

SCHWARTZ INVESTMENT TRUST

Ave Maria Catholic Values Fund

Ave Maria Growth Fund

Ave Maria Rising Dividend Fund

Ave Maria Opportunity Fund

Ave Maria World Equity Fund

Ave Maria Bond Fund

UNAUDITED  
*Semi-Annual Report*  
JUNE 30, 2014



**Shareholder Accounts**  
c/o Ultimus Fund Solutions, LLC  
P.O. Box 46707  
Cincinnati, OH 45246  
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Dear Fellow Shareholders of:

Ave Maria Catholic Values Fund (AVEMX)  
Ave Maria Growth Fund (AVEGX)  
Ave Maria Rising Dividend Fund (AVEDX)  
Ave Maria Opportunity Fund (AVESX)  
Ave Maria World Equity Fund (AVEWX)  
Ave Maria Bond Fund (AVEFX)  
Ave Maria Money Market Account

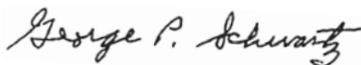
With the world in disarray in so many places and the only superpower nation seemingly without leadership, it's amazing that the United States stock market has done as well as it has so far this year. 2014 is unlikely to produce another 30%+ year like 2013, but it may still be a decent year for the S&P 500 Index (up 7.14% for the first half). Those with elevated expectations for investment returns this year may be disappointed.

What has kept stock prices generally rising? Continued corporate profit growth, dividend increases, and stock buybacks have certainly helped a lot. In addition, Merger & Acquisition and Private Equity activity, fueled by Federal Reserve (the "Fed") induced nearly free money, has served as a rocket booster to this bull market. Much has been written about the Fed's controversial ZIRP (zero interest rate policy). After five years of ZIRP and Quantitative Easing, monetary policy has failed to increase employment, as the labor participation rate in the United States, has never been lower. Moreover, the Fed's highly stimulative monetary policies have also caused dislocations and disincentives which we believe will have serious unintended consequences, not the least of which is an inflationary outcome. So stay tuned.

An interesting political campaign season will be here soon. One can only hope that more pro-growth Senators can be elected to help thwart the European style socialism and oppressive regulatory environment of this administration. In our view economic growth is the key to job creation and a better standard of living for all Americans. As always, our prayers are for more pro-life politicians to get elected. This will be a critically important election in November 2014. Be sure to vote for the candidates who share your values.

Over 60,000 people in all 50 states have invested in the Ave Maria Mutual Funds. I'm glad you are one of them.

Sincerely,

A handwritten signature in cursive script that reads "George P. Schwartz". The signature is written in black ink on a white background.

George P. Schwartz, CFA  
Chairman & President

July 31, 2014

*Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data, current to the most recent month end, is available at the Ave Maria Funds website at [www.avemariafunds.com](http://www.avemariafunds.com) or by calling 1-888-726-9331.*

The Letter to Shareholders and the Portfolio Manager Commentaries that follow seek to describe some of the Adviser's current opinions and views of the financial markets. Although the Adviser believes it has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed. Keep in mind that the information and opinions cover the period through the date of this report.

# AVE MARIA MUTUAL FUNDS

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*This report is for the information of the shareholders of the Ave Maria Mutual Funds. To obtain a copy of the prospectus, please visit our website at [www.avemariafunds.com](http://www.avemariafunds.com) or call 1-888-726-9331 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest. The Ave Maria Mutual Funds are distributed by Ultimus Fund Distributors, LLC.*

*Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data, current to the most recent month end, is available at the Ave Maria Mutual Funds website at [www.avemariafunds.com](http://www.avemariafunds.com) or by calling 1-888-726-9331.*

# AVE MARIA CATHOLIC VALUES FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited)

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Dear Fellow Shareholder:

The Ave Maria Catholic Value Fund (the “Fund”) had a total return of 3.77% for the six months ended June 30, 2014. The return for the S&P 500 Index was 7.14%.

Since inception on May 1, 2001, the cumulative and annualized returns for the Fund compared to its benchmark were:

	Since 5-01-01 Inception through 6-30-14 Total Returns	
	<u>Cumulative</u>	<u>Annualized</u>
Ave Maria Catholic Values Fund (AVEMX)	175.07%	7.99%
S&P 500 Index	100.79%	5.44%

Notwithstanding the first quarter weather-induced 2.9% GDP decline in this country, the world’s economies, led by the United States, are slowly returning to more normal growth six years after the global financial crisis. Unemployment has dropped to 6.1%, wages are rising and household debt is declining. Core inflation, as measured by the government, is near 2%, and the Fed’s asset purchase program is winding down. Even so, monetary policy remains very accommodative and looks to remain that way through at least year end. Corporate profits continue to grind higher and overall sentiment remains complacent. With interest rates near all-time lows and the last bear market fading from investors’ collective memory, equities continue to gain favor. There appears to be no viable alternative for generating long-term positive real returns. It seems “slow and steady” wins the race.

