MTN (a)	670,000	733,017
	Bank of America Corp.:		
	4.750%, 08/01/2015 (a)	750,000	763,273
	4.750%, 03/15/2016, Callable 09/15/2010 @ 100, MTN	10,000	9,794
	7.800%, 09/15/2016 (a)	220,000	246,017
	Bank One Corp., 5.250%, 01/30/2013 (a)	500,000	537,800
	Bear, Stearns & Co., Inc., 5.550%, 01/22/2017 (a)	790,000	826,463
	CIT Group, Inc.:		
	7.000%, 05/01/2013, Callable 06/22/2010 @ 103.50	14,086	13,963
	7.000%, 05/01/2014, Callable 06/22/2010 @ 103.50	21,129	20,442
	7.000%, 05/01/2015, Callable 06/22/2010 @ 103.50	21,129	20,205
	7.000%, 05/01/2016, Callable 06/22/2010 @ 103.50	35,216	33,587
	7.000%, 05/01/2017, Callable 06/22/2010 @ 103.50	49,302	47,022
	Citigroup, Inc., 5.500%, 02/15/2017 (a)	975,000	974,349
	Deutsche Bank Trust Corp., 7.500%, 11/15/2015	4,000	4,498
	General Electric Capital Corp.:		
	4.375%, 11/21/2011, MTN (a)	230,000	240,331
	6.875%, 11/15/2010, MTN (a)	250,000	258,032
	Goldman Sachs Group, Inc.:		
	0.588%, 06/28/2010 (a) (c)	250,000	250,018
	5.250%, 04/01/2013 (a)	300,000	316,615
	5.625%, 01/15/2017 (d)	1,695,000	1,675,770
	Lehman Brothers Holdings:		
	5.625%, 01/24/2013, MTN (a) (b)	500,000	113,750
	6.500%, 07/19/2017 (a) (b)	1,370,000	5,138

See accompanying notes to financial statements.

YIELDQUEST TOTAL RETURN BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Principal	Value
	Financial Services (Continued)		
	Merrill Lynch & Co., Inc., 5.700%, 05/02/2017 (a)	\$ 1,000,000	\$ 1,005,211
	Morgan Stanley & Co., Inc., 5.450%, 01/09/2017, EMTN	50,000	50,783
	Motors Liquidation Co., 9.400%, 07/15/2021 (a) (b)	800,000	288,000
	Nuveen Investments, Inc., 5.500%, 09/15/2015 (a)	400,000	324,000
	Principal Life Income Funding Trusts, 0.410%, 11/15/2010 (a) (c)	250,000	250,052
	Washington Mutual Bank NV, 6.875%, 06/15/2011, Series 11 (a) (b)	1,000,000	15,000
			<u>10,249,967</u>
0.02%	Industrials		
	Occidental Petroleum Corp., 8.750%, 01/15/2023	10,000	12,109
1.54%	Metals & Mining		
	Alcoa, Inc., 5.375%, 01/15/2013 (d)	1,000,000	1,061,178
	Total Corporate Bonds (Cost \$18,500,310)		<u>15,825,886</u>
0.03%	COLLATERALIZED MORTGAGE OBLIGATIONS		
0.03%	U.S. Government & Agency		
	Federal National Mortgage Association, 4.500%, 05/25/2019 (a)	20,830	21,184
	Total Collateralized Mortgage Obligations (Cost \$19,252)		<u>21,184</u>
0.45%	U.S. GOVERNMENT & AGENCY		
	Federal Farm Credit Bank, 5.750%, 12/07/2028, MTN	43,000	47,740
	Federal Home Loan Bank:		
	5.685%, 09/17/2018, Series AR18	25,000	28,508
	7.125%, 02/15/2030, Series C30 (a)	90,000	113,750
	Federal National Mortgage Association, 8.280%, 01/10/2025, MTN	20,000	28,330
	Tennessee Valley Authority, 7.125%, 05/01/2030 (a)	75,000	95,096
	Total U.S. Government & Agency (Cost \$284,111)		<u>313,424</u>
7.91%	FOREIGN BONDS		
3.77%	Banks		
	Bank of Scotland PLC, 10.500%, 02/16/2018 (a)	GBP 920,000	1,733,914
	Inter-American Development Bank, 6.250%, 06/22/2016, MTN (a)	NZD 1,150,000	863,721
			<u>2,597,635</u>
0.89%	Sovereign Bonds		
	Federal Republic of Brazil:		
	7.875%, 03/07/2015 (a)	\$ 475,000	565,250
	12.500%, 01/05/2016	BRL 40,000	25,888
	Mexican Bonos de Desarrollo, 7.250%, 12/15/2016, Series M10	MXN 220,000	18,006
			<u>609,144</u>
3.25%	Financial Services		
	General Electric Capital Corp., 7.500%, 02/28/2011, EMTN (a)	NZD 3,000,000	2,235,676
	Total Foreign Bonds (Cost \$5,728,132)		<u>5,442,455</u>
5.88%	MUNICIPAL BONDS		
3.09%	California		
	California State:		
	4.500%, 08/01/2030, National-RE-IBC, GO, Callable 02/01/2017 @ 100 (a)	\$ 1,000,000	914,030
	4.500%, 08/01/2030, GO, Callable 02/01/2017 @ 100 (a)	635,000	580,409
	5.000%, 04/01/2038, GO, Callable 04/01/2018 @ 100 (a)	500,000	494,045

YIELDQUEST TOTAL RETURN BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Principal	Value
	California (Continued)		
	Howell Mountain Elementary School District Election, Zero Coupon: 08/01/2028, GO (a)	\$ 190,000	\$ 79,281
	08/01/2029, GO (a)	150,000	59,214
			<u>2,126,979</u>
1.72%	Florida Auburndale Florida Water & Sewer, 4.375%, 12/01/2037, AMBAC, Revenue, Callable 12/01/2017 @ 100 (d)	1,275,000	<u>1,181,581</u>
0.72%	Illinois Regional Transportation Authority, 4.500%, 07/01/2035, Series A, National-RE, Revenue, Callable 07/01/2016 @ 100 (a)	500,000	<u>496,990</u>
0.35%	Pennsylvania Conneaut School District, Zero Coupon, 11/01/2030, Series B, AGM State Aid Withholding, GO (a)	690,000	<u>239,582</u>
	Total Municipal Bonds (Cost \$4,082,633)		<u>4,045,132</u>
4.52%	TAXABLE MUNICIPAL BONDS		
0.25%	Alabama Alabaster, 5.340%, 04/01/2017, Series A, XLCA, GO, Callable 04/01/2015 @ 100 (a)	170,000	<u>169,796</u>
1.30%	California Kern County Pension Obligation, Zero Coupon, 08/15/2020, National- RE, Revenue (a)	100,000	46,137
	Monrovia Redevelopment Agency Tax Allocation, 5.600%, 05/01/2023, AMBAC, Revenue, Callable 05/01/2013 @ 102 (a)	35,000	30,382
	Pinole Redevelopment Agency, 5.600%, 08/01/2020, AMBAC, Tax Allocation, Callable 08/01/2014 @ 102	25,000	24,111
	San Bernardino JT Powers, 6.150%, 05/01/2027, AMBAC, Tax Allocation, Callable 05/01/2016 @ 100	15,000	14,112
	Santa Fe Springs Community Development, 5.350%, 09/01/2018, National-RE, Tax Allocation, Callable 09/01/2016 @ 100	25,000	23,224
	Solano County, 5.140%, 01/15/2014, XLCA, Revenue (a)	665,000	697,279
	Watsonville Redevelopment Agency, 5.200%, 09/01/2012, National-RE FGIC, Tax Allocation (a)	60,000	60,886
			<u>896,131</u>
0.04%	District of Columbia Metropolitan Washington Airports Authority Airport System, 5.590%, 10/01/2025, Series C, National-RE, Revenue, Callable 10/01/2015 @ 100 (a)	30,000	<u>29,133</u>
0.03%	Florida Pembroke Pines Communication Services, 4.750%, 10/01/2019, AMBAC, Revenue, Callable 10/01/2014 @ 100	25,000	<u>23,050</u>
0.52%	Georgia College Park, 5.868%, 01/01/2021, National-RE FGIC, Revenue (a)	70,000	67,115
	College Park Business & Industrial Development Authority, 5.750%, 09/01/2015, AGM, Revenue (a)	250,000	267,310
	Savannah Hospital Authority, 6.625%, 07/01/2018, AGM, Revenue, Callable 07/01/2013 @ 100 (a)	25,000	25,357
			<u>359,782</u>
0.01%	Illinois Development Finance Authority, 6.000%, 03/01/2012, National- RE, Revenue	5,000	<u>5,212</u>
0.04%	Indiana Pike County School Corp., 5.000%, 01/05/2020, XLCA State Aid Withholding, GO, Callable 01/05/2015 @ 100 (a)	30,000	<u>28,732</u>

See accompanying notes to financial statements.

YIELDQUEST TOTAL RETURN BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Principal	Value
0.21%	Maine City of Auburn, 5.125%, 08/01/2011, National-RE, GO (a)	\$ 145,000	\$ 146,201
0.05%	Maryland State Transportation Authority, 6.480%, 07/01/2022, National-RE, Revenue (a)	35,000	35,707
0.10%	Michigan Flat Rock Tax Increment, 5.375%, 10/01/2011, GO (a)	65,000	67,619
0.32%	New Jersey City of Linden, 5.950%, 04/01/2033, National-RE, GO Orange Township, 5.170%, 12/01/2011, Series C, AGM, GO (a) Union County Improvement Authority Sewer System Lease, 6.640%, 04/01/2022, AMBAC, Revenue (a)	20,000 35,000 165,000	18,068 36,464 167,378 221,910
0.06%	Oregon School Boards Association, 5.680%, 06/30/2028, Series B, National- RE FGIC, GO (a)	40,000	42,065
0.35%	Pennsylvania Beaver County, 5.000%, 12/15/2011, AGM, GO (a) Duquesne, 5.000%, 12/15/2013, Series B, AGM, GO (a)	60,000 170,000	62,073 176,817 238,890
0.47%	South Carolina Richland Lexington Airport District, 6.590%, 01/01/2017, AGM, Revenue (a)	300,000	321,429
0.58%	Tennessee Alcoa, 5.550%, 06/01/2020, AMBAC, GO, Callable 06/01/2015 @ 100 (a)	400,000	394,720
0.16%	Texas Gatesville Texas, 5.700%, 09/01/2019, CIFG, GO, Callable 09/01/2017 @ 100 (a)	115,000	112,472
0.03%	Wisconsin Menasha Steam Utility, 4.350%, 09/01/2010, Revenue (b)	23,569	16,263
	Total Taxable Municipal Bonds (Cost \$3,069,137)		3,109,112
		Shares	
0.17%	PREFERRED STOCKS		
0.17%	Financial Services GMAC, Inc., 7.000%, Callable 12/31/2011 @ 1,000 (a) (e)	139	118,059
	Total Preferred Stocks (Cost \$43,759)		118,059
29.58%	EXCHANGE TRADED/CLOSED-END FUNDS		
1.58%	Asset Allocation Closed-End Funds Advent Claymore Convertible Securities and Income Fund (a) Evergreen International Balanced Income Fund (a) NFJ Dividend, Interest & Premium Strategy Fund TCW Strategic Income Fund, Inc.	8,700 21,404 27,150 40,752	153,468 300,084 430,328 203,760 1,087,640
8.32%	Commodity Exchange Traded Funds iPath Dow Jones-UBS Commodity Index Total Return, ETN (a) (f) iShares S&P GSCI Commodity-Indexed Trust (a) (f)	117,832 29,158	4,786,336 937,138 5,723,474

See accompanying notes to financial statements.

YIELDQUEST TOTAL RETURN BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Shares	Value
2.60%	Equity Closed-End Funds		
	Calamos Strategic Total Return Fund (a)	9,865	\$ 91,153
	Cohen & Steers Closed-End Opportunity Fund, Inc. (a)	58,327	744,836
	Liberty All-Star Equity Fund (a)	27,134	133,228
	LMP Capital and Income Fund, Inc. (a)	19,453	210,287
	Macquarie Global Infrastructure Total Return Fund, Inc.	14,789	227,603
	Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund	20,121	248,092
	RMR Asia Pacific Real Estate Fund	—	8
	Royce Value Trust, Inc. (f)	10,500	132,195
			<u>1,787,402</u>
1.90%	Equity Exchange Traded Funds		
	Direxion Daily Financial Bear 3X Shares (a) (f)	8,014	98,171
	iShares S&P U.S. Preferred Stock Index Fund (a)	6,498	250,368
	ProShares UltraShort Real Estate	10,797	278,989
	Utilities Select Sector SPDR Fund	22,416	683,016
			<u>1,310,544</u>
0.41%	Municipal Closed-End Funds		
	BlackRock MuniYield California Insured Fund, Inc. (a)	1,453	19,107
	Morgan Stanley California Insured Municipal Income Trust	5,524	72,364
	Morgan Stanley California Quality Municipal Securities	2,832	34,380
	Nuveen California Dividend Advantage Municipal Fund	3,925	51,025
	Nuveen Insured California Premium Income Municipal Fund	2,489	34,074
	Nuveen Michigan Premium Income Fund	1,937	25,065
	Nuveen Michigan Quality Income Fund	1,370	18,166
	Nuveen New York Dividend Advantage Municipal Fund	1,888	25,715
			<u>279,896</u>
8.96%	Taxable Fixed Income Closed-End Funds		
	AllianceBernstein Income Fund, Inc. (a)	130,341	1,059,672
	BlackRock Credit Allocation Fund, Inc. (a)	10,500	108,675
	BlackRock Credit Allocation Income Trust III, Inc. (a)	42,182	454,722
	BlackRock Income Trust, Inc. (a)	185,506	1,211,354
	BlackRock Preferred and Corporate Income Strategies Fund, Inc. (a)	52,225	486,737
	Fort Dearborn Income Securities, Inc. (a)	19,905	293,400
	Hartford Income Shares Fund (a)	72,875	419,031
	John Hancock Preferred Income Fund (a)	6,474	116,597
	John Hancock Preferred Income Fund II (a)	8,829	159,275
	MFS InterMarket Income Trust I	45,666	375,374
	MFS Intermediate Income Trust (a)	84,076	556,583
	Morgan Stanley Emerging Markets Domestic Debt Fund, Inc.	27,800	440,630
	Rivus Bond Fund	28,200	487,578
			<u>6,169,628</u>
5.81%	Taxable Fixed Income Exchange Traded Funds		
	iShares Barclays 1-3 Year Credit Bond Fund (a)	34,735	3,627,029
	ProShares UltraShort Lehman 7-10 Year Treasury	7,445	369,272
			<u>3,996,301</u>
	Total Exchange Traded/Closed-End Funds (Cost \$18,917,890)		<u>20,354,885</u>
		Contracts	
0.47%	PURCHASED OPTIONS (f)		
	iShares Barclays 20+ Year Treasury:		
	05/22/2010, Put @ \$88	294	3,822
	05/22/2010, Put @ \$89	1,919	47,975
	05/22/2010, Put @ \$90	1,468	61,656
	05/22/2010, Put @ \$91	739	50,991

See accompanying notes to financial statements.

