DF DENT
PREMIER
GROWTH FUND

SEMI-ANNUAL REPORT
(Unaudited)

DECEMBER 31, 2010

DF DENT
AND COMPANY, INC.

INVESTMENT COUNSEL

P.O. BOX 588
PORTLAND, ME 04112
(866) 2DF-DENT (TOLL FREE)

Dear Fellow Shareholder,

Performance

The DF Dent Premier Growth Fund's (the "Fund") +25.30% total return in 2010 out-performed the total return of 15.06% for the S&P 500 Index (the "Index"), the Fund's benchmark used for performance comparisons, by +10.24%. Lipper reports that our Multi-Cap Growth peer group of 433 mutual funds experienced an +18.6% average total return for 2010. Since inception (07/16/01), your Fund has achieved a cumulative return of +74.62%, which exceeds the +25.49% cumulative total return for the Index by 49.13%. Performance for various periods ending December 31, 2010, can be found later in this report in the Management Discussion of Fund Performance Section following this message.

For a longer-term perspective, the Fund's one-year, five-year and since inception average annual total return for the period ended December 31, 2010, were 25.30%, 3.76% and 6.07%, respectively. Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance please call 866-233-3368. As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.27%. However, the Fund's Adviser has contractually agreed to waive a portion of its fees and/or reimburse certain expenses to limit total operating expense to 1.10% on the first $150 million in Fund net assets and to 0.90% on net assets exceeding the $150 million; otherwise, returns would have been lower. This agreement is in effect through October 31, 2011. The contractual waivers may be changed or eliminated with the consent of the Board of Trustees at any time.

Expense Ratio

Your Fund's Adviser, D.F. Dent & Company, Inc. (the "Adviser"), has contractually agreed in recent years to waive a portion of its management fee and reimburse certain expenses in order to limit Total Annual Fund Operating Expenses to 1.10% of net assets (the "Expense Cap"). Starting November 1, 2010, and through October 31, 2011, the Adviser has contractually agreed to continue this Expense Cap of 1.10% on the first $150 million of net assets and a further Expense Cap of 0.90% on net assets exceeding $150 million. The purpose of this lower Expense Cap at the new break point of $150 million is to share with you the economies of scale derived from your Fund's growth. As of December 31, 2010, the net assets in your Fund were $145.8 million, and the break point had not yet been achieved.

Portfolio Turnover

Portfolio turnover when measured by security purchases as a percentage of the average market value was 16.95% for the calendar year, significantly below our peer group but well within your Fund's historic turnover range. Portfolio turnover rate in recent years may be found later in the Financial Highlights section of this report.

Management Ownership of Fund

The Adviser's retirement plan, employees and related family members of the Adviser collectively owned 11.04% of the Fund as of this report compared with 9.14% one year ago. The Fund is the largest investment at 26% of the Adviser's retirement plan compared with 24% one year ago. The increases in our percentage holdings resulted from purchases by management and redemptions by public shareholders during 2010.

Asset Allocation

Year-end asset allocation by market capitalization for the past five years was:

	12/31/06*	**12/31/07***	**12/31/08***	**12/31/09***	**12/31/10***
Large Capitalization	39.4%	52.5%	28.0%	41.0%	54.7%
Mid Capitalization	44.6%	41.1%	56.9%	51.3%	35.9%
Small Capitalization	8.6%	4.7%	13.8%	7.7%	7.8%
Reserve Funds	7.4%	1.7%	1.3%	0.0%	1.6%
Total Fund	100.0%	100.0%	100.0%	100.0%	100.0%

*Percentages calculated based on total value of investments.

The decline in Large Capitalization and concurrent increases in Mid and Small Capitalization on 12/31/08 were largely the result of the severe market decline in late 2008 pushing companies into lower categories. The market recovery in 2009 and 2010 then resulted in many long term core holdings moving up a category, especially from Mid Cap where the ceiling is $7 billion to Large Cap where the floor in $7 billion. As we have said before, we seek to invest in "best-in-class"** companies which are described later in this letter under *Our Work on Your Behalf*. We do not eliminate or add to a position in such companies merely because they pass through an arbitrary market capitalization number. We manage positions based on the investment merits of each company rather than its relative market capitalization. For many that seems to be an old fashioned idea. For us it just makes good investment sense.

Concentration

Three years ago, I wrote of our intent to continue our program to increase concentration in what we consider the strongest "best-in-class"** companies. We have continued this program by reducing and eliminating small positions in what we consider to be less promising companies. The total number of equities held was reduced from 52 on December 31, 2007, to 35 on December 31, 2010. The strategy is to have larger positions in the 30-50 companies we like most rather than owning additional companies which we view less favorably. Concentration in the 10 largest positions in the Fund was intentionally increased as indicated:

Top 10 Holdings	12/31/06	12/31/07	12/31/08	12/31/09	12/31/10
% of Fund	25.6%	33.7%	53.0%	53.8%	55.4%
Average Position Size of Top 10	2.56%	3.37%	5.30%	5.38%	5.54%

We view this strategy of the past 3 years to focus on a more concentrated portfolio as essentially completed in 2008 and do not anticipate further concentration in the future.

Purchases and Redemptions

The 2000-2010 decade experienced the greatest out-performance of bonds versus equities in the past 70 years. Accordingly, even with 2010 bond yields at their lowest levels during this 70 year period, mutual fund investors could not resist redeeming equity funds and plowed large amounts into bond funds. The Investment Company Institute ("ICI") reported that investors redeemed $81.3 billion of domestic equity mutual funds and purchased $251.8 billion in bond funds in 2010. Your Fund was not immune to this trend and experienced $18.0 million in net redemptions in 2010, which amounted to 13.5% of the year's beginning net assets of $132.6 million. After these redemptions, your Fund finished 2010 with $145.8 million in net assets. This resulted from the 25.30% return reported above for investors who stayed with us over the entire year. The industry pattern of redeeming domestic equity funds in favor of bond funds appeared to be reversing during the last few weeks of 2010 based upon ICI December reports. Time will tell if this is in fact a trend.