Conditions would appear to be nearly ideal for stocks, but we know that they won’t last forever. Inflation will likely accelerate soon. Food and energy prices have moved up, and labor costs, which are near all-time lows as a percent of corporate revenues, will eventually rise, putting pressure on profits. At some point the Fed will tighten policy and higher interest rates will also hurt profit margins. These events normally happen in the latter part of the economic cycle. No one knows how long this cycle will last, but this is the fifth year of recovery. Perhaps because of the slow recovery, this will be an extended cycle. This is the sixth year of the equity bull market, already longer than most. Hopefully it also will be extended, but the market’s strong performance makes us prudently cautious.

# AVE MARIA CATHOLIC VALUES FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited) (Continued)

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During the first six months of this year the Fund initiated five new stock positions. Two in the energy sector: Peabody Energy Corporation (coal) and Rowan Companies plc. (offshore drilling) Both of these issues are deeply depressed and trade very cheaply on normalized earnings, which should improve as demand returns. Additional new positions were: Abbott Laboratories (medical products), Knowles Corporation (electronic components) which was recently spun out of Dover Corporation, and Barnes & Noble, Inc. (book retailing) where profitability should improve with outsourcing the production of its Nook electronic reader to Samsung. All of these companies comply with the Ave Maria Funds' moral screens.

Nine stocks were eliminated from the Fund: Ryland Group, Inc. (homebuilding), General Cable Corporation (wire & cable manufacturing), Bank of New York Mellon Corporation, MasterCard, Inc., AbbVie, Inc. (pharmaceuticals), Patterson Companies, Inc. (dental and veterinary supplies), Genuine Parts Company (automotive and industrial parts distribution), Joy Global, Inc. (mining machinery), and International Business Machines Corporation (technology).

Stocks which contributed positively to Fund performance year to date were: Halliburton Company and Anadarko Petroleum Corporation (energy), Covidien plc (medical devices), Advance Auto Parts, Inc. (distribution) and Hewlett-Packard Company (technology). Stocks performing the worst were: GNC Holdings, Inc., (nutritional supplements), Coach, Inc. (luxury retail), Teradata Corporation (technology), Chico's FAS, Inc. (women's apparel retail), and Crocs, Inc. (footwear).

Thank you for your continued commitment to the Fund.



George P. Schwartz, CFA  
Co-Portfolio Manager



Gregory R. Heilman, CFA  
Co-Portfolio Manager

# AVE MARIA CATHOLIC VALUES FUND

## TEN LARGEST EQUITY HOLDINGS

### June 30, 2014 (Unaudited)

Shares	Company	Market Value	% of Net Assets
170,000	Halliburton Company .....	\$ 12,071,700	4.7%
225,000	Teradata Corporation .....	9,045,000	3.5%
80,000	Anadarko Petroleum Corporation .....	8,757,600	3.4%
500,000	Chico's FAS, Inc. ....	8,480,000	3.3%
110,000	Fluor Corporation .....	8,459,000	3.3%
70,000	United Technologies Corporation .....	8,081,500	3.2%
165,000	Lowe's Companies, Inc. ....	7,918,350	3.1%
300,000	EMC Corporation .....	7,902,000	3.1%
90,000	Phillips 66 .....	7,238,700	2.8%
80,000	Covidien plc .....	7,214,400	2.8%

## ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary .....	23.7%
Energy .....	16.9%
Financials .....	14.4%
Health Care .....	11.8%
Industrials .....	8.4%
Information Technology .....	12.1%
Materials .....	1.7%
Warrants .....	1.1%
Exchange-Traded Funds .....	1.4%
Money Market Funds, Liabilities in Excess of Other Assets .....	8.5%
	<u>100.0%</u>