YIELDQUEST TOTAL RETURN BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Contracts	Value
	iShares Russell 2000, 05/22/2010, Put @ \$71	420	\$ 58,800
	SPDR S&P 500 ETF Trust, 05/22/2010, Call @ \$118	573	101,421
	Total Purchased Options (Cost \$413,244)		324,665
		Shares	
23.15%	SHORT-TERM INVESTMENTS		
12.98%	Money Market Fund Dreyfus Institutional Reserves Money Market Fund,	8,932,036	8,932,036
		Principal	
10.17%	U.S. Government & Agency U.S. Treasury Note: 0.140%, 05/06/2010 (a) 0.150%, 06/10/2010 (a)	6,000,000 1,000,000	5,999,940 999,858
	Total Short-Term Investments (Cost \$15,931,757)		6,999,798
			15,931,834
95.16%	Total Investments (Cost \$66,990,225)		65,486,636
4.84%	Net other assets (liabilities)		3,330,896
100.00%	NET ASSETS		\$ 68,817,532

		Shares	
2.85%	EXCHANGE TRADED/CLOSED-END FUNDS SOLD SHORT SPDR Barclays Capital High Yield Bond ETF	48,731	1,958,499
	Total Exchange Traded/Closed-End Funds Sold Short (Proceeds \$1,879,999)		1,958,499

	Local Currency	Market Value	Settlement Date	Unrealized Gain/(Loss)
FOREIGN CURRENCY TO BUY:				
Australian Dollar	1,395,584	\$ 1,290,279	05/07/2010	\$ 2,121
Brazilian Real	2,183,964	1,254,554	05/07/2010	18,007
Canadian Dollar	1,047,091	1,030,826	05/07/2010	(7,756)
European Euro	692,977	922,689	05/07/2010	(2,504)
Icelandic Krona	94,634,900	741,159	10/10/2008 (h)	(289,016)
				(279,148)
TO SELL:				
Australian Dollar	241,287	223,080	05/07/2010	1,920
Brazilian Real	323,697	185,944	05/07/2010	1,056
British Sterling Pound	200,700	307,073	05/07/2010	(1,207)
Japanese Yen	147,527,870	1,570,635	05/07/2010	8,252
Mexican Peso	205,000	16,638	05/07/2010	49
New Zealand Dollar	2,203,401	1,600,797	05/07/2010	(38,645)
				(28,575)
				Total Net Unrealized Gain (Loss) on open Forward Foreign Currency Contracts
				\$ (307,723)

YIELDQUEST TOTAL RETURN BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

	<u>Contracts</u>	<u>Notional Value</u>	<u>Unrealized Gain/(Loss)</u>
FUTURES CONTRACTS SOLD SHORT			
E-Mini Crude Oil, expires 05/19/2010	53	\$ 2,244,795	\$ (38,180)
90 Day Euro\$, expires 12/13/2010	77	77,000,000	(27,254)
90 Day Euro\$, expires 03/14/2011	364	364,000,000	(92,358)
U.S. 2 Year Note, expires 06/30/2010	58	11,600,000	(48,858)
U.S. 5 Year Note, expires 06/30/2010	323	32,300,000	(131,490)
			<u>(338,140)</u>
Total			\$ (338,140)

- (a) All or a portion of the security is segregated in connection with forward currency and futures contracts.
- (b) Default Resolution
- (c) Variable rate security
- (d) All or a portion of the security is pledged as collateral for securities sold short.
- (e) Rule 144A Section 4(2) or other security which is restricted as to resale to institutional investors. At April 30, 2010, these securities amounted to \$118,059 or 0.2% of net assets. The Investment Advisor, using board approved procedures has deemed these securities or a portion of these securities liquid.
- (f) Non-income producing securities.
- (g) Rate represents effective yield.
- (h) Counterparty in default.
- AGM Assured Guaranty Municipal Corp.
- AMBAC Insured by American Municipal Bond Assurance Corp.
- BRL Brazilian Real
- CBOE Chicago Board Options Exchange
- CBOT Chicago Board of Trade
- CIFG Insured by IXIS Financial Guaranty
- ETF Exchange-Traded Fund
- ETN Exchange-Traded Note
- FGIC Insured by Financial Guaranty Insurance Co.
- GBP British Sterling Pound
- GO General Obligation
- MTN Medium Term Note
- MXN Mexican Peso
- NZD New Zealand Dollar
- PLC Public Liability Co.
- SPDR S&P Depository Receipts
- XLCA Insured by XL Capital Assurance

YIELDQUEST TAX-EXEMPT BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited)

April 30, 2010

% of Net Assets	Description	Principal	Value
93.07%	MUNICIPAL BONDS		
2.46%	Alabama		
	Alabama Agriculture & Mechanical University, 5.000%, 11/01/2017, AMBAC, Revenue, Callable 05/01/2017 @ 100 (a)	\$ 500,000	\$ 520,935
	Birmingham Jefferson Civic Center Authority, 4.125%, 07/01/2017, Series A, AMBAC, Special Tax, Callable 07/01/2010 @ 100	100,000	73,496
			<u>594,431</u>
8.42%	California		
	Antioch California Union School District, 4.250%, 09/01/2021, COP, National-RE FGIC, Callable 09/01/2015 @ 100 (a)	685,000	672,882
	California State:		
	4.500%, 08/01/2026, GO, Callable 02/01/2017 @ 100 (b)	500,000	483,180
	6.000%, 04/01/2035, GO, Callable 04/01/2019 @ 100 (b)	500,000	544,930
	Los Angeles Unified School District, 5.500%, 07/01/2010, Ser D, GO, FGIC, Prerefunded 07/01/2010 @ 100 (b)	125,000	126,014
	Oakland Redevelopment Agency, 5.500%, 02/01/2014, AMBAC, Tax Allocation (b)	100,000	101,811
	San Diego Redevelopment Agency, 6.200%, 10/01/2019, Tax Allocation, Prerefunded 10/01/2010 @ 101 (b)	100,000	103,396
			<u>2,032,213</u>
1.30%	Colorado		
	Arkansas River Power Authority, 5.250%, 10/01/2016, XLCA, Revenue (a)	300,000	313,065
1.27%	Connecticut		
	Connecticut State:		
	4.000%, 12/15/2010, Series A, GO (b)	100,000	102,232
	4.800%, 12/15/2012, Series C, GO, Prerefunded 12/15/2010 @ 100 (b)	100,000	102,683
	5.000%, 11/15/2010, Series D, GO (b)	100,000	102,477
			<u>307,392</u>
8.82%	Florida		
	Dunedin Utility System, 6.250%, 10/01/2011, National-RE FGIC, Revenue	50,000	53,203
	Lakeland, Florida Energy System, 5.000%, 10/01/2024, XLCA, Revenue, Callable 10/01/2016 @ 100 (b)	545,000	562,445
	Miami-Dade County Public Facilities, 4.375%, 06/01/2037, Series A, National-RE, Revenue, Callable 06/01/2015 @ 100 (a)	500,000	416,065
	Nassau County Public Improvement, 5.000%, 05/01/2021, National-RE, Revenue (b)	460,000	481,799
	Osceola County School Board, 5.800%, 08/01/2015, Series A, National-RE, COP, Prerefunded 08/01/2010 @ 101 (b)	100,000	102,237
	Polk County Capital Improvement, 5.500%, 12/01/2021, AGM, Revenue, Callable 12/01/2010 @ 100 (b) (c)	500,000	512,890
			<u>2,128,639</u>
0.44%	Georgia		
	DeKalb County Water & Sewer, 5.375%, 10/01/2035, Revenue, Prerefunded 10/01/2010 @ 101 (b)	100,000	103,033
	Fulton County, Georgia Development Authority, Zero Coupon, 05/01/2033 (d)	105,000	2,489
			<u>105,522</u>
0.40%	Hawaii		
	Hawaii Airports System, 6.000%, 07/01/2020, Series B, National-RE FGIC, Revenue, Prerefunded 07/01/2010 @ 101	95,000	96,714

YIELDQUEST TAX-EXEMPT BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Principal	Value
5.79%	Illinois		
	Chicago O'Hare International Airport:		
	4.000%, 01/01/2012, Series A, AGM, Revenue (b)	\$ 500,000	\$ 522,120
	5.250%, 01/01/2016, Series B, National-RE, Revenue (a)	260,000	286,655
	City of Bellwood, 4.450%, 12/01/2020, Series B, National-RE, GO, Callable 12/01/2015 @ 100	100,000	95,602
	Cook County Community School District No. 97 Oak Park, 9.000%, 12/01/2015, Series B, National-RE FGIC, GO (a)	300,000	392,622
	Illinois State, 5.750%, 06/01/2012, First Series, National-RE, GO, Prerefunded 06/01/2010 @ 100 (b)	100,000	100,393
			<u>1,397,392</u>
3.84%	Indiana		
	Hammond Local Public Improvement Bond Bank, 4.500%, 08/15/2017, Series A, XCLA, Revenue, Callable 08/15/2011 @ 100 (a)	520,000	515,512
	Indiana State Fair Common Fairgrounds, 4.200%, 01/01/2014, AMBAC, Revenue, Callable 01/01/2013 @ 100 (a)	390,000	411,349
			<u>926,861</u>
2.33%	Kansas		
	Miami County Unified School District No. 416, 5.000%, 09/01/2016, National-RE, GO (a)	500,000	563,005
2.14%	Maryland		
	Anne Arundel County, 7.375%, 07/01/2028, Tax Allocation, Prerefunded 07/01/2010 @ 102	500,000	515,490
0.87%	Massachusetts		
	Massachusetts State:		
	5.000%, 01/01/2020, Series A, AGM, GO, Prerefunded 01/01/2011 @ 100 (b)	100,000	103,022
	5.500%, 11/01/2010, Series C, AGM, GO (b)	105,000	107,591
			<u>210,613</u>
1.80%	Michigan		
	City of Detroit, 5.000%, 04/01/2012, Series C, AGM, GO	50,000	51,762
	Plymouth-Canton Community School District, 5.250%, 05/01/2015, Q- SBLF, GO, Callable 05/01/2013 @ 100 (b)	350,000	382,844
			<u>434,606</u>
0.21%	Mississippi		
	Itawamba Community College District, 5.000%, 02/01/2011, XLCA- ICR, GO	50,000	51,532
5.15%	Missouri		
	Joint Municipal Electric Utility Commission Power Project:		
	5.000%, 01/01/2015, National-RE, Revenue (a)	120,000	130,842
	5.000%, 01/01/2042, Series A, AMBAC, Revenue, Callable 01/01/2017 @ 100 (b)	585,000	586,931
	St. Louis Airport, 5.000%, 07/01/2015, Series A, AGM, Revenue (b)	475,000	526,751
			<u>1,244,524</u>
2.21%	Nevada		
	Clark County, 4.500%, 06/01/2018, AGM, GO, Callable 06/01/2016 @ 100 (a)	275,000	293,329
	North Las Vegas Local Improvement, 4.125%, 12/01/2014, AMBAC, Special Assessment (b)	255,000	239,904
			<u>533,233</u>
4.34%	New Jersey		
	Hoboken Municipal Hospital Authority, 4.450%, 07/01/2021, Series A, AGM Municipal Government Guaranteed, Revenue, Callable 07/01/2017 @ 100 (a)	1,000,000	1,048,650