Truly, we believe equity mutual fund investors were traumatized by the events of late 2008. However, when investors preferred to buy Microsoft and IBM 3 year notes yielding less than 1% when both these stocks were yielding 3% in mid 2010, it seemed that the post 2008 intense aversion to risk assets had run its course. We believe that quality equity investors will experience better performance than bond investors in future years as the cycle of equity versus bond returns reaches an inflection point reversing the experience of the past 10 years.

Our Work on Your Behalf

Our investment strategy at D.F. Dent has remained unchanged: seek best-in-class** companies with talented and ethical managements, strong and differentiated business models, and ample opportunities to reinvest free cash flow at high returns. We believe in-person meetings are the best way to evaluate the talent and integrity of management teams, and we value our meetings with managements above most other factors in our research process. We logged over 130 management team meetings in 2010, including visits to company headquarters, management team visits to our office, and one-on-one meetings or small group meetings at investment conferences. You do not see this work on a daily basis, but our intent is for you to see it ultimately in investment performance. We think your Fund's cumulative outperformance of 49.13% over the Index benchmark during the 9.5 year life of the Fund is largely attributable to research and attention to managements of portfolio companies. Your Fund's management fee pays for this work.

When evaluating potential investments, we focus intently on company balance sheets. Strong balance sheets will enable growth companies to increase their product offerings and expand their markets without heavy reliance on fickle capital markets. On the whole, your portfolio companies' balance sheets are very strong, giving them a great deal of flexibility in deploying excess cash. One of the questions we often ask management teams during meetings is how they allocate capital and invest in growth. What is their thought process in weighing research and development ("R&D"), capital expenditures, dividend payments, stock repurchases, and mergers and acquisitions ("M&A")? What would cause them to favor some selections over others at different points in time? We have seen uses of cash in all the categories mentioned above. Recently, with the excess cash on their balance sheets, several of your portfolio companies have been looking more heavily towards highly accretive acquisitions as a way to fill out their product portfolios and expand into new markets. In the context of a larger market environment where as many as two-thirds of acquisitions fail, we evaluate acquisitions with a skeptical bias. However, given the attention your portfolio companies pay to cultural fit and the extensive due diligence they conduct on potential acquisitions (which we try to emulate in our investment research), we believe that their decisions to pursue this pathway to growth will be good ones. Early signs have been promising.

Commentary

In the decade of the 1990s, everyone made money in the stock market. It was too easy. Many gave up good jobs to become day traders and live lives of excess. The market peaked in 2000, and in the past 10 years we have experienced 2 recessions and 2 bear markets of 40% declines as measured by the Index. Trailing 10 year Index returns were negative by 2008 and 2009, and only barely positive (+1.41%) by year end 2010. Trailing 10 year real returns were negative for each of the past 3 years. It is little wonder that investors turned to bonds and bond mutual funds in 2010.

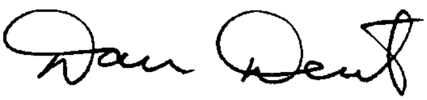
But then something changed last year. Bombarded with fiscal woes and international debt worries, the recession of 2010 never occurred. In fact, the U.S. economy gathered strength as the year progressed. Despite persistently high unemployment and the ongoing mortgage mess, corporations built up cash balances and strengthened balance sheets. Consumers by year end grew weary of saving over the prior 2 years and began to spend again. The stock market responded.

But since the stock market is forward looking, what did it see? I would suggest some of the following: corporate cash hoards will be spent on investments before too long, the Federal Reserve will maintain its accommodative low interest rate stance in light of minimal inflation expectations due to high unemployment and only 75% industrial capacity utilization, corporate profits will continue to expand- at a slower pace but still expand, and lastly the 2010 sovereign debt problems of the Euro Zone will resonate in Washington, DC where the 112th Congress has convened with a new understanding of the dangers of our massive federal deficits, entitlement programs and debt levels. Resolving these issues will be painful, but it seems that denial has been replaced with awareness which is a good initial step.

While economic and fiscal problems persist, we suspect that the equity markets do not fully appreciate the resilience of nations and peoples seeking better lives and improving standards of living. In today's world of flash trading and quarterly earnings guidance provided to analysts by corporate managements this may all seem irrelevant. But consider the post war resilience of Germany and Japan, or more recently the emergence of Vietnam. People yearn for better lives in the future and are willing to work hard to achieve their goals. Irrelevant in the short term? Perhaps. However, well managed domestic companies recognize this global phenomenon and will position themselves to participate along with their international partners. We will continue to seek out and invest in such enterprises within your Fund.

As we have said before, we greatly appreciate your trust in investing with us and will continue to work diligently on your behalf.

Respectively submitted,



Daniel F. Dent

** The determination of “best-in-class” is solely the opinion of the Fund’s Adviser, and such opinion is subject to change. Those companies that hold leading market share positions, strong growth potential, historically good profitability, and management teams known for integrity and good corporate governance are generally considered to be “best-in-class.”

IMPORTANT INFORMATION:

The recent growth rate in the global equity markets has helped to produce short-term returns for some sectors/asset classes that are not typical and may not continue in the future. Because of ongoing market volatility, Fund performance may be subject to substantial short-term changes.

Investing involves risks, including the possible loss of principal. The Fund invests in small and medium size companies. Investments in these companies, especially smaller companies, carry greater risk than is customarily associated with larger companies for various reason such as increased volatility of earnings and prospects, narrower markets, limited financial resources and less liquid stock. The Fund will typically invest in the securities of fewer issuers. If the Fund’s portfolio is over weighted in a sector, any negative development affecting that sector will have a greater impact on the Fund than a fund that is not over weighted in that sector.

The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held stocks. One cannot invest directly in an index.