**AVE MARIA CATHOLIC VALUES FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2014 (Unaudited)**

<b>COMMON STOCKS — 89.0%</b>	<b>Shares</b>	<b>Market Value</b>
<b>Consumer Discretionary — 23.7%</b>		
<i>Auto Components — 0.9%</i>		
Gentex Corporation .....	75,000	\$ 2,181,750
<i>Diversified Consumer Services — 2.1%</i>		
Apollo Education Group, Inc. * .....	175,000	5,468,750
<i>Household Durables — 2.2%</i>		
PulteGroup, Inc. ....	275,000	5,544,000
<i>Specialty Retail — 14.5%</i>		
Advance Auto Parts, Inc. ....	50,000	6,746,000
Barnes & Noble, Inc. * .....	300,000	6,837,000
Chico's FAS, Inc. ....	500,000	8,480,000
GNC Holdings, Inc. - Class A .....	210,000	7,161,000
Lowe's Companies, Inc. ....	165,000	7,918,350
		<u>37,142,350</u>
<i>Textiles, Apparel &amp; Luxury Goods — 4.0%</i>		
Coach, Inc. ....	45,000	1,538,550
Crocs, Inc. * .....	350,000	5,260,500
VF Corporation .....	55,000	3,465,000
		<u>10,264,050</u>
<b>Energy — 16.9%</b>		
<i>Energy Equipment &amp; Services — 6.0%</i>		
Halliburton Company .....	170,000	12,071,700
Rowan Companies plc - Class A .....	100,000	3,193,000
		<u>15,264,700</u>
<i>Oil, Gas &amp; Consumable Fuels — 10.9%</i>		
Anadarko Petroleum Corporation .....	80,000	8,757,600
Devon Energy Corporation .....	60,000	4,764,000
Peabody Energy Corporation .....	175,000	2,861,250
Phillips 66 .....	90,000	7,238,700
Range Resources Corporation .....	50,000	4,347,500
		<u>27,969,050</u>
<b>Financials — 14.4%</b>		
<i>Banks — 4.2%</i>		
PNC Financial Services Group, Inc. (The) .....	65,000	5,788,250
U.S. Bancorp .....	115,000	4,981,800
		<u>10,770,050</u>
<i>Capital Markets — 1.9%</i>		
Federated Investors, Inc. - Class B .....	160,000	4,947,200
<i>Diversified Financial Services — 2.7%</i>		
Western Union Company (The) .....	400,000	6,936,000

**AVE MARIA CATHOLIC VALUES FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 89.0% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Financials — 14.4% (Continued)</b>		
<i>Insurance — 4.5%</i>		
Alleghany Corporation * .....	7,500	\$ 3,285,900
Reinsurance Group of America, Inc. ....	60,000	4,734,000
Unico American Corporation * # .....	282,945	<u>3,539,642</u>
		<u>11,559,542</u>
<i>Real Estate Management &amp; Development — 1.1%</i>		
Kennedy-Wilson Holdings, Inc. ....	100,000	<u>2,682,000</u>
<b>Health Care — 11.8%</b>		
<i>Health Care Equipment &amp; Supplies — 11.0%</i>		
Abbott Laboratories .....	175,000	7,157,500
Covidien plc .....	80,000	7,214,400
St. Jude Medical, Inc. ....	100,000	6,925,000
Stryker Corporation .....	40,000	3,372,800
Varian Medical Systems, Inc. * .....	40,000	<u>3,325,600</u>
		<u>27,995,300</u>
<i>Life Sciences Tools &amp; Services — 0.8%</i>		
Waters Corporation * .....	20,000	<u>2,088,800</u>
<b>Industrials — 8.4%</b>		
<i>Aerospace &amp; Defense — 3.2%</i>		
United Technologies Corporation .....	70,000	<u>8,081,500</u>
<i>Construction &amp; Engineering — 3.3%</i>		
Fluor Corporation .....	110,000	<u>8,459,000</u>
<i>Machinery — 1.9%</i>		
Caterpillar, Inc. ....	45,000	<u>4,890,150</u>
<b>Information Technology — 12.1%</b>		
<i>Electronic Equipment, Instruments &amp; Components — 0.9%</i>		
Knowles Corporation * .....	75,000	<u>2,305,500</u>
<i>IT Services — 5.9%</i>		
Accenture plc - Class A .....	75,000	6,063,000
Teradata Corporation * .....	225,000	<u>9,045,000</u>
		<u>15,108,000</u>
<i>Technology Hardware, Storage &amp; Peripherals — 5.3%</i>		
EMC Corporation .....	300,000	7,902,000
Hewlett-Packard Company .....	165,000	<u>5,557,200</u>
		<u>13,459,200</u>