YIELDQUEST TAX-EXEMPT BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Principal	Value
2.11%	New Mexico Tucumcari Municipal Gross Receipt Lodgers Tax Revenue, 4.625%, 06/01/2017, National-RE, Revenue, Callable 06/01/2010 @ 100 (b)	\$ 510,000	\$ <u>510,495</u>
5.67%	New York City of New York: 6.000%, 05/15/2030, Series A, National-RE-IBC, GO, Prerefunded 05/15/2010 @ 101 (b) 6.500%, 05/15/2017, Series A, GO, Prerefunded 05/15/2010 @ 101 (b) City of Utica Public Improvement, 4.750%, 04/01/2015, AGM, GO (b) Erie County Public Improvement, 5.000%, 12/01/2015, Series A, National-RE, GO (b) Troy Industrial Development Authority Civic Facility, 4.050%, 04/01/2037, Series E, Revenue, Callable 09/01/2011 @ 100 (b) (c)	490,000 100,000 335,000 100,000 290,000	495,679 101,172 366,185 106,334 <u>299,524</u> <u>1,368,894</u>
2.55%	Ohio City of Cleveland Various Purpose, 5.500%, 12/01/2013, National-RE, GO, Callable 12/01/2012 @ 100 (a) Lake Local School District, Stark County, 5.750%, 12/01/2026, FGIC, GO, Prerefunded 12/01/2010 @ 100 (b)	470,000 100,000	511,529 <u>103,084</u> <u>614,613</u>
2.72%	Pennsylvania Cranberry Township, FGIC Municipal Government Guaranteed, 5.000%, 03/01/2021, Revenue, Prerefunded 03/01/2011 @ 100 (b) Philadelphia Authority for Industrial Development, 5.000%, 12/01/2016, National-RE FGIC, Revenue (b)	125,000 500,000	129,789 <u>528,040</u> <u>657,829</u>
1.48%	Puerto Rico Puerto Rico Electric Power Authority, 5.250%, 07/01/2029, Series HH, AGM, Revenue, Prerefunded 07/01/2010 @ 101	350,000	<u>356,230</u>
4.60%	South Carolina Beaufort County, 8.000%, 03/01/2016, National-RE State Aid Withholding, GO (a)	850,000	<u>1,109,862</u>
14.99%	Texas Alamo Community College District, 4.500%, 08/15/2010, National-RE FGIC, GO Austin Electric Utility System, 5.500%, 11/15/2015, Series A, AMBAC, Revenue (a) Brazoria County Municipal Utility District No. 26, 4.600%, 09/01/2028, National-RE FGIC, GO, Callable 09/01/2013 @ 100 (b) City of Midlothian, 5.500%, 08/15/2013, National-RE, GO (a) Dallas Area Rapid Transit, 5.250%, 12/01/2043, Revenue, Callable 12/01/2018 @ 100 (b) Dallas-Fort Worth International Airport Facility Improvement Corp., 6.000%, 11/01/2014, Revenue, Callable 11/01/2010 @ 100 (b) Laguna-Madre Water District, 4.500%, 03/01/2024, AMBAC, Revenue, Callable 03/01/2016 @ 100 (a) Municipal Power Agency, Zero Coupon, 09/01/2010, AMBAC, Revenue (b) Northside Independent School District, 5.400%, 08/15/2011, PSF- Guaranteed, GO, Prerefunded 08/15/2010 @ 100 Pearland Waterworks & Sewer Systems, 6.000%, 09/01/2011, AMBAC, Revenue (b) State Turnpike Authority, Zero Coupon, 08/15/2015, Series A, AMBAC, Revenue (b)	300,000 500,000 100,000 175,000 500,000 140,000 595,000 250,000 235,000 135,000 205,000	303,444 574,760 97,218 194,451 525,320 130,157 611,844 248,528 238,358 144,064 162,508

YIELDQUEST TAX-EXEMPT BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Principal	Value
	Texas (Continued)		
	Tarrant County, Texas Health Facilities, 5.000%, 12/01/2019, AGM, Revenue, Callable 12/01/2017 @ 100 (b)	\$ 250,000	\$ 265,515
	Upper Trinity Regional Water District, 6.000%, 08/01/2026, Series A, FGIC, Revenue, Prerefunded 08/01/2010 @ 100 (b)	120,000	<u>121,616</u>
			<u>3,617,783</u>
1.46%	U.S. Territories		
	Northern Mariana Islands Commonwealth, 6.750%, 10/01/2033, Series A, GO, Prerefunded 10/01/2013 @ 100 (b)	300,000	<u>352,752</u>
5.70%	Washington		
	Washington State Higher Education Facilities Authority, 5.000%, 11/01/2020, RADIANT, Revenue, Callable 11/01/2016 @ 100 (b)	200,000	201,430
	Washington State University Athletic Facilities: 4.000%, 10/01/2016, AMBAC, Revenue (b)	570,000	598,905
	4.000%, 10/01/2017, AMBAC, Revenue, Callable 04/01/2017 @ 100 (b)	555,000	<u>574,980</u>
			<u>1,375,315</u>
	Total Municipal Bonds (Cost \$21,845,539)		<u>22,467,655</u>
0.77%	FOREIGN BONDS		
0.77%	Financial Services		
	General Electric Capital Corp., 6.750%, 09/26/2016, EMTN (b)	NZD 250,000	<u>185,914</u>
	Total Foreign Bonds (Cost \$175,153)		<u>185,914</u>
		<u>Shares</u>	
14.44%	EXCHANGE TRADED/CLOSED-END FUNDS		
0.14%	Asset Allocation Closed-End Fund		
	TCW Strategic Income Fund, Inc.	6,952	<u>34,760</u>
6.99%	Commodity Exchange Traded Funds		
	iPath Dow Jones-UBS Commodity Index Total Return ETN (e)	36,701	1,490,795
	iShares S&P GSCI Commodity-Indexed Trust (e)	6,144	<u>197,468</u>
			<u>1,688,263</u>
0.17%	Equity Closed-End Fund		
	Macquarie Global Infrastructure Total Return Fund, Inc.	2,713	<u>41,753</u>
1.55%	Equity Exchange Traded Funds		
	iShares S&P U.S. Preferred Stock Index Fund (b)	2,511	96,749
	ProShares UltraShort Real Estate	3,894	100,621
	Utilities Select Sector SPDR Fund (b)	5,786	<u>176,299</u>
			<u>373,669</u>
1.40%	Municipal Closed-End Funds		
	BlackRock MuniYield California Insured Fund, Inc.	6,285	82,648
	Delaware Investments Minnesota Municipal Income Fund II, Inc.	1,868	24,116
	Morgan Stanley California Insured Municipal Income Trust	5,698	74,644
	Morgan Stanley California Quality Municipal Securities	7,132	86,582
	Nuveen Michigan Premium Income Fund	1,878	24,301
	Nuveen Michigan Quality Income Fund	3,363	<u>44,593</u>
			<u>336,884</u>
3.73%	Taxable Fixed Income Closed-End Funds		
	AllianceBernstein Income Fund, Inc. (b)	33,571	272,932
	BlackRock Income Trust, Inc. (b)	53,935	<u>352,196</u>

YIELDQUEST TAX-EXEMPT BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

% of Net Assets	Description	Shares	Value
	Taxable Fixed Income Closed-End Funds (Continued)		
	MFS Intermediate Income Trust (b)	21,880	\$ 144,846
	Rivus Bond Fund (b)	7,476	129,260
			<u>899,234</u>
0.46%	Taxable Fixed Income Exchange Traded Fund		
	ProShares UltraShort 7-10 Year Treasury	2,257	111,947
	Total Exchange Traded/Closed-End Funds (Cost \$3,171,081)		<u>3,486,510</u>
0.02%	PREFERRED STOCK		
0.02%	U.S. Government & Agency		
	Fannie Mae, 0.000%, Series G, Callable 09/30/2010 @ \$50 (c) (e)	2,370	4,361
	Total Preferred Stocks (Cost \$7,541)		<u>4,361</u>
			<u>Contracts</u>
0.29%	PURCHASED OPTIONS (e)		
	iShares Barclays 20+ Year Treasury:		
	05/22/2010, Put @ \$88	74	962
	05/22/2010, Put @ \$89	389	9,725
	05/22/2010, Put @ \$90	315	13,230
	05/22/2010, Put @ \$91	174	12,006
	iShares Russell 2000, 05/22/2010, Put @ \$71	88	12,320
	SPDR S&P 500 ETF Trust, 05/22/2010, Call @ \$118	119	21,063
	Total Purchased Options (Cost \$87,784)		<u>69,306</u>
			<u>Shares</u>
0.91%	SHORT-TERM INVESTMENT		
	Dreyfus Tax Exempt Cash Management Fund, 0.12% (f)	221,091	221,091
	Total Short-Term Investment (Cost \$221,091)		<u>221,091</u>
109.50%	Total Investments (Cost \$25,508,189)		<u>26,434,837</u>
(9.50)%	Net other assets (liabilities)		<u>(2,294,520)</u>
100.00%	NET ASSETS		<u>\$ 24,140,317</u>
2.23%	EXCHANGE TRADED/CLOSED-END FUNDS SOLD SHORT		
	SPDR Barclays Capital High Yield Bond ETF	13,397	538,425
	Total Exchange Traded/Closed-End Funds Sold Short (Proceeds \$518,284)		<u>538,425</u>
			<u>Principal</u>
14.51%	U.S. TREASURY SECURITIES SOLD SHORT		
	U.S. Treasury Note, 0.875%, 01/31/2012	\$ 3,500,000	3,502,597
	Total U.S. Treasury Securities Sold Short (Proceeds \$3,500,963)		<u>\$ 3,502,597</u>

YIELDQUEST TAX-EXEMPT BOND FUND
SCHEDULE OF INVESTMENTS (Unaudited) (Continued)

April 30, 2010

	<u>Local Currency</u>	<u>Market Value</u>	<u>Settlement Date</u>	<u>Unrealized Gain/(Loss)</u>
FOREIGN CURRENCY TO BUY:				
Australian Dollar	448,000	\$ 414,195	05/07/2010	\$ 449
Brazilian Real	849,731	488,119	05/07/2010	7,366
British Sterling Pound	302,407	462,686	05/07/2010	1,818
Canadian Dollar	273,464	269,216	05/07/2010	(2,128)
European Euro	242,726	323,186	05/07/2010	(877)
New Zealand Dollar	635,361	461,597	05/07/2010	13,350
				<u>19,978</u>
TO SELL:				
Australian Dollar	85,791	79,317	05/07/2010	683
Brazilian Real	126,363	72,588	05/07/2010	412
Japanese Yen	50,610,100	538,813	05/07/2010	2,924
New Zealand Dollar	191,781	139,331	05/07/2010	669
				<u>4,688</u>
Total Net Unrealized Gain (Loss) on open Forward Foreign Currency Contracts				<u>\$ 24,666</u>

	<u>Contracts</u>	<u>Notional Value</u>	<u>Unrealized Gain/(Loss)</u>
FUTURES CONTRACTS SOLD SHORT			
90 Day Euro\$, expires 12/13/2010	10	\$ 10,000,000	\$ (325)
90 Day Euro\$, expires 03/14/2011	136	136,000,000	(21,552)
E-Mini Crude Oil, expires 05/19/2010	19	805,353	(13,072)
U.S. 5 Year Note, expires 06/30/2010	107	10,700,000	(45,920)
			<u>(80,869)</u>
Total			<u>\$ (80,869)</u>

- (a) All or a portion of the security is pledged as collateral for securities sold short.
- (b) All or a portion of the security is segregated in connection with forward currency and futures contracts.
- (c) Variable rate security
- (d) Default Resolution
- (e) Non-income producing security.
- (f) Rate represents effective yield.

- AGM Assured Guaranty Municipal Corp.
- AMBAC Insured by American Municipal Bond Assurance Corp.
- COP Certificate of Participation
- ETF Exchange-Traded Fund
- ETN Exchange-Traded Note
- FGIC Insured by Financial Guaranty Insurance Co.
- GO General Obligation
- ICR Issuer Credit Rating
- NZD New Zealand Dollar
- RADIAN Insured by Radian Asset Assurance, Inc.
- SPDR S&P Depository Receipts
- XLCA Insured by XL Capital Assurance

STATEMENTS OF ASSETS AND LIABILITIES

April 30, 2010 (Unaudited)

	YieldQuest Core Equity Fund	YieldQuest Total Return Bond Fund	YieldQuest Tax-Exempt Bond Fund
Assets:			
Investment, at cost	\$ 7,734,209	\$ 66,990,225	\$ 25,508,189
Investments in securities, at value	\$ 8,884,829	\$ 65,486,636	\$ 26,434,837
Cash	96,299	2,035,104	672,631
Cash held as collateral	451,847	3,197,531	900,129
Foreign currency, at value (Cost \$56,502 and \$352,784, respectively)	56,383	356,616	—
Unrealized gain on forward foreign exchange contracts	1,385	31,405	27,671
Interest and dividends receivable	2,410	455,778	326,273
Receivable for securities sold	266,482	1,235,258	269,339
Reclaims receivable	110	—	—
Receivable due from investment advisor, net	1,690	5,760	5,879
Prepaid expenses and other assets	15,386	18,277	28,914
Total Assets	9,776,821	72,822,365	28,665,673
Liabilities:			
Foreign currencies payable to custodian, at value(cost \$2,159)	—	—	1,997
Payable for fund shares redeemed	3,164	102,347	17,716
Payable for securities purchased	230,465	1,328,621	358,729
Payable for interest and dividends on securities sold short	1,077	3,549	9,764
Variation margin on futures contracts	54,944	251,796	64,108
Securities sold short, at value (proceeds \$1,383,567, \$1,879,999 and \$4,019,247, respectively)	1,215,453	1,958,499	4,041,022
Unrealized loss on forward foreign exchange contracts	—	339,128	3,005
Accrued expenses and other payables:			
Distribution and service fees — Investor Class	436	1,407	102
Other accrued expenses	4,689	19,486	28,913
Total Liabilities	1,510,228	4,004,833	4,525,356
Net Assets	\$ 8,266,593	\$ 68,817,532	\$ 24,140,317
Net Assets Consist of:			
Paid capital	22,397,115	169,066,260	61,327,147
Undistributed net investment income (loss)	(18,396)	91,599	16,477
Accumulated net realized gain (loss) on investments, short positions, futures, forward foreign exchange contracts and translation of assets and liabilities denominated in foreign currency	(15,409,769)	(98,117,820)	(38,052,171)
Net unrealized appreciation (depreciation) on investments, short positions, futures, forward foreign exchange contracts and translation of assets and liabilities denominated in foreign currency	1,297,643	(2,222,507)	848,864
Net Assets	\$ 8,266,593	\$ 68,817,532	\$ 24,140,317
Net Assets			
Institutional Class	\$ 6,685,256	\$ 64,225,747	\$ 23,773,702
Investor Class	1,581,337	4,591,785	366,615
Total	\$ 8,266,593	\$ 68,817,532	\$ 24,140,317
Shares of Beneficial Interest Outstanding (unlimited number authorized, no par value)			
Institutional Class	1,114,375	8,776,465	2,944,932
Investor Class	264,738	627,015	45,360
Total	1,379,113	9,403,480	2,990,292
Net Asset Value, Offering & Redemption Price Per share (Net Assets Divided by shares outstanding)			
Institutional Class	\$ 6.00	\$ 7.32	\$ 8.07
Investor Class	\$ 5.97	\$ 7.32	\$ 8.08