Recent Performance

For the first 6 months of the fiscal year beginning July 1, 2010, the DF Dent Premier Growth Fund (the "Fund") experienced a total return of +26.36% versus a total return of +23.27% for the S&P 500 Index (the "Index"), the benchmark we use for performance comparisons. Performance versus the Index for various periods ending December 31, 2010, was as follows:

Period Ending 12/31/10	DF Dent Premier Growth Fund	S&P 500 Index	Outperformance (Underperformance)
Six Months	+ 26.36%	+ 23.27%	+ 3.09%
Twelve Months	+ 25.30%	+ 15.06%	+ 10.24%
Five Years (annualized)	+ 3.76%	+ 2.29%	+ 1.47%
Five Years (cumulative)	+ 20.29%	+ 11.99%	+ 8.30%
Since Inception (7/16/01) (annualized)	+ 6.07%	+ 2.43%	+ 3.64%
Since Inception (07/16/01) (cumulative)	+ 74.62%	+ 25.49%	+ 49.13%

Past performance is not indicative of future performance.

The Fund outperformed its benchmark by +10.24% in 2010, second only to its +11.06% out-performance in 2007. The major reasons for this out-performance are discussed in the Attribution Analysis Section found later in the report.

We believe that the most significant market factors affecting the Fund's performance in 2010 were the following:

1. Abundant liquidity from the Federal Reserve reflating the prices of financial assets through low interest rates (the 10 year U.S. Treasury's yield fell from 3.834% to 3.299%) and quantitative easing (QE II).

2. Willingness of investors to return to equities as:

    - Fears of a European sovereign debt crisis subsided.
    - The economic recovery avoided a "double dip" recession.
    - Corporate earnings and balance sheets strengthened.
    - The November mid-term election suggested the new Congress would be friendlier to business.
    - The Bush tax cuts were extended in December for 2 years.

3. Rising energy and commodity prices drove gains in your Fund's investments in these sectors.

4. Strengthening of the industrial economy as the year progressed.

We used a number of strategies in managing the Fund in 2010.

First, we continued to concentrate in a select group of what we consider to be "best in class" companies. The number of holdings ranged between 30 and 35 companies with the 10 largest holdings representing close to 55% of the Fund throughout the year.

Second, we continued our strategy of holding long term positions and had a minimal portfolio turnover of 16.95%, dramatically below our peer group. This held brokerage commissions for executing purchases to under 5 basis points (0.05%) of average net assets.

Third, your Fund was close to 100% fully invested throughout this year of strong market returns allowing reserve funds to increase only modestly at year end.

Capital Gains Distribution Policy

The performance reported on the prior page assumes reinvestment of the following capital gain distributions:

December 2005 Distribution per share	$0.09917
December 2006 Distribution per share	$0.17268
December 2007 Distribution per share	$0.23499
December 2008 Distribution per share	$0.26749

It has been the Adviser's policy to distribute all net realized capital gains annually in December. However, no capital gain distribution was paid in December of 2009 or December of 2010. This was the result of large losses realized by the sale of holdings to meet redemptions experienced during the market lows of the 4th quarter of calendar 2008 and the 1st quarter of calendar 2009. By redeeming at market lows, these former shareholders left a very nice gift for taxable shareholders reading this report in the form of a loss carry-forward.

The realized loss carry-forward, realized and unrealized capital gains since the beginning of the Fund's current fiscal year are as follows:

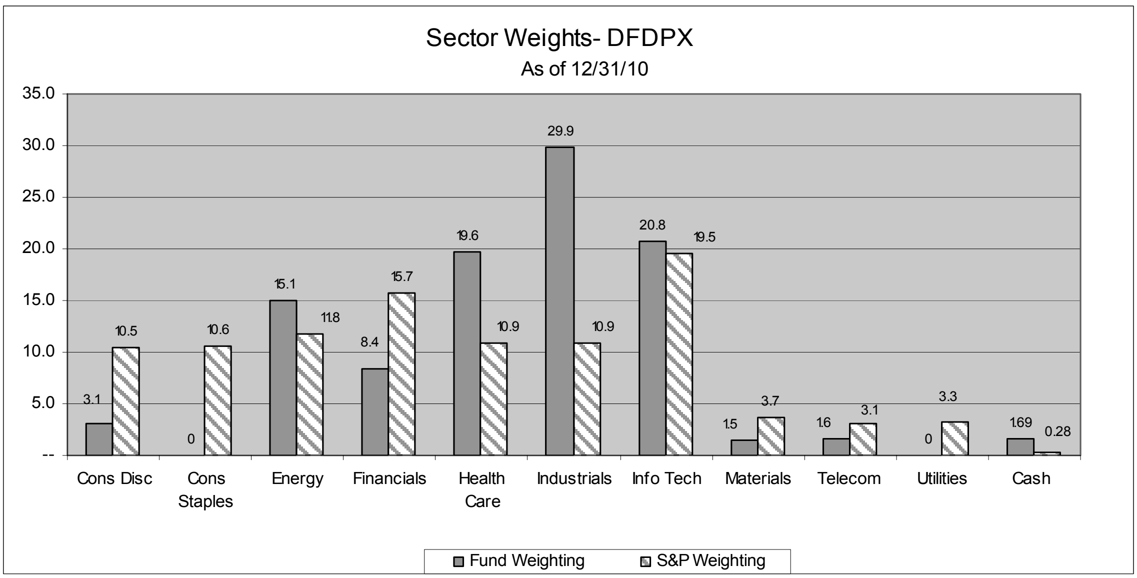
	6/30/10	per share	12/31/10	per share
Loss Carry-Forward	$ 52,801,104	$ 5.57	$ 52,801,104	$ 5.97
(less) Unrealized Capital Gain	3,827,175	.40	28,110,019	3.18
(less) Realized Capital Gain	-	-	2,760,660	.31
Loss Carry-Forward Net of Realized and Unrealized Gains	$ 48,973,929	$ 5.17	$ 21,930,425	$ 2.48

What this means is that as of December 31, 2010 the entire unrealized gain of $3.18 per share was protected from capital gains taxes by the $5.97 loss carry-forward per share. These amounts will change in the future as a result of market fluctuations, realized gains and losses, and the Fund's share count.