**AVE MARIA CATHOLIC VALUES FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 89.0% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Materials — 1.7%</b>		
<i>Chemicals — 1.7%</i>		
FMC Corporation .....	60,000	\$ 4,271,400
<b>Total Common Stocks</b> (Cost \$158,440,374) .....		\$ 227,388,292

<b>WARRANTS — 1.1%</b>	<b>Shares</b>	<b>Market Value</b>
<b>Financials — 1.1%</b>		
<i>Banks — 1.1%</i>		
PNC Financial Services Group, Inc. (The) * (Cost \$1,908,572) .....	110,000	\$ 2,845,700

<b>EXCHANGE-TRADED FUNDS — 1.4%</b>	<b>Shares</b>	<b>Market Value</b>
iShares Gold Trust * (Cost \$4,769,042) .....	275,000	\$ 3,542,000

<b>MONEY MARKET FUNDS — 8.7%</b>	<b>Shares</b>	<b>Market Value</b>
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	12,174,435	\$ 12,174,435
Federated Treasury Obligations Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	10,033,692	10,033,692
<b>Total Money Market Funds</b> (Cost \$22,208,127) .....		\$ 22,208,127
<b>Total Investments at Market Value — 100.2%</b> (Cost \$187,326,115) .....		\$ 255,984,119
<b>Liabilities in Excess of Other Assets — (0.2%)</b> .....		(500,504)
<b>Net Assets — 100.0%</b> .....		\$ 255,483,615

\* Non-income producing security.

# The Fund owned 5% or more of the company's outstanding voting shares thereby making the company an affiliated company as that term is defined in the Investment Company Act of 1940 (Note 5).

<sup>(a)</sup> The rate shown is the 7-day effective yield as of June 30, 2014.

See notes to financial statements.

# AVE MARIA GROWTH FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited)

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Dear Fellow Shareholders:

For the first six months of 2014, the Ave Maria Growth Fund (the “Fund”) had a total return of -0.17% versus 7.14% for the S&P 500 Index. Our stock selection and industry concentrations during the period were out of step with the broader market. During this period, the Fund was underweight the technology sector, which had a terrific short-term bounce. As portfolio managers, we keep the Fund’s long-term orientation foremost in our minds and don’t expect to outperform the market in every period. Several portfolio holdings did perform very well and reached our appraisal of their intrinsic value. So we’ve taken profits resulting in a higher level of cash equivalents (10.8%) than usual. Consequently, portfolio turnover during the first six months of 2014 rose to 19%, which compares with portfolio turnover of 18% for all of 2013.

Year to date positive performance came from C.H. Robinson Worldwide, Inc. (third party logistics), Schlumberger Limited (oilfield services), and Occidental Petroleum Corporation (oil and gas exploration and production). Negative performance came from MasterCard, Inc. (transaction processing), Polaris Industries, Inc. (all-terrain vehicles), Ross Stores, Inc. (specialty retailer), and Coach, Inc. (luxury consumer goods). We exited the Coach position, concluding that the company’s turnaround strategy is likely to take many years and entails significant execution risk.

New investments during the first six months of the year included Abbott Laboratories (healthcare), PetSmart, Inc. (specialty retail), Qualcomm Incorporated (integrated circuits), Schlumberger Limited (oilfield services), and Wolverine World Wide, Inc. (footwear). We believe Abbott Laboratories is well positioned to grow its revenue, earnings and dividends due to its strong balance sheet, attractive business mix, emerging markets exposure, and margin improvement opportunities. PetSmart, with a free cash flow yield of 6.6%, benefits from non-discretionary demand, a large mix of consumable products, and an affluent customer base. Qualcomm is a wide moat business as the clear leader in wireless chips and a near monopoly in CDMA (3G) technology. Current royalty collection challenges in China provide an attractive entry point. Schlumberger, the world’s largest oilfield services company along with a robust R&D budget, will benefit as it becomes more difficult for its customer to find and extract oil and natural gas. We believe Wolverine Worldwide, with well-established brands including Sperry, Merrell, Keds, and Saucony, among others, can grow revenue at nearly 10% and EPS at twice that rate. International expansion of its larger brands will be a major contributor to growth.

# AVE MARIA GROWTH FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited) (Continued)

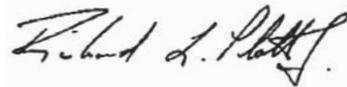
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We remain disciplined in our stock selection strategy, which includes paying what we consider reasonable prices for shares of exceptional companies with durable competitive advantages. Your investment in the Ave Maria Growth Fund is appreciated.