STATEMENTS OF OPERATIONS

For the Six Months Ended April 30, 2010 (Unaudited)

	YieldQuest Core Equity Fund	YieldQuest Total Return Bond Fund	YieldQuest Tax-Exempt Bond Fund
Investment Income:			
Dividend income	\$ 69,618	\$ 1,280,637	\$ 402,293
Interest income	—	1,316,402	495,423
Less: Foreign withholding taxes	(74)	—	—
Total Investment Income	69,544	2,597,039	897,716
Operating Expenses:			
Investment advisory fees	31,401	248,417	108,908
Administration fees	872	11,579	5,076
Distribution and Service fees — Investor Class	2,526	9,110	695
Fund accounting fees	5,916	73,418	35,752
Custodian fees	18,565	62,121	37,884
Transfer agent fees	17,234	73,687	34,045
Trustees' fees	933	18,439	8,893
Registration fees	25,331	62,196	43,318
Audit fees	924	17,781	8,574
Legal fees	1,897	43,142	17,749
Printing and mailing expenses	998	23,791	9,206
Interest and dividend expense, securities sold short	22,868	495,195	231,968
Other expenses	1,963	26,793	16,719
Total Operating Expenses	131,428	1,165,669	558,787
Less: Expenses waived and reimbursed	(68,072)	(328,570)	(179,958)
Net Operating Expenses	63,356	837,099	378,829
Net Investment Income	6,188	1,759,940	518,887
Realized and Unrealized Gain (Loss)			
Net realized gain (loss) from:			
Security transactions	103,550	601,458	(118,385)
Futures contracts	424,036	585,799	169,526
Securities sold short	(1,195)	(560,383)	(226,482)
Distributions of realized gains from other investment companies	11,936	17,176	5,416
Forward and foreign currency transactions	1,918	416,386	118,942
Payment by affiliates	700	—	—
Net realized gain (loss)	540,945	1,060,436	(50,983)
Net change in unrealized appreciation (depreciation) on:			
Security transactions	395,789	(2,824,339)	(2,014,000)
Futures contracts	23,654	(149,270)	52,117
Securities sold short	(142,153)	469,721	276,349
Forward currency contracts	2,186	(45,795)	20,971
Translation of assets and liabilities in foreign currencies	(160)	(13,857)	191
Net change in unrealized appreciation (depreciation)	279,316	(2,563,540)	(1,664,372)
Net Realized and Unrealized Gain (Loss)	820,261	(1,503,104)	(1,715,355)
Net Increase (Decrease) in Net Assets Resulting From Operations	\$ 826,449	\$ 256,836	\$ (1,196,468)

STATEMENTS OF CHANGES IN NET ASSETS

April 30, 2010

	YieldQuest Core Equity Fund		YieldQuest Total Return Bond Fund	
	Six Months ended April 30, 2010 (Unaudited)	Year ended October 31, 2009	Six Months ended April 30, 2010 (Unaudited)	Year ended October 31, 2009
Operations:				
Net investment income	\$ 6,188	\$ 198,486	\$ 1,759,940	\$ 10,034,420
Net realized gain (loss) from investments, futures contracts, securities sold short and forward and foreign currency transactions	540,945	(2,637,599)	1,060,436	(53,956,546)
Net change in unrealized appreciation (depreciation) on investments, futures contracts, securities sold short, forward currency contracts and translation of assets and liabilities in foreign currency	279,316	(832,675)	(2,563,540)	44,707,258
Change in Net Assets Resulting From Operations	826,449	(3,271,788)	256,836	785,132
Distributions to Shareholders:				
From net investment income:				
Institutional Class	(19,134)	(1,174,396)	(1,658,356)	(11,585,594)
Investor Class	(5,450)	(21,775)	(101,898)	(905,073)
Total Distributions to Shareholders	(24,584)	(1,196,171)	(1,760,254)	(12,490,667)
Share Transactions of Beneficial Interest:				
Institutional Class				
Net proceeds from shares sold	3,884,379	1,681,816	5,750,091	16,598,001
Net proceeds from reorganization (Note 6)	—	—	—	6,128,551
Reinvestment of distributions	19,035	1,174,396	1,632,335	11,471,198
Cost of shares redeemed	(1,065,415)	(7,830,385)	(36,355,999)	(114,587,348)
Total Institutional Class	2,837,999	(4,974,173)	(28,973,573)	(80,389,598)
Investor Class				
Net proceeds from shares sold	286,260	1,368,071	1,053,860	11,842,662
Net proceeds from reorganization (Note 6)	—	—	—	326,742
Reinvestment of distributions	5,450	20,845	70,123	554,675
Cost of shares redeemed	(320,017)	(174,877)	(2,118,237)	(12,598,069)
Total Investor Class	(28,307)	1,214,039	(994,254)	126,010
Change in Net Assets From Share Transactions of Beneficial Interest	2,809,692	(3,760,134)	(29,967,827)	(80,263,588)
Change in Net Assets	3,611,557	(8,228,093)	(31,471,245)	(91,969,123)
Net Assets:				
Beginning of period	4,655,036	12,883,129	100,288,777	192,257,900
End of period	\$ 8,266,593	\$ 4,655,036	\$ 68,817,532	\$ 100,288,777
Undistributed net investment income (loss)	\$ (18,396)	\$ —	\$ 91,599	\$ 91,913
Share Transactions:				
Institutional Class				
Issued	681,362	329,020	779,104	2,376,309
Issued from reorganization (Note 6)	—	—	—	870,252
Reinvested	3,265	265,101	222,180	1,688,077
Redeemed	(184,915)	(1,976,189)	(4,966,551)	(16,781,625)
Total Institutional Class Shares	499,712	(1,382,068)	(3,965,267)	(11,846,987)
Investor Class				
Issued	48,591	285,179	143,738	1,835,091
Issued from reorganization (Note 6)	—	—	—	46,359
Reinvested	937	4,716	9,537	82,128
Redeemed	(56,781)	(36,737)	(289,273)	(1,900,018)
Total Investor Class Shares	(7,253)	253,158	(135,998)	63,560
Change in Shares	492,459	(1,128,910)	(4,101,265)	(11,783,427)

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

YieldQuest Tax-Exempt Bond Fund

Six Months ended April 30, 2010 (Unaudited)	Year ended October 31, 2009
\$ 518,887	\$ 2,897,307
(50,983)	(17,311,992)
<u>(1,664,372)</u>	<u>14,126,769</u>
<u>(1,196,468)</u>	<u>(287,916)</u>
(525,901)	(3,235,352)
(5,134)	(39,840)
<u>(531,035)</u>	<u>(3,275,192)</u>
1,753,668	11,332,051
512,186	3,203,770
<u>(26,452,348)</u>	<u>(64,436,113)</u>
<u>(24,186,494)</u>	<u>(49,900,292)</u>
90,000	989,598
4,458	30,811
<u>(182,891)</u>	<u>(923,311)</u>
<u>(88,433)</u>	<u>97,098</u>
<u>(24,274,927)</u>	<u>(49,803,194)</u>
<u>(26,002,430)</u>	<u>(53,366,302)</u>
50,142,747	103,509,049
<u>\$ 24,140,317</u>	<u>\$ 50,142,747</u>
<u>\$ 16,477</u>	<u>\$ 28,625</u>
211,727	1,380,317
62,306	390,699
<u>(3,213,131)</u>	<u>(8,027,380)</u>
<u>(2,939,098)</u>	<u>(6,256,364)</u>
10,998	127,187
542	3,769
<u>(22,035)</u>	<u>(111,851)</u>
<u>(10,495)</u>	<u>19,105</u>
<u>(2,949,593)</u>	<u>(6,237,259)</u>

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

For the Six Months Ended April 30, 2010 (Unaudited)

	YieldQuest Core Equity Fund	YieldQuest Total Return Bond Fund	YieldQuest Tax-Exempt Bond Fund
Cash Flows Provided by Operating Activities			
Net investment income	\$ 6,188	\$ 1,759,940	\$ 518,887
Adjustments to Reconcile Net Investment Income to Net Cash and Foreign Currency Provided by Operating Activities			
Purchase of investment securities	(13,244,624)	(110,821,996)	(45,774,366)
Proceeds from disposition of investment securities	10,323,673	162,339,386	74,002,741
Net sales (purchases) of short term securities	(172,962)	(12,309,751)	(186,839)
Net amortization	—	(43,495)	128,275
(Increase) Decrease in cash held as collateral	(75,442)	(1,509,676)	71,494
(Increase) Decrease in interest and dividends receivable	(2,054)	602,437	250,429
Decrease in reclaims receivable	173	—	—
Decrease in receivable for securities sold	57,937	8,409,197	2,557,496
Increase in variation margin on futures contracts	(43,735)	(85,306)	(254,078)
Decrease in receivable due from advisor, net	5,617	28,074	4,050
(Increase) Decrease in prepaid expenses and other assets	(3,145)	20,807	8,635
Increase (Decrease) in securities sold short	122,749	(10,292,071)	(6,702,302)
Increase (Decrease) in distribution and service fees	1	(297)	(40)
Increase (Decrease) in payable for securities purchased	75,634	(5,180,702)	303,302
Mark-to-market on realized and unrealized gain (loss) on forward and foreign currency transactions	1,758	402,530	119,133
Increase (Decrease) in unrealized appreciation/(depreciation) and realized gain (loss) on securities sold short	(143,348)	(90,662)	49,867
Increase in unrealized appreciation (depreciation) and realized gain (loss) on futures contracts	447,690	436,529	221,643
Realized gain distributions received from other investment companies	11,936	17,176	5,416
Increase (Decrease) in payable for interest and dividend expense on securities sold short	100	(12,039)	(84,266)
Decrease in other accrued expenses	(12,395)	(21,258)	(20,002)
Net cash and foreign currency provided (used) by operating activities	<u>\$ (2,644,249)</u>	<u>\$ 33,648,823</u>	<u>\$ 25,219,475</u>
Cash Flows Used by Financing Activities			
Proceeds from shares sold	4,172,619	6,803,951	1,843,668
Proceeds from reinvestments of distributions	24,485	1,702,458	516,644
Payment of shares redeemed	(1,382,268)	(38,473,940)	(27,032,323)
Distributions paid in cash	(24,584)	(1,760,254)	(531,035)
Net cash flow provided (used) by financing activities	<u>\$ 2,790,252</u>	<u>\$ (31,727,785)</u>	<u>\$ (25,203,046)</u>
Net increase in cash and foreign currency	<u>\$ 146,003</u>	<u>\$ 1,921,038</u>	<u>\$ 16,429</u>
Cash and Foreign Currency			
Beginning of the period	5,979	470,682	654,205
End of the period	<u>\$ 151,982</u>	<u>\$ 2,391,720</u>	<u>\$ 670,634</u>

NOTES TO FINANCIAL STATEMENTS (Unaudited)

NOTE 1. ORGANIZATION

YieldQuest Funds Trust (the “Trust”) is registered as an open-end management investment company under the Investment Company Act of 1940, as amended (the “Act”). The Trust was organized as a Delaware business trust on May 9, 2005 and is authorized to issue an unlimited number of shares of beneficial interest of no par value which may be issued in more than one series and classes. These notes to financial statements relate to the three portfolios of the Trust (individually referred to as “Fund”, or collectively as the “Funds”) which are presented herein:

Portfolio Name	Diversification	Investment Objective
YieldQuest Core Equity Fund ¹ (“Core Equity Fund”)	diversified	Long-term capital appreciation and, secondarily, income
YieldQuest Total Return Bond Fund ¹ (“Total Return Bond Fund”)	diversified	Total return, comprised of both income and capital appreciation
YieldQuest Tax-Exempt Bond Fund ¹ (“Tax-Exempt Bond Fund”)	diversified	Maximize current tax-exempt income

¹ Commenced operations on November 1, 2005.

The Core Equity Fund, Total Return Bond Fund and Tax-Exempt Bond Fund each offer two classes of shares: Institutional Class Shares and Investor Class Shares. Each class of shares has identical rights and privileges except with respect to distribution and administrative service fees. The Investor Class Shares commenced operations on February 28, 2008.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the Trust in the preparation of its financial statements. These policies are designed to be in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the period. Actual results could differ from these estimates.