The loss carry-forward may be used by the Fund to offset these and/or potential portfolio gains that might be realized for 8 years from the dates of the realized losses. This in no way implies that such gains will in fact be realized, but it does mean that such gains, if and when realized, may be offset by the remaining loss carry-forward to reduce required taxable capital gains distributions. Thus, the excess loss carry-forward does represent a "cushion" to reduce the required distribution to shareholders of potential capital gains if and when realized.

Attribution Analysis

The following bar chart presents the sector weightings of your Fund versus the sector weightings of the Index as of December 31, 2010:



Source: FactSet

Your Fund was most significantly over-weighted versus the Index benchmark in Industrials, followed by Health Care and Energy. In each sector this overweighting contributed to your Fund's 2010 performance versus the benchmark as indicated below:

	Fund		Index	
	Weighting	**Return**	**Weighting**	**Return**
Industrials	29.9%	47.1%	10.9%	26.9%
Health Care	19.6%	14.1%	10.9%	2.8%
Energy	15.1%	32.6%	11.8%	19.7%
Information Technology	20.8%	11.0%	19.5%	10.5%

The above weightings and returns in Information Technology were closely comparable for your Fund and the Index. However, your Fund's specific stocks held within Industrials, Health Care, and Energy experienced significantly better performance than those stocks held in the respective categories of the Index.

In total, the 4 above sectors represented 85.4% of your Fund versus 53.1% of the Index over 2010. Each of the above sectors within your Fund outperformed its respective Index sector due to stock selection.

Strategy and Trends

Strategy

Our strategy in managing your Fund during the past year, as stated in our June 30, 2010 Annual Report, has been very direct and clearly defined: invest in companies with historically profitable businesses managed by proven leaders with track records of good execution; avoid leverage; avoid consumer sectors; avoid financial engineering "shell games"; maintain positions in U.S. companies with exposure to high growth foreign markets; emphasize companies with cyclical growth opportunities to participate in the economic recovery; and constantly evaluate and reevaluate management of both new and older investments. We always remind ourselves that bad management can mess up an otherwise good company. So avoid it!

So how did it turn out?

Although we avoided the consumer sector because of concerns over the sustained levels of high unemployment and increasing consumer savings rates (thereby reduced consumption rates), we did miss some opportunities in consumer companies.

The Financial Sector underperformed in the Index benchmark, and we were underweighted in this sector, which included many banks that your Fund avoided. Together, the two companies we held in the sector (Markel Corp. and T. Rowe Price Group) outperformed the benchmark.

The emphasis on cyclical growth companies to participate in the economic recovery paid off in a meaningful way. These industrial companies, as noted in the Attribution Section, had both the heaviest weighting and the greatest contribution to 2010 Fund performance.

Overall, top flight management teams executed their business plans and delivered strong results for your Fund. The Best Contributors list in the following section represent long time favorites held by clients of D.F. Dent & Co.

Trends

In our view, the following trends affected your Fund in 2010:

1. Higher energy prices- The stocks of energy producers and energy service companies within the Fund registered strong gains in 2010.

2. Economic recovery- Industrial companies' stocks benefited from the U.S. economic recovery in 2010.

3. Return of investors to risk assets- Investors' appetite for risk assets such as equities increased in the third and fourth quarters of 2010. Fears of the 2008 financial crisis, the Madoff ponzi fraud, the SEC suit against Goldman Sachs, European sovereign debt concerns, and the May 6 "flash crash" faded in the second half of 2010 as investors gained confidence in the U.S. economic recovery and the possibility of a more favorable political environment.

4. Government regulation- Despite the possibility of an improving environment mentioned in #3 above, federal intrusion and proposed regulation in two sectors, education and credit (debit) card interchange fees, raised investor concerns and hurt the stock performance of companies your Fund held in these areas. We believe, however, that these companies will provide attractive returns on investment in the future.

Best and Worst Performers

5 Best Contributors

Investments	**Realized and Unrealized Appreciation and Income in Calendar Year 2010**	**Per Share As of 12/31/10**
Fastenal Co.	$ 3,974,774	$ 0.45
Expeditors International of Washington, Inc.	3,640,489	0.41
IDEXX Laboratories, Inc.	2,643,449	0.30
Roper Industries, Inc.	2,552,689	0.29
Schlumberger, Ltd.	1,807,498	0.20
	$ 14,618,899	$ 1.65

5 Poorest Contributors

Investments	**Realized and Unrealized Loss and Income in Calendar Year 2010**	**Per Share As of 12/31/10**
Monsanto Co.	(597,979)	$ (0.07)
Visa, Inc.	(330,741)	(0.04)
Ultra Petroleum Corp.	(220,664)	(0.03)
Techne Corp.	(213,951)	(0.02)
Celgene Corp.	(32,253)	(0.00)
	$ (1,395,588)	$ (0.16)

FIVE LARGEST EQUITY HOLDINGS
DECEMBER 31, 2010

QUANTITY	SECURITY	TOTAL COST	MARKET VALUE	PERCENT OF NET ASSETS OF THE FUND
186,000	Fastenal Co.	$ 7,987,178	$ 11,143,260	7.65%
152,000	IDEXX Laboratories, Inc.	6,843,200	10,521,440	7.22
185,000	QUALCOMM, Inc.	7,301,383	9,155,650	6.28
136,000	T. Rowe Price Group, Inc.	5,934,575	8,777,440	6.02
150,000	Expeditors International of Washington, Inc.	6,632,567	8,190,000	5.62
		$ 324,698,903	$ 47,787,790	32.79%