With best regards,



George P. Schwartz, CFA  
Co-Portfolio Manager



Richard L. Platte, Jr., CFA  
Co-Portfolio Manager

# AVE MARIA GROWTH FUND

## TEN LARGEST EQUITY HOLDINGS

### June 30, 2014 (Unaudited)

Shares	Company	Market Value	% of Net Assets
241,400	Cognizant Technology Solutions Corporation - Class A .....	\$ 11,806,874	4.1%
95,000	Schlumberger Limited .....	11,205,250	3.9%
85,000	Polaris Industries, Inc. ....	11,070,400	3.9%
111,700	Amphenol Corporation - Class A .....	10,761,178	3.8%
142,000	MasterCard, Inc. - Class A .....	10,432,740	3.6%
336,250	Rollins, Inc. ....	10,087,500	3.5%
192,600	AMETEK, Inc. ....	10,069,128	3.5%
70,000	C.R. Bard, Inc. ....	10,010,700	3.5%
120,000	Graco, Inc. ....	9,369,600	3.3%
112,000	Varian Medical Systems, Inc. ....	9,311,680	3.3%

## ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary .....	16.1%
Consumer Staples .....	3.1%
Energy .....	7.1%
Financials .....	3.6%
Health Care .....	16.8%
Industrials .....	27.0%
Information Technology .....	15.6%
Money Market Funds, Liabilities in Excess of Other Assets .....	10.7%
	<u>100.0%</u>

**AVE MARIA GROWTH FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2014 (Unaudited)**

<b>COMMON STOCKS — 89.3%</b>	<b>Shares</b>	<b>Market Value</b>
<b>Consumer Discretionary — 16.1%</b>		
<i>Hotels, Restaurants &amp; Leisure — 2.8%</i>		
Cracker Barrel Old Country Store, Inc. ....	80,000	\$ 7,965,600
<i>Leisure Products — 3.9%</i>		
Polaris Industries, Inc. ....	85,000	11,070,400
<i>Specialty Retail — 7.6%</i>		
Buckle, Inc. (The) ....	150,000	6,654,000
PetSmart, Inc. ....	100,000	5,980,000
Ross Stores, Inc. ....	138,000	9,125,940
		<u>21,759,940</u>
<i>Textiles, Apparel &amp; Luxury Goods — 1.8%</i>		
Wolverine World Wide, Inc. ....	200,000	5,212,000
<b>Consumer Staples — 3.1%</b>		
<i>Food Products — 3.1%</i>		
McCormick & Company, Inc. ....	122,200	8,748,298
<b>Energy — 7.1%</b>		
<i>Energy Equipment &amp; Services — 3.9%</i>		
Schlumberger Limited ....	95,000	11,205,250
<i>Oil, Gas &amp; Consumable Fuels — 3.2%</i>		
Occidental Petroleum Corporation ....	90,000	9,236,700
<b>Financials — 3.6%</b>		
<i>Diversified Financial Services — 3.6%</i>		
MasterCard, Inc. - Class A ....	142,000	10,432,740
<b>Health Care — 16.8%</b>		
<i>Biotechnology — 3.0%</i>		
Amgen, Inc. ....	73,000	8,641,010
<i>Health Care Equipment &amp; Supplies — 10.7%</i>		
Abbott Laboratories ....	215,000	8,793,500
C.R. Bard, Inc. ....	70,000	10,010,700
Medtronic, Inc. ....	40,000	2,550,400
Varian Medical Systems, Inc. * ....	112,000	9,311,680
		<u>30,666,280</u>
<i>Health Care Providers &amp; Services — 3.1%</i>		
Laboratory Corporation of America Holdings * .....	85,000	8,704,000