Security Valuation — Portfolio securities and other assets for which market quotes are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales prices are reported, based on the quotes obtained from a quotation reporting system, established market makers, or pricing services. NASDAQ traded securities are valued at the NASDAQ Official Closing Price. Certain securities or investments for which daily market quotations are not readily available may be valued by YieldQuest Advisors, LLC (the “Advisor”), pursuant to guidelines established by the Board of Trustees of the Trust (the “Board”). Short-term investments having a maturity of 60 days or less are generally valued at amortized cost. Exchange-traded options, futures contracts and options on futures contracts are valued at the settlement price determined by the applicable exchange. Securities for which market quotes are not readily available are valued at a fair value as determined in good faith by the Advisor. Investments initially valued in currencies other than the U.S. dollar are converted to U.S. dollars using exchange rates obtained from independent pricing services.

In unusual circumstances, instead of valuing securities in the usual manner, the Funds may value securities at a fair value as determined in good faith by the Advisor, according to procedures approved by the Board. Fair value pricing may also be used if extraordinary events occur after the close of the relevant market but prior to the NYSE close. Fair value pricing requires subjective determinations about the value of a security. The Valuation Committee of the Board acts as a liaison between the full Board and the Advisor, with respect to the fair value pricing of securities held in the Funds’ portfolios. The Valuation Committee is responsible for reviewing and approving the Advisor’s pricing methodology for any security that is fair value priced.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

As a general principle, a “fair value” of a security is an amount that a Fund might reasonably expect to realize upon its current sale. There is no single standard for determining a fair value of a security. Rather, in determining a fair value of a security, the Advisor may take into account the relevant factors and surrounding circumstances, which may include: (i) the nature and pricing history (if any) of the security; (ii) whether any dealer quotations for the security are available; (iii) possible valuation methodologies that could be used to determine a fair value of the security; (iv) the recommendation of the Portfolio Manager of the Fund with respect to the valuation of the security; (v) whether the same or similar securities are held by other funds managed by the Advisor or other funds and the method used to price the security in those funds; (vi) the extent to which a fair value to be determined for the security will result from the use of data or formula produced by third parties independent of the Advisor, and (vii) the liquidity or illiquidity of the market for the security.

Fair Value Measurements — The inputs and valuations techniques used to measure fair value of the Funds’ net assets are summarized into three levels as described in the hierarchy below:

- Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 — Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
- Level 3 — Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs or methodologies used for valuing the Funds’ holdings are not necessarily an indication of the risks associated with investing in those holdings. For example, money market holdings are valued using amortized cost in accordance with the rules under the 1940 Act. Generally, amortized cost approximates the current value of a holding, but since the value is not obtained from a quoted price in an active market, such holdings are reflected as Level 2. Foreign holdings that are fair valued with the assistance of a statistical research service, are reflected as Level 2.

The following is a summary of the Funds’ holdings as of April 30, 2010, as categorized under the three-tier hierarchy of inputs:

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

Funds	Total	Level 1 Quoted Price	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Core Equity Fund				
Investments in Securities*	\$ 8,884,829	\$ 8,884,829	\$ —	\$ —
Other Financial Instruments**	43,651	42,266	1,385	—
Total Assets	<u>\$ 8,928,480</u>	<u>\$ 8,927,095</u>	<u>\$ 1,385</u>	<u>\$ —</u>
Securities Sold Short	(1,215,453)	(1,215,453)	—	—
Other Financial Instruments**	(64,574)	(64,574)	—	—
Total Liabilities	<u>\$ (1,280,027)</u>	<u>\$ (1,280,027)</u>	<u>\$ —</u>	<u>\$ —</u>
Total Return Bond Fund				
Corporate Bonds	\$15,825,886	\$ —	\$ 15,825,886	\$ —
Collateralized Mortgage Obligations	21,184	—	21,184	—
U.S. Government & Agency	313,424	—	313,424	—
Foreign Bonds	5,442,455	—	5,442,455	—
Municipal Bonds	4,045,132	—	4,045,132	—
Taxable Municipal Bonds	3,109,112	—	3,109,112	—
Preferred Stocks*	118,059	118,059	—	—
Exchange Traded/Closed-End Funds*	20,354,885	20,354,885	—	—
Purchased Options	324,665	324,665	—	—
Short-Term Investments	15,931,834	8,932,036	6,999,798	—
Other Financial Instruments**	31,405	—	31,405	—
Total Assets	<u>\$65,518,041</u>	<u>\$29,729,645</u>	<u>\$ 35,788,396</u>	<u>\$ —</u>
Security Sold Short	(1,958,499)	(1,958,499)	—	—
Other Financial Instruments**	(677,268)	(338,140)	(339,128)	—
Total Liabilities	<u>\$ (2,635,767)</u>	<u>\$ (2,296,639)</u>	<u>\$ (339,128)</u>	<u>\$ —</u>
Tax-Exempt Bond Fund				
Municipal Bonds	\$22,467,655	\$ —	\$ 22,467,655	\$ —
Foreign Bonds	185,914	—	185,914	—
Exchange Traded/Closed-End Funds*	3,486,510	3,486,510	—	—
Preferred Stock	4,361	4,361	—	—
Purchased Options	69,306	69,306	—	—
Short-Term Investment	221,091	221,091	—	—
Other Financial Instruments**	27,671	—	27,671	—
Total Assets	<u>\$26,462,508</u>	<u>\$ 3,781,268</u>	<u>\$ 22,681,240</u>	<u>\$ —</u>
Securities Sold Short	(4,041,022)	(538,425)	(3,502,597)	—
Other Financial Instruments**	(83,874)	(80,869)	(3,005)	—
Total Liabilities	<u>\$ (4,124,896)</u>	<u>\$ (619,294)</u>	<u>\$ (3,505,602)</u>	<u>\$ —</u>

* See schedule of investments for industry and security type breakout.

** Other financial instruments include securities sold short and derivative instruments (if any), such as futures, forwards and swap contracts, that are not reflected in the Schedule of Investments. Securities sold short are valued at market value; futures, forwards, and swap contracts are valued at the unrealized appreciation/depreciation on the instrument.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

Disclosures about Derivative Instruments and Hedging Activities — The Fund has adopted Disclosures about Derivative Instruments and Hedging Activities.

The following is a summary of the location of derivatives on the Fund's Statements of Assets and Liabilities as of April 30, 2010:

Derivative Type	Location on the Statements of Assets and Liabilities	
	Asset Derivatives	Liability Derivatives
Equity contracts	Investments in securities, at value	Payable: Variation margin
Interest rate contracts	Investments in securities, at value	Payable: Variation margin
Foreign exchange contracts	Unrealized gain on forward foreign exchange contracts	Payable: Variation margin Unrealized loss on forward foreign exchange contracts
Other contracts		Payable: Variation margin

The following is a summary of the Fund's derivative instrument holdings categorized by primary risk exposure as of April 30, 2010:

Fund	Asset Derivative Investments Value					
	Total Value at April 30, 2010	Equity Contracts	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Other Contracts
Core Equity	\$ 77,282	\$ 58,589*	\$ 17,308	\$—	\$ 1,385	\$ —
Total Return Bond	356,070	160,221	164,444	—	31,405	—
Tax-Exempt Bond	96,977	33,383	35,923	—	27,671	—
Total	\$ 530,329	\$252,193	\$ 217,675	\$—	\$ 60,461	\$ —

Fund	Liability Derivative Investments Value					
	Total Value at April 30, 2010	Equity Contracts	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Other Contracts
Core Equity	\$ (64,574)	\$ (50,721)*	\$ (6,113)*	\$—	\$ —	\$ (7,740)*
Total Return Bond	(677,268)	—	(299,960)*	—	(339,128)	(38,180)*
Tax-Exempt Bond	(83,874)	—	(67,797)*	—	(3,005)	(13,072)*
Total	\$(825,716)	\$(50,721)	\$(373,870)	\$—	\$(342,133)	\$(58,992)

* Includes cumulative appreciation/depreciation of futures contracts as reported in Schedule of Investments/footnotes. Only current day's variation margin is reported within the Statement of Assets & Liabilities.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

The following is a summary of the location of derivative investments on the Funds' Statements of Operations as of April 30, 2010:

Derivative Type	Location of Gain (Loss) on Derivatives Recognized in Income
Equity contracts	Net realized gain (loss) on Security transactions Net realized gain (loss) on Futures contracts Net realized gain (loss) on Written option transactions Change in net unrealized appreciation (depreciation) on Security transactions Change in net unrealized appreciation (depreciation) on Futures contracts
Interest rate contracts	Net realized gain (loss) on Security transactions Net realized gain (loss) on Futures contracts Change in net unrealized appreciation (depreciation) on Futures contracts
Credit contracts	Net realized gain (loss) on Swap agreements Change in net unrealized appreciation (depreciation) on Swap agreements
Foreign exchange contracts	Net realized gain (loss) of Futures contracts Net realized gain (loss) on Forward and foreign currency transactions Change in net unrealized appreciation (depreciation) of Futures contracts Change in net unrealized appreciation (depreciation) Forward currency contracts
Other contracts	Net realized gain (loss) of Futures contracts Change in net unrealized appreciation (depreciation) of Futures contracts

The following is a summary of the Funds' realized gain (loss) and change in unrealized appreciation (depreciation) on derivative investments recognized in the Statements of Operations categorized by primary risk exposure for the six months ended April 30, 2010:

Fund	Realized Gain (Loss) on Derivative Investments Recognized in the Statements of Operations					
	Total	Equity Contracts	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Other Contracts
Core Equity	\$ (123,643)	\$ (159,316)	\$ (347)	\$—	\$ 3,207	\$ 32,813
Total Return Bond	(7,193,480)	(7,671,206)	(107,576)	—	324,220	261,082
Tax-Exempt Bond	(3,112,708)	(3,010,985)	(276,126)	—	96,512	77,891
Total	\$(10,429,831)	\$(10,841,507)	\$(384,049)	\$—	\$423,939	\$371,786

Fund	Change in Unrealized Appreciation (Depreciation) on Derivative Investments Recognized in the Statements of Operations					
	Total	Equity Contracts	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Other Contracts
Core Equity	\$ 11,465	\$ 36,889	\$ (20,038)	\$—	\$ 4,432	\$ (9,818)
Total Return Bond	(388,935)	(64,078)	(282,442)	—	(11,033)	(31,382)
Tax-Exempt Bond	542	(46,918)	39,796	—	27,479	(19,815)
Total	\$ (376,928)	\$ (74,107)	\$(262,684)	\$—	\$ 20,878	\$ (61,015)

Investment Transactions and Investment Income — Investment transactions are recorded no later than one business day after trade date throughout the period. For financial reporting purposes, investment transactions are recorded on trade dates on the last business day of the reporting period. In determining net realized gain or loss from the sale of

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

securities, the cost of securities sold is determined on the identified cost basis. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis. Purchase discounts and premiums on securities are accreted and amortized over the life of the respective securities.

Expenses — Expenses of the Trust which can be directly attributed to a Fund are charged to that Fund. Expenses which are not attributed to a specific Fund are allocated among the Funds in proportion to each Fund's relative net assets or other manner as deemed equitable, taking into consideration the nature and type of expense and the relative sizes of the Funds.

Federal Income Taxes — It is the Trust's policy to comply with Subchapter M provisions of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income and any realized capital gains to its shareholders. Accordingly, no federal income tax provision is required. Each Fund is treated as a separate taxpayer for federal income tax purposes.

Management has analyzed the Funds' tax positions taken on federal income tax returns for all open tax years (tax years October 31, 2006 - 2009), and has concluded that no provision for federal income tax is required in the Funds' financial statements. The Fund's federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

Dividends and Distributions — The Core Equity Fund will pay dividends from net investment income, if any, on an annual basis and will declare and pay distributions from net realized capital gains, if any, at least annually. The Total Return Bond Fund and Tax-Exempt Bond Fund will pay dividends from net investment income on a monthly basis and will declare and pay distributions from net realized capital gains, if any, at least annually. The amounts of distributions from net investment income and capital gains are determined in accordance with federal income tax regulations, which may differ from those amounts determined under GAAP. These "book/tax" differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature (e.g. reclassification of market discounts, net operating loss, gain/loss, paydowns and distributions), such amounts are reclassified within the composition of net assets based on their federal tax-basis treatment; temporary differences (e.g. wash sales) do not require reclassification. Dividends to shareholders which exceed net investment income and net realized gains for tax purposes are reported as distributions of capital.

Foreign Currency Translations — Foreign currency transactions are translated into U.S. dollars on the following basis (i) market value of investment securities, assets and liabilities at the daily rates of exchange, and (ii) purchases and sales of investment securities, dividend and interest income and certain expenses at the rates of exchange prevailing on the respective dates of such transactions. For financial reporting purposes, the Funds do not isolate changes in the exchange rate of investment securities from the fluctuations arising from changes in the market prices of securities. For federal income tax purposes, the Funds treat as ordinary income the effect of changes in foreign exchange rates on payables and receivables arising from trade-date and settlement-date differences.