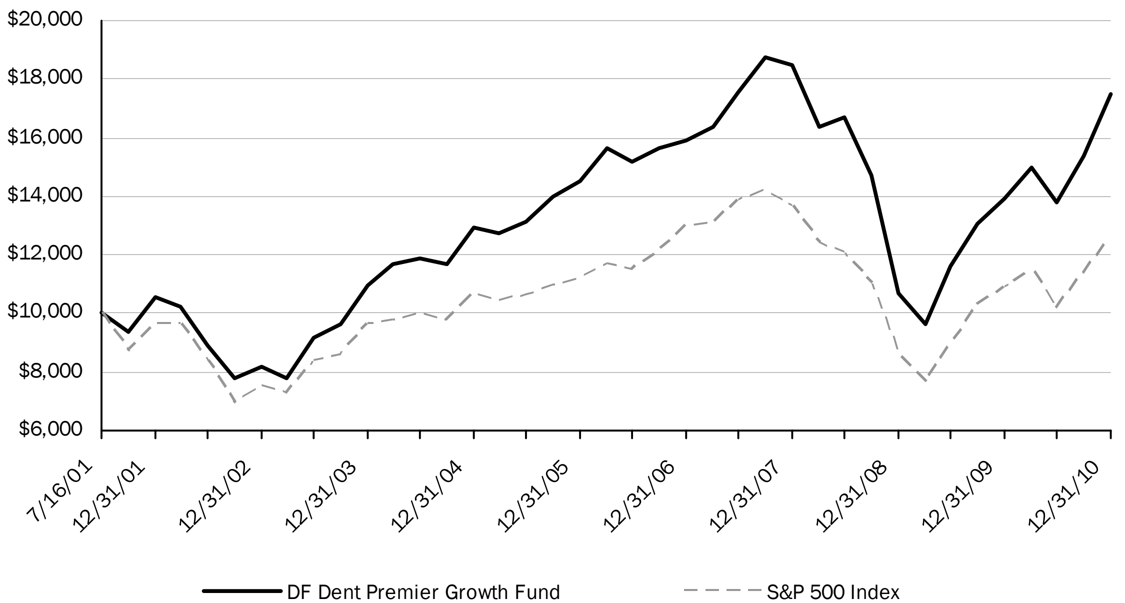
The views in this report contained herein were those of the Fund's Adviser as of December 31, 2010, and may not reflect the Adviser's views on the date this report is first published or anytime thereafter. This report may contain discussions about certain investments both held and not held in the portfolio as of the report date. All current and future holdings are subject to risk and are subject to change. While these views are intended to assist shareholders in understanding their investment in the Fund, they do not constitute investment or tax advice, are not a guarantee of future performance and are not intended as an offer or solicitation with respect to the purchase or sale of any security.

The following chart reflects the change in the value of a hypothetical $10,000 investment, including reinvested dividends and distributions, in the DF Dent Premier Growth Fund (the "Fund") compared with the performance of the benchmark Standard and Poor's 500 Index ("S&P 500"), since inception. The S&P 500 is a market-value weighted index representing the performance of 500 widely held, publicly traded stocks. The total return of the S&P 500 includes reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the S&P 500 does not include expenses. The Fund is professionally managed while the S&P 500 is unmanaged and is not available for investment.

Performance data quoted represents past performance and is no guarantee of future results. *Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance please call 866-233-3368. As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.27%. However, the Fund's Adviser has contractually agreed to waive a portion of its fees and/or reimburse certain expenses to limit total operating expense to 1.10% on the first $150 million in Fund net assets and to 0.90% on net assets exceeding the $150 million, which is in effect until October 31, 2011. During the period, certain fees were waived and/or expenses reimbursed; otherwise, returns would have been lower. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns greater than one year are annualized.*

Average Annual Total Return Return as of 12/31/10	**Six Months**	**One Year**	**Five Year**	**Since Inception 07/16/01**
DF Dent Premier Growth Fund	26.36%	25.30%	3.76%	6.07%
S&P 500 Index	23.27%	15.06%	2.29%	2.43%

Investment Value on 12/31/10	
DF Dent Premier Growth Fund	$17,462
S&P 500 Index	$12,549



Shares	Security Description		Value
Common Stock - 98.6%			
Biotechnology - 1.0%			
25,000	Celgene Corp. (a)	$	1,478,500
Business Services - 10.3%			
150,000	Expeditors International of Washington, Inc.		8,190,000
115,500	Healthcare Services Group, Inc.		1,879,185
15,000	Iron Mountain, Inc.		375,150
56,000	Stericycle, Inc. (a)		4,531,520
			14,975,855
Chemicals - 1.5%			
14,100	Potash Corp. of Saskatchewan, Inc.		2,183,103
Communications Equipment - 1.1%			
45,100	ADTRAN, Inc.		1,633,071
Computer Software - 6.0%			
140,000	ANSYS, Inc. (a)		7,289,800
73,500	DealerTrack Holdings, Inc. (a)		1,475,145
			8,764,945
Data Networking - 1.4%			
100,000	Cisco Systems, Inc. (a)		2,023,000
Distribution and Industrial Supplies - 7.9%			
23,000	Beacon Roofing Supply, Inc. (a)		411,010
186,000	Fastenal Co.		11,143,260
			11,554,270
Educational Services - 3.1%			
50,000	American Public Education, Inc. (a)		1,862,000
36,000	K12, Inc. (a)		1,031,760
210,000	National American University Holdings, Inc.		1,541,400
			4,435,160
Electronics - 3.7%			
80,000	Intel Corp.		1,682,400
92,000	Trimble Navigation, Ltd. (a)		3,673,560
			5,355,960
Energy Equipment and Services - 8.6%			
53,000	Core Laboratories NV		4,719,650
80,000	Schlumberger, Ltd.		6,680,000
25,000	Unit Corp. (a)		1,162,000
			12,561,650
Energy Sources - 6.2%			
28,000	Apache Corp.	$	3,338,440
120,000	Ultra Petroleum Corp. (a)		5,732,400
			9,070,840
Financial Services - 8.1%			
136,000	T. Rowe Price Group, Inc.		8,777,440
42,000	Visa, Inc., Class A		2,955,960
			11,733,400
Industrial Applications - 7.2%			
69,000	II-VI, Inc. (a)		3,198,840
95,000	Roper Industries, Inc.		7,260,850
			10,459,690
Infrastructure - 4.1%			
130,000	Jacobs Engineering Group, Inc. (a)		5,960,500
Insurance - 2.3%			
8,800	Markel Corp. (a)		3,327,544
Life Sciences - 9.7%			
152,000	IDEXX Laboratories, Inc. (a)		10,521,440
56,000	Techne Corp.		3,677,520
			14,198,960
Medical Products - 3.8%			
160,000	ResMed, Inc. (a)		5,542,400
Pharmaceuticals - 4.8%			
34,000	Alcon, Inc.		5,555,600
27,500	Teva Pharmaceutical Industries, Ltd., ADR		1,433,575
			6,989,175
Wireless Telecommunication Services - 7.8%			
44,000	American Tower Corp., Class A (a)		2,272,160
185,000	QUALCOMM, Inc.		9,155,650
			11,427,810
Total Common Stock (Cost $111,738,639)			**143,675,833**
Total Investments - 98.6% (Cost $111,738,639)*		**$**	**143,675,833**
Other Assets & Liabilities, Net – 1.4%			2,082,876
Net Assets – 100.0%		**$**	**145,758,709**

ADR American Depository Receipt
(a) Non-income producing security.