**AVE MARIA GROWTH FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 89.3% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Industrials — 27.0%</b>		
<i>Aerospace &amp; Defense — 3.1%</i>		
Precision Castparts Corporation .....	35,000	\$ 8,834,000
<i>Air Freight &amp; Logistics — 3.2%</i>		
C.H. Robinson Worldwide, Inc. ....	145,000	9,249,550
<i>Commercial Services &amp; Supplies — 6.5%</i>		
Copart, Inc. * .....	240,000	8,630,400
Rollins, Inc. ....	336,250	10,087,500
		<u>18,717,900</u>
<i>Electrical Equipment — 3.5%</i>		
AMETEK, Inc. ....	192,600	10,069,128
<i>Industrial Conglomerates — 2.8%</i>		
Danaher Corporation .....	101,500	7,991,095
<i>Machinery — 7.9%</i>		
Donaldson Company, Inc. ....	122,800	5,196,896
Graco, Inc. ....	120,000	9,369,600
Toro Company (The) .....	125,000	7,950,000
		<u>22,516,496</u>
<b>Information Technology — 15.6%</b>		
<i>Communications Equipment — 0.6%</i>		
QUALCOMM, Incorporated .....	20,000	1,584,000
<i>Electronic Equipment, Instruments &amp; Components — 3.8%</i>		
Amphenol Corporation - Class A .....	111,700	10,761,178
<i>IT Services — 9.5%</i>		
Accenture plc - Class A .....	109,400	8,843,896
Cognizant Technology Solutions Corporation - Class A * .....	241,400	11,806,874
Teradata Corporation * .....	165,000	6,633,000
		<u>27,283,770</u>
<i>Semiconductors &amp; Semiconductor Equipment — 1.7%</i>		
Altera Corporation .....	140,000	4,866,400
<b>Total Common Stocks (Cost \$162,927,088) .....</b>		<b>\$ 255,515,735</b>

# AVE MARIA GROWTH FUND

## SCHEDULE OF INVESTMENTS

(Continued)

MONEY MARKET FUNDS — 11.0%	Shares	Market Value
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	13,554,455	\$ 13,554,455
Federated Treasury Obligations Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	13,554,455	13,554,455
Federated U.S. Treasury Cash Reserves Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	4,246,819	4,246,819
<b>Total Money Market Funds</b> (Cost \$31,355,729) .....		<u>\$ 31,355,729</u>
 <b>Total Investments at Market Value — 100.3%</b> (Cost \$194,282,817) .....		 \$ 286,871,464
 <b>Liabilities in Excess of Other Assets — (0.3%)</b> .....		 <u>(890,938)</u>
 <b>Net Assets — 100.0%</b> .....		 <u>\$ 285,980,526</u>

\* Non-income producing security.

<sup>(a)</sup> The rate shown is the 7-day effective yield as of June 30, 2014.

See notes to financial statements.

# AVE MARIA RISING DIVIDEND FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited)

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Dear Fellow Shareholder:

For the first six months of 2014, the Ave Maria Rising Dividend Fund (the “Fund”) had a total return of 6.76% versus 7.14% for the S&P 500 Index.

Strong contributions to our six-month performance came from Caterpillar, Inc. (capital equipment), Schlumberger Limited (oilfield services), Halliburton Company (oilfield services), Intel Corporation (technology), and Covidien plc (health care). Negative performance came from Ross Stores, Inc. (retail), Coach, Inc. (luxury consumer goods), and Gentex Corporation (automotive supply). We exited the Coach position, concluding that the company’s turnaround strategy is likely to take many years and entails significant execution risk.

Notable new investments during the first six months of the year included Abbott Laboratories (health care), Occidental Petroleum Corporation (oil & gas), PetSmart, Inc. (specialty retail), and Tupperware Brands Corporation (consumer products). We believe Abbott Laboratories is well-positioned to grow its revenue, earnings, and dividends due to its strong balance sheet, attractive business mix, emerging markets exposure, and margin improvement opportunities. The upcoming spin-off of Occidental Petroleum’s California business will provide the company with additional cash to enhance share repurchases and dividends. PetSmart, with a free cash flow yield of 6.6%, benefits from non-discretionary demand, a large mix of consumable products, and an affluent customer base. Tupperware’s strong return profile and exposure to faster growing emerging markets should allow the company to deliver better top-line growth than its consumer-related peer group, which should translate to continued earnings growth, share repurchases and a rising dividend.

We remain disciplined in our stock selection strategy, which is to pay reasonable prices for exceptional companies that have a demonstrated ability to increase their dividends. The potential for dividend growth is more significant in our stock selection process than current yield. Stocks, such as utilities, that have high current yields, trade very much like bonds. When interest rates rise, as we believe they inevitably will, these stocks are likely to decline in price along with bonds. Our companies, with their demonstrated ability to compound earnings and dividends, should fare relatively well in that environment.

# AVE MARIA RISING DIVIDEND FUND

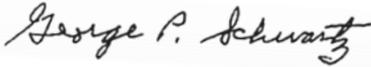
## PORTFOLIO MANAGER COMMENTARY

### (Unaudited) (Continued)

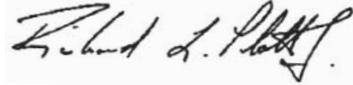
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We appreciate your investment in the Ave Maria Rising Dividend Fund and work hard to justify the trust you have placed in us.