Foreign Currency Contracts — The Funds are subject to foreign exchange risk in the normal course of pursuing its investment objective. The Funds may invest in forward currency contracts for investment or risk management purposes. A forward currency contract is an obligation to buy or sell a specific currency at a future date, which may be any fixed number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. Fluctuations in the value of the forward contracts are recorded as unrealized gains or losses by the Funds. The gains or losses realized upon the closing of such contracts are included in the Statement of Operations. The use of forward currency contracts by a Fund involves risks including the potential inability of counterparties to meet the terms of their

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

contracts and unanticipated movements in the value of the foreign currency relative to the U.S. dollar. The market value of securities segregated for foreign currency contracts at April 30, 2010 is as follows:

Core Equity Fund	\$319,250
Total Return Bond Fund	565,250
Tax-Exempt Bond Fund	185,914

Futures Contracts — Each Fund is subject to equity, interest, foreign exchange and other risk exposure in the normal course of pursuing its investment objectives. Each Fund may use futures contracts for hedging or speculative purposes consistent with its investment objective. Upon entering into a futures contract, a Fund must deposit initial margin in addition to segregating cash or liquid assets sufficient to meet its obligation to purchase or provide securities, or to pay the amount owed at the expiration of an index-based futures contract. Such liquid assets may consist of cash, cash equivalents, liquid debt or equity securities or other acceptable assets. Pursuant to the futures contract, the Fund agrees to receive from, or pay to the broker, an amount of cash equal to the daily fluctuation in value of the contract. Such a receipt of payment is known as a “variation margin” and is recorded by each Fund as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transactions and the Fund’s basis in the contract. Futures contracts have market risks, including the risk that the change in the value of the contract may not correlate with changes in the value of the underlying securities. Use of long futures contracts subjects a Fund to risk of loss in excess of the amount shown on the Statement of Assets and Liabilities, up to the notional value of the futures contract. Use of short futures contracts subjects a Fund to unlimited risk of loss. Cash segregated for futures is shown in the Statement of Assets and Liabilities as cash held as collateral. The market value of securities segregated for futures at April 30, 2010 is as follows:

Core Equity Fund	\$ 199,212
Total Return Bond Fund	57,094,850
Tax-Exempt Bond Fund	13,723,336

Option Contracts — The Funds are subject to equity and other risk exposure in the normal course of pursuing its investment objectives. The Funds may write or purchase option contracts. These transactions are used to hedge against changes in interest rates, security prices, currency fluctuations, and other market developments, or for the purposes of earning additional income (i.e. speculation). The risk associated with purchasing an option is that the Fund pays a premium whether or not the option is exercised. Additionally, the Funds bear the risk of loss of premium and change in market value should the counterparty not perform under the contract. Put and call options are accounted for in the same manner as other securities owned. The cost of securities acquired through the exercise of call options is increased by the premiums paid. The proceeds from securities sold through the exercise of put options are decreased by the premiums paid.

In writing an option, a Fund contracts with a specified counterparty to purchase (written put option) or sell (written call option) a specified quantity (notional amount) of an underlying asset at a specified price during a specified period upon demand of the counterparty. The risk associated with writing an option is that the applicable Fund bears the market risk of an unfavorable change in the price of an underlying asset, and may be required to buy or sell an underlying asset under the contractual terms of the option at a price different from the current market value. Written options involve financial risk which may exceed amounts reflected in the financial statements. There were no written options for the six months ended April 30, 2010.

Swap Agreements — Each Fund may enter into swap agreements for the purpose of attempting to obtain, enhance, or preserve a particular desired return or spread at a lower cost to the Fund than if the Fund had invested directly in an instrument that yielded that desired return or spread. The value of swap agreements are equal to the Fund’s obligation (or rights) under swap agreements, which will generally be equal to the net amounts to be paid or received under the agreements based upon the relative values of the position held by each party to the agreements. A Fund’s obligation under a swap agreement will be accrued daily (offset against amounts owed to that Fund) and any accrued but unpaid net amounts owed to a swap counterparty will be covered by designating liquid assets on that Fund’s books and records.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

Each Fund may enter into credit default swaps (“CDS”), bilateral financial contracts that transfer the credit risk of a third party reference entity or a group of entities from one party to another. A buyer of a CDS receives credit protection or sheds credit risk, whereas the seller of a CDS is selling credit protection or assuming credit risk. The seller typically receives a predetermined periodic payment from the other party in consideration for guaranteeing to make a specific payment to the buyer should the third party reference entity suffer a default event. If a default event occurs, the seller would be required to pay the par value of a referenced debt obligation to the counterparty in exchange for a default debt obligation. The quoted market prices and resulting values for credit default swap agreements on credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative if the notional amount of the swap agreement had been closed/sold as of the period end. CDS are marked-to-market daily based on the mean of bid and asked quotes as obtained from multiple dealers, and changes in value, as well as the accrual of the periodic coupon payments, are recorded as “unrealized gain or loss on credit default swap agreements”. Gains or losses on swap agreements are realized upon termination of the swap contract and the periodic coupon payments. In addition to being exposed to the credit risk of the underlying reference entity, CDS are subject to counterparty risk, market risk and interest rate risk. CDS utilized by the Funds may not perform as expected or in a manner similar to the high-yield bond markets. A Fund will enter into CDS only with counterparties that the Advisor reasonably believes are capable of performing under the CDS. The Funds did not hold any swap agreements as of April 30, 2010.

Short Sales — Each Fund may make short sales as part of its overall portfolio management strategy or to offset a potential decline in the value of a security. A short sale involves the sale of a security that is borrowed from a broker or other institution. A gain, limited to the price at which the Funds sold the security short, or a loss, unlimited in size, will be recognized upon closing a short sale. Short sales expose a Fund to the risk that it will be required to acquire, convert or exchange securities to replace the borrowed securities at a time when the securities sold short have appreciated in value, thus resulting in a loss to the Fund. A Fund making a short sale must segregate assets determined to be liquid by the Advisor in accordance with procedures established by the Board of Trustees or otherwise cover its position in a permissible manner. Cash segregated for short sales is shown in the Statement of Assets and Liabilities as cash held as collateral. The market value of securities segregated for short sales at April 30, 2010 is as follows:

Core Equity Fund	\$2,686,964
Total Return Bond Fund	3,918,529
Tax-Exempt Bond Fund	8,567,357

For the six months ended April 30, 2010, the Funds’ average volume of derivatives is as follows:

<u>Fund</u>	<u>Purchased Options (Cost)</u>	<u>Forward Currency Contracts — Purchased (Value at Trade Date)</u>	<u>Forward Currency Contracts — Sold (Value at Trade Date)</u>	<u>Futures Long Position (Contracts)</u>	<u>Futures Short Position (Contracts)</u>
Core Equity Fund	\$ 33,060	\$ 93,000	\$ 396,770	73	23
Total Return Bond Fund	505,442	3,703,654	6,066,725	72	673
Tax-Exempt Bond Fund	195,066	1,045,390	644,045	24	300

NOTE 3. INVESTMENT ADVISORY FEES AND OTHER RELATED PARTY TRANSACTIONS

The Trust has entered into an investment advisory agreement with the Advisor on behalf of each Fund. The Advisor has overall supervisory responsibility for the general management and investment of each Fund and its securities portfolio, subject to the authority of the Board. The following table sets forth the annual investment advisory fee rates payable by

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

each Fund to the Advisor pursuant to the investment advisory agreement, expressed as a percentage of the Fund's average daily net assets, along with the investment advisory fees earned during the six months ended April 30, 2010.

	<u>Investment Advisory Fee Rate</u>	<u>Investment Advisory Fees Earned*</u>	<u>Investment Advisory Fees Paid**</u>
Core Equity Fund	0.99%	\$ 31,401	\$—
Total Return Bond Fund	0.59%	248,417	—
Tax-Exempt Bond Fund	0.59%	108,908	—

* These figures represent the investment advisory fees accrued, excluding the effects of any fee waivers/ reimbursements.

** Net of fees waived/expenses of the Funds reimbursed by the Advisor.

The Advisor has contractually agreed to waive its investment advisory fees and/or make payments to limit certain Fund operating expenses, other than brokerage fees and commissions, borrowing costs (such as interest and dividend expenses on securities sold short, if any), 12b-1 expenses, administration expense, taxes, indirect expenses of investing in other investment companies and extraordinary or non-recurring expenses, to the amount described below under "Expense Limitation", until March 1, 2011. The expense limitations, expressed as a percentage of each Fund's average daily net assets, along with the actual investment advisory fee waivers and expense reimbursements for the six months ended April 30, 2010, are disclosed in the following table:

	<u>Expense Limitation</u>	<u>Investment Advisory Fee Waivers/ Reimbursements</u>
Core Equity Fund		
Institutional Class	1.19%	\$ 52,585
Investor Class	1.19%	15,487
Total Return Bond Fund		
Institutional Class	0.79%	308,257
Investor Class	0.79%	20,313
Tax-Exempt Bond Fund		
Institutional Class	0.79%	178,021
Investor Class	0.79%	1,937

Each waiver or reimbursement by the Advisor is subject to repayment by a Fund within three fiscal years following the fiscal year in which that particular expense was incurred; provided that the Fund is able to make repayment without exceeding its expense limitation in effect at the time of the waiver or reimbursement.

The cumulative waiver and reimbursement amounts, if any, as of October 31, 2009 that are subject to repayment for each Fund are as follows:

	<u>Expiration 10/31/2010</u>	<u>Expiration 10/31/2011</u>	<u>Expiration 10/31/2012</u>	<u>Total Available for Repayment</u>
Core Equity Fund	\$120,628	\$ 68,701	\$143,657	\$332,986
Total Return Bond Fund	—	109,585	508,415	618,000
Tax-Exempt Bond Fund	—	157,375	316,694	474,069

Under the Distribution and Shareholder Services Plan, adopted by the Board of Trustees pursuant to Rule 12b-1 under the Act, each Fund will pay YieldQuest Securities, LLC (the "Distributor") an annual distribution fee of 0.25% of the average daily net assets of Investor Class Shares of such Fund as compensation for the promotion and distribution of

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

Investor Class Shares. These fees may be used by the Distributor to pay broker-dealers, investment advisors, banks, trust companies, retirement plan administrators and other services providers which provide distribution services and shareholder and administrative support. The Funds have adopted an Administration Plan with respect to Investor Class shares, pursuant to which each Fund pays an annual fee equal to 0.10% of the average daily net assets of each Fund's Investor Class to the Distributor to compensate financial intermediaries that provide administrative services to the Investor Class shareholders pursuant to a written agreement with the Distributor. Financial intermediaries eligible to receive payments under the Administration Plan include mutual fund supermarkets and other platforms sponsored by any 401(k) plan, bank, trust company or broker-dealer that have entered into agreements with the Distributor or the Trust. For the six months ended April 30, 2010, the Distributor received \$8,807 in distribution fees and \$3,524 in administrative service fees paid by the Investor Class of the Funds, of which 100% of the fees were re-allowed to broker-dealers.

Subject to policies established by the Board, the Advisor is responsible for each Fund's portfolio decisions and the placing of each Fund's portfolio transactions. The Advisor typically executes each Fund's portfolio transactions through its affiliated broker-dealer, YieldQuest Securities, LLC, on an agency basis; while principal trades on behalf of the Funds are executed solely through independent broker-dealers. In placing portfolio transactions, the Advisor seeks the best qualitative execution for the Funds, taking into account such factors as price (including the applicable brokerage commission or dealer spread), the execution capability, financial responsibility, responsiveness of the broker-dealer, clearance procedures, wire service quotations, statistical information, market and economic analysis provided by the broker or dealer to the Funds and the Advisor. The Advisor generally seeks favorable prices and commission rates that are reasonable in relation to the benefits received. Under the Investment Company Act of 1940, persons affiliated with an affiliate of the Advisor (such as YieldQuest Securities, LLC) are prohibited from dealing with the Funds as a principal in the purchase and sale of securities. Therefore, YieldQuest Securities, LLC will not serve as dealer in connection with the Fund's over-the-counter transactions. However, YieldQuest Securities, LLC may serve as broker in the Funds' over-the-counter transactions conducted on an agency basis and may receive brokerage commissions in connection with such transactions. Such transactions will be executed on a fully disclosed basis through its clearing firm. For the six months ended April 30, 2010, YieldQuest Securities, LLC had received brokerage commissions of \$116,401, \$1,539,112 and \$573,880, respectively, for the Core Equity Fund, Total Return Bond Fund and Tax-Exempt Bond Fund. The total value of transactions generating brokerage commissions were \$23,541,787, \$239,531,167 and \$111,055,665, respectively, for the Core Equity Fund, Total Return Bond Fund and Tax-Exempt Bond Fund.

Jay K. Chitnis, Chairman and President of the Trust, and the other officers of the Trust are also officers of the Advisor and the Distributor. The Trust does not compensate its officers or interested Trustees who are affiliated with the Advisor or Distributor. The Trust pays each non-interested Trustee an annual retainer of \$19,000 and reimburses for out-of-pocket expenses.

Effective September 8, 2008, pursuant to an Administration and Accounting Service Agreement (the "Administration Agreement"), PNC Global Investment Servicing (U.S.) Inc. ("PNC") provides administration and accounting services to the Funds. Under the Administration Agreement, the Funds pay PNC a monthly fee for their services. Pursuant to a Transfer Agency Services Agreement, PNC also provides transfer agency services to the Funds.