* Cost of investments for federal income tax purposes is substantially the same as for financial statement purposes and net unrealized appreciation on investments consists of:

Gross Unrealized Appreciation	$	33,563,543
Gross Unrealized Depreciation		(1,626,349)
Net Unrealized Appreciation	$	31,937,194

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2010.

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

Valuation Inputs		**Investments in Securities**
Level 1 – Quoted Prices	$	143,675,833
Level 2 – Other Significant Observable Inputs		-
Level 3 – Significant Unobservable Inputs		-
Total Investments	$	143,675,833

The Level 1 inputs displayed in this table are Common Stock. Refer to the Schedule of Investments for a further breakout of each security by type.

PORTFOLIO HOLDINGS
% of Net Assets

Biotechnology	1.0%
Business Services	10.3%
Chemicals	1.5%
Communications Equipment	1.1%
Computer Software	6.0%
Data Networking	1.4%
Distribution and Industrial Supplies	7.9%
Educational Services	3.1%
Electronics	3.7%
Energy Equipment and Services	8.6%
Energy Sources	6.2%
Financial Services	8.1%
Industrial Applications	7.2%
Infrastructure	4.1%
Insurance	2.3%
Life Sciences	9.7%
Medical Products	3.8%
Pharmaceuticals	4.8%
Wireless Telecommunication Services	7.8%
Other Assets & Liabilities, Net	1.4%
	100.0%

ASSETS		
Total investments, at value (Cost $111,738,639)	$	143,675,833
Cash		2,755,650
Receivables:		
Dividends and interest		25,960
Prepaid expenses		11,124
Total Assets		146,468,567
LIABILITIES		
Payables:		
Fund shares redeemed		386,905
Accrued Liabilities:		
Investment adviser fees		293,275
Trustees' fees and expenses		246
Fund service fees		17,920
Compliance services fees		2,267
Other expenses		9,245
Total Liabilities		709,858
NET ASSETS	$	145,758,709
COMPONENTS OF NET ASSETS		
Paid-in capital	$	164,099,752
Distributions in excess of net investment income		(163,663)
Accumulated net realized loss		(50,114,574)
Net unrealized appreciation		31,937,194
NET ASSETS	$	145,758,709
SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)		8,836,859
NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE	$	16.49

INVESTMENT INCOME		
Dividend income (Net foreign withholding taxes of $7,046)	$	578,175
Interest income		324
Total Investment Income		578,499
EXPENSES		
Investment adviser fees		674,690
Fund service fees		95,692
Custodian fees		6,748
Registration fees		10,276
Professional fees		27,062
Trustees' fees and expenses		2,392
Compliance services fees		16,585
Miscellaneous expenses		17,129
Total Expenses		850,574
Fees waived and expenses reimbursed		(108,412)
Net Expenses		742,162
NET INVESTMENT LOSS		(163,663)
NET REALIZED AND UNREALIZED GAIN (LOSS)		
Net realized gain on investments		3,860,686
Net change in unrealized appreciation (depreciation) on investments		28,110,019
NET REALIZED AND UNREALIZED GAIN		31,970,705
INCREASE IN NET ASSETS FROM OPERATIONS	$	31,807,042

	For the Six Months Ended December 31, 2010	For the Year Ended June 30, 2010
OPERATIONS		
Net investment loss	$ (163,663)	$ (382,531)
Net realized gain (loss)	3,860,686	(2,113,144)
Net change in unrealized appreciation (depreciation)	28,110,019	24,741,061
Increase in Net Assets Resulting from Operations	31,807,042	22,245,386
CAPITAL SHARE TRANSACTIONS		
Sale of shares	12,854,633	17,578,723
Redemption of shares	(22,507,794)	(33,610,580)
Decrease in Net Assets from Capital Share Transactions	(9,653,161)	(16,031,857)
Increase in Net Assets	22,153,881	6,213,529
NET ASSETS		
Beginning of Period	123,604,828	117,391,299
End of Period (Including line (a))	$ 145,758,709	$ 123,604,828
SHARE TRANSACTIONS		
Sale of shares	908,547	1,341,457
Redemption of shares	(1,543,976)	(2,603,088)
Decrease in Shares	(635,429)	(1,261,631)
(a) Distributions in excess of net investment income.	$ (163,663)	$ -

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

	For the Six Months Ended December 31, 2010	For the Years Ended June 30,				
		2010	2009	2008	2007	2006
NET ASSET VALUE, Beginning of Period	$ 13.05	$ 10.94	$ 16.20	$ 17.25	$ 15.11	$ 13.14
INVESTMENT OPERATIONS						
Net investment loss (a)	(0.02)	(0.04)	(0.03)	(0.05)	(0.04)	(0.03)
Net realized and unrealized gain (loss)	3.46	2.15	(4.96)	(0.76)	2.35	2.10
Total from Investment Operations	3.44	2.11	(4.99)	(0.81)	2.31	2.07
DISTRIBUTIONS TO SHAREHOLDERS FROM						
Net realized gain	—	—	(0.27)	(0.24)	(0.17)	(0.10)
NET ASSET VALUE, End of Period	$ 16.49	$ 13.05	$ 10.94	$ 16.20	$ 17.25	$ 15.11
TOTAL RETURN	26.36%(b)	19.29%	(30.64)%	(4.88)%	15.42%	15.77%
RATIOS/SUPPLEMENTARY DATA						
Net Assets at End of Period (000's omitted)	$145,759	$123,605	$117,391	$243,183	$142,896	$77,994
Ratios to Average Net Assets:						
Net investment loss	(0.24)%(c)	(0.29)%	(0.25)%	(0.31)%	(0.23)%	(0.18)%
Net expense	1.10%(c)	1.10%	1.10%	1.15%	1.20%	1.25%
Gross expense (d)	1.26%(c)	1.27%	1.26%	1.19%	1.36%	1.51%
PORTFOLIO TURNOVER RATE	10%(b)	8%	16%	21%	17%	25%

(a) Calculated based on average shares outstanding during the period.
(b) Not annualized.
(c) Annualized.
(d) Reflects the expense ratio excluding any waivers and/or reimbursements.