With best regards,



George P. Schwartz, CFA  
Co-Portfolio Manager



Richard L. Platte, Jr., CFA  
Co-Portfolio Manager

# AVE MARIA RISING DIVIDEND FUND

## TEN LARGEST EQUITY HOLDINGS

### June 30, 2014 (Unaudited)

Shares	Company	Market Value	% of Net Assets
240,000	Schlumberger Limited .....	\$ 28,308,000	3.3%
875,000	Intel Corporation .....	27,037,500	3.2%
415,000	C.H. Robinson Worldwide, Inc. ....	26,472,850	3.1%
700,000	Bank of New York Mellon Corporation (The) .	26,236,000	3.1%
240,000	Caterpillar, Inc. ....	26,080,800	3.1%
450,000	Franklin Resources, Inc. ....	26,028,000	3.0%
600,000	Coca-Cola Company (The) .....	25,416,000	3.0%
675,000	Sysco Corporation .....	25,278,750	3.0%
275,000	Clorox Company (The) .....	25,135,000	2.9%
380,000	Ross Stores, Inc. ....	25,129,400	2.9%

## ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary .....	14.1%
Consumer Staples .....	9.9%
Energy .....	12.7%
Financials .....	12.9%
Health Care .....	7.5%
Industrials .....	21.6%
Information Technology .....	9.2%
Warrants .....	0.7%
Exchange-Traded Funds .....	0.7%
Money Market Funds, Liabilities in Excess of Other Assets .....	10.7%
	<u>100.0%</u>

**AVE MARIA RISING DIVIDEND FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2014 (Unaudited)**

<b>COMMON STOCKS — 87.9%</b>	<b>Shares</b>	<b>Market Value</b>
<b>Consumer Discretionary — 14.1%</b>		
<i>Auto Components — 3.6%</i>		
Gentex Corporation .....	200,000	\$ 5,818,000
Johnson Controls, Inc. ....	500,000	24,965,000
		<u>30,783,000</u>
<i>Household Durables — 1.3%</i>		
Tupperware Brands Corporation .....	130,000	10,881,000
<i>Leisure Products — 1.9%</i>		
Hasbro, Inc. ....	300,000	15,915,000
<i>Specialty Retail — 7.3%</i>		
Lowe's Companies, Inc. ....	410,000	19,675,900
PetSmart, Inc. ....	290,000	17,342,000
Ross Stores, Inc. ....	380,000	25,129,400
		<u>62,147,300</u>
<b>Consumer Staples — 9.9%</b>		
<i>Beverages — 3.0%</i>		
Coca-Cola Company (The) .....	600,000	25,416,000
<i>Food &amp; Staples Retailing — 3.0%</i>		
Sysco Corporation .....	675,000	25,278,750
<i>Food Products — 0.2%</i>		
Kellogg Company .....	30,000	1,971,000
<i>Household Products — 3.7%</i>		
Clorox Company (The) .....	275,000	25,135,000
Colgate-Palmolive Company .....	100,000	6,818,000
		<u>31,953,000</u>
<b>Energy — 12.7%</b>		
<i>Energy Equipment &amp; Services — 6.2%</i>		
Halliburton Company .....	350,000	24,853,500
Schlumberger Limited .....	240,000	28,308,000
		<u>53,161,500</u>
<i>Oil, Gas &amp; Consumable Fuels — 6.5%</i>		
ConocoPhillips .....	90,000	7,715,700
Exxon Mobil Corporation .....	245,000	24,666,600
Occidental Petroleum Corporation .....	225,000	23,091,750
		<u>55,474,050</u>