Contingencies and Commitments — In the normal course of business, the Funds enter into contracts that contain various representations and warranties and provide general indemnifications. The Funds' maximum exposure under these arrangements is dependent on future claims against the Funds and is presently unknown. However, based on experience, the Funds consider the risk of loss from such potential claims to be remote.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

NOTE 4. INVESTMENT TRANSACTIONS

The cost of investment purchases and the proceeds from the sale of securities (excluding securities maturing less than one year from acquisition), for the six months ended April 30, 2010 were as follows:

	U.S. Government Securities		Other Securities	
	<u>Purchases</u>	<u>Sales</u>	<u>Purchases</u>	<u>Sales</u>
Core Equity Fund	\$ —	\$ —	\$ 13,244,624	\$ 10,323,673
Total Return Bond Fund	2,086	2,262	110,821,996	162,339,386
Tax-Exempt Bond Fund	—	—	45,774,366	74,002,741

NOTE 5. DISTRIBUTIONS TO SHAREHOLDERS AND TAX COMPONENTS OF CAPITAL

The tax components of dividends paid during the year ended October 31, 2009 and period ended October 31, 2008 were as follows:

	<u>Ordinary Income</u>	<u>Tax-Exempt Income</u>	<u>Long-Term Capital Gains</u>	<u>Return of Capital</u>	<u>Total</u>
Core Equity Fund					
2009	\$ 1,196,171	\$ —	\$—	\$—	\$ 1,196,171
2008	679,745	—	—	—	679,745
Total Return Bond Fund					
2009	12,490,667	—	—	—	12,490,667
2008	19,074,509	—	—	—	19,074,509
Tax-Exempt Bond Fund					
2009	400,174	2,875,018	—	—	3,275,192
2008	1,543,509	5,113,465	—	—	6,656,974

As of October 31, 2009 (the Fund's latest tax year end), the components of distributable earnings on a tax basis were as follows:

	<u>Capital Loss Carry Forwards</u>	<u>Undistributed Ordinary Income</u>	<u>Undistributed Tax-Exempt Income</u>	<u>Unrealized Appreciation (Depreciation)</u>	<u>Other Accumulated Differences</u>	<u>Total</u>
Core Equity Fund	\$(15,697,550)	\$ —	\$ —	\$ 740,097	\$ 25,066	\$(14,932,387)
Total Return Bond Fund	(95,364,411)	136,954	—	(3,449,999)	(67,854)	(98,745,310)
Tax-Exempt Bond Fund	(37,097,437)	—	34,521	1,562,027	41,562	(35,459,327)

The difference between book basis unrealized appreciation and depreciation is attributable primarily to tax deferral of losses on wash sales and on investments in Passive Foreign Investment Companies, futures, options and forward currency contracts.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)
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At April 30, 2010, the cost, gross unrealized appreciation and gross unrealized depreciation on securities, for federal income tax purposes, were as follows:

	<u>Tax Cost</u>	<u>Tax Unrealized Appreciation</u>	<u>Tax Unrealized (Depreciation)</u>	<u>Net Tax Unrealized Appreciation (Depreciation)</u>
Core Equity Fund	\$ 7,734,209	\$1,197,982	\$ (47,362)	\$ 1,150,620
Total Return Fund	66,990,225	2,707,125	(4,210,714)	(1,503,589)
Tax-Exempt Bond Fund	25,508,189	1,053,286	(126,638)	926,648

At October 31, 2010, the following Funds had net capital loss carryforwards for federal income tax purposes, which will expire in the following years:

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Core Equity Fund	\$ 82,732	\$ —	\$11,895,697	\$ 3,719,121
Total Return Bond Fund	200,854	14,598,251	22,710,383*	57,854,923
Tax-Exempt Bond Fund	303,684	4,248,042	12,628,904	19,916,807

* Capital loss carryforward amount of \$2,157,045 was inherited from YieldQuest Flexible Income Fund (see Note 6) and may be subject to IRS limitations in a given year.

NOTE 6. FUND REORGANIZATION

The Board of Trustees of the Trust approved a plan of reorganization pursuant to which the assets and identified liabilities of the YieldQuest Flexible Income Fund were transferred into the YieldQuest Total Return Bond Fund (shown below) in exchange for newly issued Institutional and Investor shares as noted below. The reorganization was a tax-free event and took place on July 15, 2009.

The following information relates to the Funds immediately prior and immediately after the consummation of the reorganization:

<u>Acquired Fund</u>	<u>Acquiring Fund</u>	<u>Institutional Shares Issued</u>	<u>Institutional Net Asset Value</u>	<u>Investor Shares Issued</u>	<u>Investor Net Asset Value</u>
YieldQuest Flexible Income Fund	YieldQuest Total Return Bond Fund	870,252	\$7.04	46,359	\$7.05

The conversion ratios for each Share class issued in the reorganization were as follows:

<u>Acquired Fund</u>	<u>Acquiring Fund</u>	<u>Institutional Class</u>	<u>Investor Class</u>
YieldQuest Flexible Income Fund	YieldQuest Total Return Bond Fund	0.6625	0.6626

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

The following information relates to the Merging and the corresponding Fund immediately prior and immediately after the consummation of the reorganization:

Fund	Net Assets	Shares Outstanding	Unrealized App/(Dep)
YieldQuest Flexible Income Fund (before reorganization)	\$ 6,455,293	1,383,538	\$(843,046)
YieldQuest Total Return Bond Fund (before reorganization)	113,810,729	16,160,421	N/A
YieldQuest Total Return Bond Fund (after reorganization)	120,266,022	17,077,032	N/A

NOTE 7. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Fund through the date the financial statements were issued, and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

FINANCIAL HIGHLIGHTS

The table sets forth financial data for one share of beneficial interest outstanding throughout the entire period.

	YieldQuest Core Equity Fund				
	Institutional Class				
	Six Months ended 4/30/2010 (Unaudited)	Years Ended October 31,			
		2009	2008	2007	2006 ^(a)
Net Asset Value, beginning of period	\$ 5.26	\$ 6.39	\$ 12.89	\$ 11.36	\$ 10.00
Change in net assets from operations:					
Net investment income	0.01 ^(b)	0.14 ^(b)	0.44	0.28	0.13
Net realized and unrealized gains (losses) on investments ^(c)	0.77 ^(b)	(0.66) ^(b)	(6.60)	1.41	1.29
Total from investment operations	0.78	(0.52)	(6.16)	1.69	1.42
Distributions:					
Net investment income	(0.04)	(0.61)	(0.34)	(0.16)	(0.06)
Net realized capital gains from investments	—	—	—	—	— ^(d)
Total Distributions	(0.04)	(0.61)	(0.34)	(0.16)	(0.06) ^(d)
Paid-in capital from redemption fees	—	—	—	— ^(d)	— ^(d)
Net Asset Value, end of period	<u>\$ 6.00</u>	<u>\$ 5.26</u>	<u>\$ 6.39</u>	<u>\$ 12.89</u>	<u>\$ 11.36</u>
Net assets, end of period (000's)	\$ 6,685	\$ 3,231	\$ 12,763	\$ 25,370	\$ 18,782
Total Return ^{(e) (f)}	14.75%	(6.34)%	(49.06)%	14.98%	14.24%
Ratios/Supplemental Data:					
Ratios of expenses to average net assets: ^(g)					
Before expense waivers/reimbursements	4.06%	4.82%	2.88%	1.80%	2.85%
After expense waivers/reimbursements	1.92%	2.63%	2.58%	1.24%	1.19%
After expense waivers/reimbursements excluding interest and dividend expense for securities sold short, if any	1.20%	1.19%	1.19%	1.19%	1.19%
Ratios of net investment income (loss) to average net assets: ^(g)					
Before expense waivers/reimbursements	(1.87)%	0.87%	3.60%	1.90%	(0.29)%
After expense waivers/reimbursements	0.27%	3.06%	3.90%	2.46%	1.37%
Portfolio turnover rate ^{(f) (h)}	156%	338%	499%	568%	455%

(a) Commenced operations on November 1, 2005.

(b) Per share data was calculated using weighted average shares outstanding method for the period.

(c) Includes distributions of capital gains from underlying mutual funds.

(d) Amount represents less than \$0.01 per share.

(e) Assumes reinvestment of all dividends and distributions, if any. Total return does not reflect the deductions of taxes that a shareholder would pay on distributions or on the redemption of shares.

(f) Not annualized for periods less than one year.

(g) Annualized for periods less than one year.

(h) Portfolio turnover rate is calculated on the basis of the Fund as a whole without distinguishing between classes of shares issued.

FINANCIAL HIGHLIGHTS (Continued)

The table sets forth financial data for one share of beneficial interest outstanding throughout the entire period.

	YieldQuest Core Equity Fund		
	Investor Class		
	Six Months ended 4/30/2010 (Unaudited)	Years Ended October 31,	
		2009	2008 ^(a)
Net Asset Value, beginning of period	\$ 5.23	\$ 6.38	\$ 11.36
Change in net assets from operations:			
Net investment income	— ^{(b) (c)}	0.13 ^(b)	0.09
Net realized and unrealized gains (losses) on investments ^(d)	0.76 ^(b)	(0.68) ^(b)	(5.07)
Total from investment operations	<u>0.76</u>	<u>(0.55)</u>	<u>(4.98)</u>
Distributions:			
Net investment income	(0.02)	(0.60)	—
Total Distributions	<u>(0.02)</u>	<u>(0.60)</u>	<u>—</u>
Paid-in capital from redemption fees	—	—	—
Net Asset Value, end of period	<u>\$ 5.97</u>	<u>\$ 5.23</u>	<u>\$ 6.38</u>
Net assets, end of period (000's)	\$ 1,581	\$ 1,424	\$ 120
Total Return ^{(e) (f)}	14.60%	(6.82)%	(43.84)%
Ratios/Supplemental Data:			
Ratios of expenses to average net assets: ^(g)			
Before expense waivers/reimbursements	4.41%	5.17%	2.92%
After expense waivers/reimbursements	2.27%	2.98%	2.56%
After expense waivers/reimbursements excluding interest and dividend expense for securities sold short, if any	1.55%	1.54%	1.54%
Ratios of net investment income (loss) to average net assets: ^(g)			
Before expense waivers/reimbursements	(2.22)%	0.52%	2.89%
After expense waivers/reimbursements	(0.08)%	2.71%	3.25%
Portfolio turnover rate ^{(f) (h)}	156%	338%	499%

(a) Commenced operations on February 28, 2008.

(b) Per share data was calculated using weighted average shares outstanding method for the period.

(c) Amount represents less than \$0.01 per share.

(d) Includes distributions of capital gains from underlying mutual funds.

(e) Assumes reinvestment of all dividends and distributions, if any. Total return does not reflect the deductions of taxes that a shareholder would pay on distributions or on the redemption of shares.

(f) Not annualized for periods less than one year.

(g) Annualized for periods less than one year.

(h) Portfolio turnover rate is calculated on the basis of the Fund as a whole without distinguishing between classes of shares issued.

FINANCIAL HIGHLIGHTS (Continued)

The table sets forth financial data for one share of beneficial interest outstanding throughout the entire period.

YieldQuest Total Return Bond Fund					
Institutional Class					
	Six Months ended 4/30/2010 (Unaudited)	Years Ended October 31,			
		2009	2008	2007	2006 ^(a)
Net Asset Value, beginning of period	\$ 7.43	\$ 7.60	\$ 9.93	\$ 10.51	\$ 10.00
Change in net assets from operations:					
Net investment income	0.15	0.53 ^(b)	0.63	0.54	0.41
Net realized and unrealized gains (losses) on investments ^(c)	(0.11)	(0.08) ^(b)	(2.29)	(0.62)	0.51
Total from investment operations	0.04	0.45	(1.66)	(0.08)	0.92
Distributions:					
Net investment income	(0.15)	(0.62)	(0.67)	(0.50)	(0.41)
Net realized capital gains from investments	—	—	—	—	— ^(d)
Total Distributions	(0.15)	(0.62)	(0.67)	(0.50)	(0.41)
Paid-in capital from redemption fees	—	—	—	— ^(d)	— ^(d)
Net Asset Value, end of period	<u>\$ 7.32</u>	<u>\$ 7.43</u>	<u>\$ 7.60</u>	<u>\$ 9.93</u>	<u>\$ 10.51</u>
Net assets, end of period (000's)	<u>\$ 64,226</u>	<u>\$ 94,618</u>	<u>\$ 186,944</u>	<u>\$ 328,496</u>	<u>\$ 138,239</u>
Total Return ^{(e) (f)}	0.55%	7.00%	(17.66)%	(0.86)%	9.31%
Ratios/Supplemental Data:					
Ratios of expenses to average net assets: ^(g)					
Before expense waivers/reimbursements	2.75%	1.78%	1.44%	0.83%	0.94%
After expense waivers/reimbursements	1.97%	1.40%	1.40%	0.83%	0.79%
After expense waivers/reimbursements excluding interest and dividend expense for securities sold short, if any	0.79%	0.79%	0.80% ^(h)	0.79%	0.79%
Ratios of net investment income (loss) to average net assets: ^(g)					
Before expense waivers/reimbursements	3.42%	7.19%	6.75%	5.53%	4.70%
After expense waivers/reimbursements	4.20%	7.57%	6.79%	5.53%	4.85%
Portfolio turnover rate ^{(f) (i)}	144%	331%	165%	220%	137%

(a) Commenced operations on November 1, 2005.

(b) Per share data was calculated using weighted average shares outstanding method for the period.

(c) Includes distributions of capital gains from underlying mutual funds.

(d) Amount represents less than \$0.01 per share.

(e) Assumes reinvestment of all dividends and distributions, if any. Total return does not reflect the deductions of taxes that a shareholder would pay on distributions or on the redemption of shares.

(f) Not annualized for periods less than one year.

(g) Annualized for periods less than one year.

(h) Includes excise tax expense of 0.01% for the year end October 31, 2008, which is not included in the contractual expense limitation.

(i) Portfolio turnover rate is calculated on the basis of the Fund as a whole without distinguishing between classes of shares issued.

FINANCIAL HIGHLIGHTS (Continued)

The table sets forth financial data for one share of beneficial interest outstanding throughout the entire period.