Note 1. Organization

The DF Dent Premier Growth Fund (the "Fund") is a diversified portfolio of Forum Funds (the "Trust"). The Trust is a Delaware statutory trust that is registered as an open-end, management investment company under the Investment Company Act of 1940 (the "Act"), as amended. Under its Trust Instrument, the Trust is authorized to issue an unlimited number of the Fund's shares of beneficial interest without par value. The Fund commenced operations on July 16, 2001. The Fund seeks long-term capital appreciation.

Note 2. Summary of Significant Accounting Policies

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

Security Valuation – Exchange-traded securities and over-the-counter securities are valued using the last quoted sale or official closing price, provided by independent pricing services as of the close of trading on the market or exchange for which they are primarily traded, on each Fund business day. In the absence of a sale, such securities are valued at the mean of the last bid and ask price provided by independent pricing services. Non-exchange traded securities for which quotations are available are valued using the last quoted sales price, or in the absence of a sale at the mean of the last bid and ask prices provided by independent pricing services. Shares of open-end mutual funds are valued at net asset value ("NAV"). Short-term investments that mature in sixty days or less may be valued at amortized cost.

The Fund values its investments at fair value pursuant to procedures adopted by the Trust's Board of Trustees (the "Board") if (1) market quotations are insufficient or not readily available or (2) the adviser believes that the values available are unreliable. Fair valuation is based on subjective factors and as a result, the fair value price of an investment may differ from the security's market price and may not be the price at which the asset may be sold. Fair valuation could result in a different NAV than a NAV determined by using market quotes.

The Fund has a three-tier fair value hierarchy. The basis of the tiers is dependent upon the various "inputs" used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 — quoted prices in active markets for identical assets

Level 2 — other significant observable inputs (including quoted prices of similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 — significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The aggregate value by input level, as of December 31, 2010, for the Fund's investments is included at the end of the Fund's Schedule of Investments.

Security Transactions, Investment Income and Realized Gain and Loss – Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Foreign dividend income is recorded on the ex-dividend date or as soon as possible after the Fund determines the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded on an accrual basis. Premium and discount is amortized and accreted in accordance with GAAP. Identified cost of investments sold is used to determine the gain and loss for both financial statement and federal income tax purposes.

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

Federal Taxes – The Fund intends to qualify each year as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute all of its taxable income to shareholders. In addition, by distributing in each calendar year substantially all its net investment income and capital gains, if any, the Fund will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required.

As of December 31, 2010, there are no uncertain tax positions that would require financial statement recognition, de-recognition, or disclosure. The Fund's federal tax returns filed in the three-year period ended June 30, 2010, remain subject to examination by the Internal Revenue Service.

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

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

Note 3. Advisory Fees, Servicing Fees and Other Transactions

Investment Adviser – D.F. Dent and Company, Inc. (the “Adviser”) is the investment adviser to the Fund. Pursuant to an investment advisory agreement, the Adviser receives an advisory fee from the Fund at an annual rate of 1.00% of the Fund’s average daily net assets.

Distribution – Foreside Fund Services, LLC serves as the Fund’s distributor (the “Distributor”). The Distributor receives no compensation from the Fund for its distribution services. The Distributor is not affiliated with the Adviser or Atlantic Fund Administration, LLC (d/b/a Atlantic Fund Services) (“Atlantic”) or their affiliates.

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

Trustees and Officers – The Trust pays each independent Trustee an annual retainer fee of $40,000 for service to the Trust ($60,000 for the Chairman). In addition, the Chairman receives a monthly stipend of $500 to cover certain expenses incurred in connection with his duties to the Trust. The Trustees and Chairman may receive additional fees for special Board meetings. Each Trustee is also reimbursed for all reasonable out-of-pocket expenses incurred in connection with his duties as a Trustee, including travel and related expenses incurred in attending Board meetings. The amount of Trustees’ fees attributable to the Fund is disclosed in the Statement of Operations. Certain officers of the Trust are also officers or employees of the above named service providers, and during their terms of office received no compensation from the Fund.

Note 4. Fees Waived

The Adviser has contractually agreed to waive a portion of its fee and reimburse certain expenses through October 31, 2011, to the extent that annual operating expenses exceed 1.10% on the first $150 million of net assets and to the extent that annual operating expenses exceed 0.90% on net assets exceeding $150 million. Other fund service providers have voluntarily agreed to waive and reimburse a portion of their fees. These voluntary fee waivers and reimbursements may be reduced or eliminated at any time. For the six months ended December 31, 2010, fees waived were as follows:

Investment Adviser Fees Waived	Other Waivers	Total Fees Waived
$104,511	$3,901	$108,412

Note 5. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments for the six months ended December 31, 2010, were $13,423,468 and $25,003,536, respectively.

Note 6. Federal Income Tax and Investment Transactions

As of June 30, 2010, distributable earnings (accumulated losses) on a tax basis were as follows:

Capital and Other Losses	$	(53,901,130)
Unrealized Appreciation		3,753,045
Total	$	(50,148,085)

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

For tax purposes, the prior year post-October loss was $1,100,026 (realized during the period November 1, 2009 through June 30, 2010). This loss was recognized for tax purposes on the first business day of the Fund’s current fiscal year, July 1, 2010.

Note 7. Recent Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) No. 2010-06 “Improving Disclosures about Fair Value Measurements.” ASU No. 2010-06 clarifies existing disclosure and requires additional disclosures regarding fair value measurements. Effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years, entities will need to disclose information about purchases, sales, issuances and settlements of Level 3 securities on a gross basis, rather than as a net number as currently required. Management is currently evaluating the impact ASU No. 2010-06 will have on financial statement disclosures.

Note 8. Subsequent Events

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

Investment Advisory Agreement Approval

At the September 9, 2010 Board meeting, the Board, including the Independent Trustees, considered the approval of the investment advisory agreement pertaining to the Fund (the "Advisory Agreement"). In evaluating the Advisory Agreement, the Board reviewed materials furnished by the Adviser and Atlantic, including information regarding the Adviser, its personnel, operations and financial condition. Specifically, the Board considered, among other matters: (1) the nature, extent and quality of the services to be provided to the Fund by the Adviser, including information on the investment performance of the Adviser; (2) the costs of the services to be provided and profitability to the Adviser with respect to its relationship with the Fund; (3) the advisory fee and the total expense ratio of the Fund compare to relevant peer groups of funds; (4) the extent to which economies of scale would be realized as the Fund grows and whether the advisory fee would enable the Fund's investors to share in the benefits of economies of scale; and (5) other benefits received by the Adviser from its relationship with the Fund. In their deliberations, the Board did not identify any particular information that was all-important or controlling and attributed different weights to the various factors. In particular, the Board focused on the factors discussed below.

Nature, Extent and Quality of Services

Based on a presentation from senior representatives of the Adviser and a discussion of the Adviser's personnel, operations and financial condition, the Board considered the quality of services to be provided by the Adviser under the Advisory Agreement. In this regard, the Board considered information regarding the experience, qualifications and professional background of the portfolio managers and other personnel at the Adviser with principal investment responsibility for the Fund's investments as well as the investment philosophy and decision-making processes of those professionals and; the capability and integrity of the Adviser's senior management and staff. The Board considered the adequacy of the Adviser's resources and quality of services provided by the Adviser under the Advisory Agreement between the Trust and the Adviser.

The Board also considered the quality of the Adviser's services with respect to regulatory compliance and compliance with client investment policies and restrictions as well as the financial condition and operational stability of the Adviser. The Board noted the Adviser's representation that the firm is financially stable and able to provide investment advisory services to the Fund.

The Board concluded that, overall, it was satisfied with the nature, extent and quality of services provided to the Fund under the Advisory Agreement.

Costs of Services and Profitability

The Board considered information provided by the Adviser regarding its costs of services and its profitability with respect to the Fund. In this regard, the Board considered the Adviser's resources devoted to the Fund as well as the Adviser's discussion of costs and profitability. Based on these and other applicable considerations, the Board concluded that the Adviser's profits attributable to management of the Fund was not excessive in light of the services provided by the Adviser on behalf of the Fund.

Performance

The Board reviewed performance of the Fund and the Adviser's discussion of its investment philosophy. The Board noted that the Fund outperformed the S&P 500 by 4.9% for the fiscal year ended June 30, 2010 and that the Fund returned 19.29% for the same period. The Board concluded that the Fund's performance was reasonable in comparison to its peers and benchmark and that the Fund could benefit from the Adviser's management of the Fund.

Compensation

The Board considered the Adviser's compensation for providing advisory services to the Fund and analyzed comparative information on fee rates, expenses and performance of similar mutual funds. The Board noted that the Adviser's actual advisory fee rate was higher than the median advisory fee rate of its Lipper Inc. peer group. The Board also noted that the Fund's actual total expense ratio was 0.12% above the median of its Lipper Inc. peer groups. The Board considered that the Adviser had agreed to contractually limit certain advisory expenses and, as necessary, reimburse Fund expenses through October 31, 2011. The Board recognized that it was difficult to compare expense ratios because of variations between the services to be provided by the Adviser and by advisers within the Fund's Lipper Inc. peer group funds. Based on the foregoing, the Board concluded that the Adviser's advisory fee rate charged to the Fund was reasonable in light of the services it provides to the Fund.

Economies of Scale

The Board considered whether the Fund would benefit from any economies of scale. In this respect, the Board noted the Adviser's representation that the Fund could benefit from economies of scale as assets grow, but the Adviser currently is not proposing breakpoints or changes in fees at this time.

Other Benefits

The Board noted the Adviser's representation that, aside from its contractual advisory fees, it does not benefit in a material way from its relationship with the Fund other than the benefit of increased exposure to the public. Based on the foregoing representation, the Board concluded that other benefits received by the Adviser from its relationship with the Fund were not a material factor to consider in approving the continuation of the Advisory Agreement.

Conclusion

The Board reviewed a memorandum from Trust counsel discussing the legal standards applicable to its consideration of the Advisory Agreement. Based on its review, including consideration of each of the factors referenced above, the Board determined, in the exercise of its business judgment, that the advisory arrangement, as outlined in the Advisory Agreement, was fair and reasonable in light of the services performed, expenses incurred and such other matters as the Board considered relevant in the exercise of its reasonable business judgment.

Proxy Voting Information

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling 866-233-3368 and on the SEC's website at www.sec.gov. The Fund's proxy voting record for the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling 866-233-3368 and on the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedules

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available, without charge and upon request on the SEC's website at www.sec.gov or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Shareholder Expense Example

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

The example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period from July 1, 2010, through December 31, 2010.

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

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

Please note that expenses shown in the table are meant to highlight your ongoing costs only. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds.

	Beginning Account Value July 1, 2010	**Ending Account Value December 31, 2010**	**Expenses Paid During Period ***	**Annualized Expense Ratio ***
Actual	$ 1,000.00	$ 1,263.60	$ 6.28	1.10%
Hypothetical (5% return before expenses)	$ 1,000.00	$ 1,019.66	$ 5.60	1.10%

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

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DF DENT
PREMIER
GROWTH FUND

NASDAQ TICKER SYMBOL
DFDPX

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