	YieldQuest Total Return Bond Fund		
	Investor Class		
	Six Months ended 4/30/2010 (Unaudited)	Years Ended October 31,	
		2009	2008 ^(a)
Net Asset Value, beginning of period	\$ 7.43	\$ 7.60	\$ 9.72
Change in net assets from operations:			
Net investment income	0.14	0.50 ^(b)	0.41
Net realized and unrealized gains (losses) on investments ^(c)	(0.11)	(0.08) ^(b)	(2.08)
Total from investment operations	<u>0.03</u>	<u>0.42</u>	<u>(1.67)</u>
Distributions:			
Net investment income	(0.14)	(0.59)	(0.45)
Total Distributions	<u>(0.14)</u>	<u>(0.59)</u>	<u>(0.45)</u>
Paid-in capital from redemption fees	—	—	—
Net Asset Value, end of period	<u>\$ 7.32</u>	<u>\$ 7.43</u>	<u>\$ 7.60</u>
Net assets, end of period (000's)	\$ 4,592	\$ 5,671	\$ 5,314
Total Return ^{(d) (e)}	0.38%	6.62%	(17.76)%
Ratios/Supplemental Data:			
Ratios of expenses to average net assets: ^(f)			
Before expense waivers/reimbursements	3.10%	2.13%	1.62%
After expense waivers/reimbursements	2.32%	1.75%	1.56%
After expense waivers/reimbursements excluding interest and dividend expense for securities sold short, if any	1.14%	1.14%	1.15% ^(g)
Ratios of net investment income (loss) to average net assets: ^(f)			
Before expense waivers/reimbursements	3.07%	6.84%	6.78%
After expense waivers/reimbursements	3.85%	7.22%	6.84%
Portfolio turnover rate ^{(e) (h)}	144%	331%	165%

(a) Commenced operations on February 28, 2008.

(b) Per share data was calculated using weighted average shares outstanding method for the period.

(c) Includes distributions of capital gains from underlying mutual funds.

(d) Assumes reinvestment of all dividends and distributions, if any. Total return does not reflect the deductions of taxes that a shareholder would pay on distributions or on the redemption of shares.

(e) Not annualized for periods less than one year.

(f) Annualized for periods less than one year.

(g) Includes excise tax expense of 0.01% for the year end October 31, 2008, which is not included in the contractual expense limitation.

(h) Portfolio turnover rate is calculated on the basis of the Fund as a whole without distinguishing between classes of shares issued.

FINANCIAL HIGHLIGHTS (Continued)

The table sets forth financial data for one share of beneficial interest outstanding throughout the entire period.

YieldQuest Tax-Exempt Bond Fund					
Institutional Class					
	Six Months ended 4/30/2010 (Unaudited)	Years Ended October 31,			
		2009	2008	2007	2006 ^(a)
Net Asset Value, beginning of period	\$ 8.44	\$ 8.50	\$ 10.09	\$ 10.53	\$ 10.00
Change in net assets from operations:					
Net investment income	0.12	0.38 ^(b)	0.42	0.40	0.31
Net realized and unrealized gains (losses) on investments ^(c)	(0.37)	(0.02) ^(b)	(1.58)	(0.44)	0.53
Total from investment operations	(0.25)	0.36	(1.16)	(0.04)	0.84
Distributions:					
Net investment income	(0.12)	(0.42)	(0.43)	(0.40)	(0.31)
Net realized capital gains from investments	—	—	—	—	— ^(d)
Total Distributions	(0.12)	(0.42)	(0.43)	(0.40)	(0.31)
Paid-in capital from redemption fees	—	—	—	— ^(d)	— ^(d)
Net Asset Value, end of period	<u>\$ 8.07</u>	<u>\$ 8.44</u>	<u>\$ 8.50</u>	<u>\$ 10.09</u>	<u>\$ 10.53</u>
Net assets, end of period (000's)	<u>\$ 23,774</u>	<u>\$ 49,671</u>	<u>\$ 103,196</u>	<u>\$ 191,007</u>	<u>\$ 86,199</u>
Total Return ^{(e) (f)}	(2.97)%	4.46%	(11.88)%	(0.46)%	8.51%
Ratios/Supplemental Data:					
Ratios of expenses to average net assets: ^(g)					
Before expense waivers/reimbursements	3.02%	2.21%	1.70%	0.81%	1.09%
After expense waivers/reimbursements	2.05%	1.72%	1.60%	0.81%	0.79%
After expense waivers/reimbursements excluding interest and dividend expense for securities sold short, if any	0.79%	0.79%	0.79%	0.79%	0.79%
Ratios of net investment income (loss) to average net assets: ^(g)					
Before expense waivers/reimbursements	1.84%	4.03%	4.16%	3.91%	3.25%
After expense waivers/reimbursements	2.81%	4.52%	4.26%	3.91%	3.55%
Portfolio turnover rate ^{(f) (h)}	115%	184%	158%	152%	72%

(a) Commenced operations on November 1, 2005.

(b) Per share data was calculated using weighted average shares outstanding method for the period.

(c) Includes distributions of capital gains from underlying mutual funds.

(d) Amount represents less than \$0.01 per share.

(e) Assumes reinvestment of all dividends and distributions, if any. Total return does not reflect the deductions of taxes that a shareholder would pay on distributions or on the redemption of shares.

(f) Not annualized for periods less than one year.

(g) Annualized for periods less than one year.

(h) Portfolio turnover rate is calculated on the basis of the Fund as a whole without distinguishing between classes of shares issued.

FINANCIAL HIGHLIGHTS (Continued)

The table sets forth financial data for one share of beneficial interest outstanding throughout the entire period.

	YieldQuest Tax-Exempt Bond Fund		
	Investor Class		
	Six Months ended 4/30/2010 (Unaudited)	Years Ended October 31,	
		2009	2008 ^(a)
Net Asset Value, beginning of period	\$ 8.45	\$ 8.52	\$ 9.85
Change in net assets from operations:			
Net investment income	0.10	0.35 ^(b)	0.26
Net realized and unrealized gains (losses) on investments ^(c)	(0.36)	(0.03) ^(b)	(1.33)
Total from investment operations	(0.26)	0.32	(1.07)
Distributions:			
Net investment income	(0.11)	(0.39)	(0.26)
Total Distributions	(0.11)	(0.39)	(0.26)
Paid-in capital from redemption fees	—	—	—
Net Asset Value, end of period	<u>\$ 8.08</u>	<u>\$ 8.45</u>	<u>\$ 8.52</u>
Net assets, end of period (000's)	<u>\$ 367</u>	<u>\$ 472</u>	<u>\$ 313</u>
Total Return ^{(d) (e)}	(3.14)%	3.98%	(11.04)%
Ratios/Supplemental Data:			
Ratios of expenses to average net assets: ^(f)			
Before expense waivers/reimbursements	3.37%	2.56%	1.84%
After expense waivers/reimbursements	2.40%	2.07%	1.72%
After expense waivers/reimbursements excluding interest and dividend expense for securities sold short, if any	1.14%	1.14%	1.14%
Ratios of net investment income (loss) to average net assets: ^(f)			
Before expense waivers/reimbursements	1.49%	3.68%	4.05%
After expense waivers/reimbursements	2.46%	4.17%	4.17%
Portfolio turnover rate ^{(e) (g)}	115%	184%	158%

(a) Commenced operations on February 28, 2008.

(b) Per share data was calculated using weighted average shares outstanding method for the period.

(c) Includes distributions of capital gains from underlying mutual funds.

(d) Assumes reinvestment of all dividends and distributions, if any. Total return does not reflect the deductions of taxes that a shareholder would pay on distributions or on the redemption of shares.

(e) Not annualized for periods less than one year.

(f) Annualized for periods less than one year.

(g) Portfolio turnover rate is calculated on the basis of the Fund as a whole without distinguishing between classes of shares issued.

SUPPLEMENTAL INFORMATION (Unaudited)

Shareholders of the YieldQuest Funds pay ongoing expenses, such as advisory fees, ongoing operating expenses, and distribution and administration expenses with respect to Investor Class shares. The following examples are intended to help the shareholder understand the ongoing cost (in dollars) of investing in a Fund and to compare these costs with the ongoing costs in investing in other mutual funds. **This example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period as indicated below.**

Actual Expenses: The first set of tables provides information about actual account values and actual expenses. The shareholder may use the information in this table, together with the amount invested, to estimate the expenses that you would have paid over the period. Simply divide the 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 under the heading entitled "Expenses Paid" to estimate the expenses paid on the account during the period.

Institutional Class	Beginning Account Value 11/1/09	Ending Account Value 4/30/10	Expense Paid During Period(a) 11/1/09 - 4/30/10	Expense Ratio During Period(a) 11/1/09 - 4/30/10
Actual Expenses				
Core Equity Fund	\$1,000.00	\$1,147.50	\$10.22	1.92%
Total Return Bond Fund	1,000.00	1,005.50	9.80	1.97%
Tax-Exempt Bond Fund	1,000.00	970.30	10.01	2.05%

Excluding interest expense and dividends on short positions, your actual cost of investment in the Institutional Class of the Core Equity Fund, Total Return Bond Fund and Tax-Exempt Bond Fund would be \$6.34, \$3.93, and \$3.86, respectively.

(a) Expenses are equal to each Fund's annualized expense ratio, including interest expense and dividends on short positions if any, multiplied by the average account value over the period, multiplied by 181/365. If interest expense and dividends on short positions were excluded, the Institutional Class annualized expense ratios of the Core Equity Fund, Total Return Bond Fund, and Tax-Exempt Bond Fund would have been 1.19%, 0.79%, and 0.79%, respectively.

Investor Class	Beginning Account Value 11/1/09	Ending Account Value 4/30/10	Expense Paid During Period(b) 11/1/09 - 4/30/10	Expense Ratio During Period(b) 11/1/09 - 4/30/10
Actual Expenses				
Core Equity Fund	\$1,000.00	\$1,146.00	\$12.08	2.27%
Total Return Bond Fund	1,000.00	1,003.80	11.53	2.32%
Tax-Exempt Bond Fund	1,000.00	968.60	11.71	2.40%

Excluding interest expense and dividends on short positions, your actual cost of investment in the Investor Class of the Core Equity Fund, Total Return Bond Fund, and Tax-Exempt Bond Fund would be \$8.19, \$5.66, and \$5.56, respectively.

(b) Expenses are equal to each Fund's annualized expense ratio, including interest expense and dividends on short positions if any, multiplied by the average account value over the period, multiplied by 181/365. If interest expense and dividends on short positions were excluded, the Investor Class annualized expense ratios of the Core Equity Fund, Total Return Bond Fund, and Tax-Exempt Bond Fund would have been 1.54%, 1.14% and 1.14%, respectively.

Hypothetical Example for Comparison Purposes: The second set of tables below provides information about hypothetical account values and hypothetical expenses based on each Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and

SUPPLEMENTAL INFORMATION (Unaudited) (Continued)

expenses may not be used to estimate the actual ending account balance or expenses paid for the period. This information may be used to compare the ongoing costs of investing in a Fund and other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other mutual funds. Please note, the expenses shown in the tables are meant to highlight ongoing costs only and do not reflect any transactional costs, such as sales charges, redemption fees, or exchange fees. Therefore, the second set of tables 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 transaction costs were included, your costs would have been higher.

Institutional Class	Beginning Account Value 11/1/09	Ending Account Value 4/30/10	Expense Paid During Period(a) 11/1/09 - 4/30/10	Expense Ratio During Period(a) 11/1/09 - 4/30/10
Hypothetical Expenses				
Core Equity Fund	\$1,000.00	\$1,015.27	\$ 9.59	1.92%
Total Return Bond Fund	1,000.00	1,015.03	9.84	1.97%
Tax-Exempt Bond Fund	1,000.00	1,014.63	10.24	2.05%

Excluding interest expense and dividends on short positions, your actual cost of investment in the Institutional Class of the Core Equity Fund, Total Return Bond Fund, and Tax-Exempt Bond Fund would be \$5.96, \$3.96, and \$3.96, respectively.

(a) Expenses are equal to each Fund's annualized expense ratio, including interest expense and dividends on short positions if any, multiplied by the average account value over the period, multiplied by 181/365. If interest expense and dividends on short positions were excluded, the Institutional Class annualized expense ratios of the Core Equity Fund, Total Return Bond Fund, and Tax-Exempt Bond Fund would have been 1.19%, 0.79%, and 0.79%, respectively.

Investor Class	Beginning Account Value 11/1/09	Ending Account Value 4/30/10	Expense Paid During Period(b) 11/1/09 - 4/30/10	Expense Ratio During Period(b) 11/1/09 - 4/30/10
Hypothetical Expenses				
Core Equity Fund	\$1,000.00	\$1,013.54	\$11.33	2.27%
Total Return Bond Fund	1,000.00	1,013.29	11.58	2.32%
Tax-Exempt Bond Fund	1,000.00	1,012.89	11.98	2.40%

Excluding interest expense and dividends on short positions, your actual cost of investment in the Investor class of the Core Equity Fund, Total Return Bond Fund, and Tax-Exempt Bond Fund would be \$7.70, \$5.71, and \$5.71, respectively.

(b) Expenses are equal to each Fund's annualized expense ratio, including interest expense and dividends on short positions if any, multiplied by the average account value over the period, multiplied by 181/365. If interest expense and dividends on short positions were excluded, the Investor Class annualized expense ratios of the Core Equity Fund, Total Return Bond Fund, and Tax-Exempt Bond Fund would have been 1.54%, 1.14%, and 1.14%, respectively.

This report and the financial statements contained herein are submitted for the general information of the shareholders of the YieldQuest Funds. This report is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

Proxy Voting Policy: Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 as well as a description of the policies and procedures that the Funds use to determine how to vote proxies will be available without charge, upon request, by calling 1-877-497-3634 or by referring to the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

Portfolio Holding Disclosure: Each Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. Each Fund's Form N-Q is available on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC (1-800-SEC-0330). Each Fund makes the information on Form N-Q available to shareholders without charge, upon request, by calling 1-877-497-3634.