# AVE MARIA RISING DIVIDEND FUND

## SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 87.9% (Continued)	Shares	Market Value
<b>Financials — 12.9%</b>		
<i>Banks — 6.0%</i>		
BB&T Corporation .....	425,000	\$ 16,757,750
PNC Financial Services Group, Inc. (The) .....	155,000	13,802,750
U.S. Bancorp .....	475,000	<u>20,577,000</u>
		<u>51,137,500</u>
<i>Capital Markets — 6.1%</i>		
Bank of New York Mellon Corporation (The) .....	700,000	26,236,000
Franklin Resources, Inc. ....	450,000	<u>26,028,000</u>
		<u>52,264,000</u>
<i>Insurance — 0.8%</i>		
HCC Insurance Holdings, Inc. ....	140,000	<u>6,851,600</u>
<b>Health Care — 7.5%</b>		
<i>Health Care Equipment &amp; Supplies — 7.5%</i>		
Abbott Laboratories .....	570,000	23,313,000
Covidien plc .....	250,000	22,545,000
St. Jude Medical, Inc. ....	265,000	<u>18,351,250</u>
		<u>64,209,250</u>
<b>Industrials — 21.6%</b>		
<i>Aerospace &amp; Defense — 2.8%</i>		
General Dynamics Corporation .....	125,000	14,568,750
United Technologies Corporation .....	82,500	<u>9,524,625</u>
		<u>24,093,375</u>
<i>Air Freight &amp; Logistics — 5.4%</i>		
C.H. Robinson Worldwide, Inc. ....	415,000	26,472,850
United Parcel Service, Inc. - Class B .....	190,000	<u>19,505,400</u>
		<u>45,978,250</u>
<i>Commercial Services &amp; Supplies — 0.9%</i>		
Republic Services, Inc. ....	190,000	<u>7,214,300</u>
<i>Electrical Equipment — 1.6%</i>		
Emerson Electric Company .....	200,000	<u>13,272,000</u>
<i>Industrial Conglomerates — 1.6%</i>		
3M Company .....	95,000	<u>13,607,800</u>
<i>Machinery — 6.5%</i>		
Caterpillar, Inc. ....	240,000	26,080,800
Dover Corporation .....	165,000	15,006,750
Illinois Tool Works, Inc. ....	160,000	<u>14,009,600</u>
		<u>55,097,150</u>

# AVE MARIA RISING DIVIDEND FUND

## SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 87.9% (Continued)	Shares	Market Value
<b>Industrials — 21.6% (Continued)</b>		
<i>Road &amp; Rail — 2.8%</i>		
Norfolk Southern Corporation .....	235,000	\$ <u>24,212,050</u>
<b>Information Technology — 9.2%</b>		
<i>Communications Equipment — 2.8%</i>		
QUALCOMM, Incorporated .....	300,000	<u>23,760,000</u>
<i>IT Services — 1.1%</i>		
Paychex, Inc. ....	225,000	<u>9,351,000</u>
<i>Semiconductors &amp; Semiconductor Equipment — 5.3%</i>		
Intel Corporation .....	875,000	27,037,500
Microchip Technology, Inc. ....	370,000	<u>18,059,700</u>
		<u>45,097,200</u>
<b>Total Common Stocks</b> (Cost \$572,621,844) .....		<u>\$ 749,126,075</u>

WARRANTS — 0.7%	Shares	Market Value
<b>Financials — 0.7%</b>		
<i>Banks — 0.7%</i>		
PNC Financial Services Group, Inc. (The) * (Cost \$3,927,325) .....	225,000	\$ <u>5,820,750</u>

EXCHANGE-TRADED FUNDS — 0.7%	Shares	Market Value
iShares Gold Trust * (Cost \$7,979,700) .....	465,000	\$ <u>5,989,200</u>

# AVE MARIA RISING DIVIDEND FUND

## SCHEDULE OF INVESTMENTS

(Continued)

MONEY MARKET FUNDS — 10.8%	Shares	Market Value
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	39,755,024	\$ 39,755,024
Federated Treasury Obligations Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	39,755,024	39,755,024
Federated U.S. Treasury Cash Reserves Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	12,983,163	<u>12,983,163</u>
<b>Total Money Market Funds</b> (Cost \$92,493,211) .....		<u>\$ 92,493,211</u>
<b>Total Investments at Market Value — 100.1%</b> (Cost \$677,022,080) .....		\$ 853,429,236
<b>Liabilities in Excess of Other Assets — (0.1%)</b> .....		<u>(1,194,234)</u>
<b>Net Assets — 100.0%</b> .....		<u>\$ 852,235,002</u>

\* Non-income producing security.

<sup>(a)</sup> The rate shown is the 7-day effective yield as of June 30, 2014.

See notes to financial statements.

# AVE MARIA OPPORTUNITY FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited)

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Dear Fellow Shareowner:

The Ave Maria Opportunity Fund (the “Fund”) had a total return of 6.04% for the six month period ended June 30, 2014 compared to 3.19% for the benchmark Russell 2000 Index.

The Fund’s biggest winner so far this year is Newfield Exploration Company, a mid-cap oil and gas exploration & production company whose stock we purchased last year. The stock has rallied strongly this year based on positive developments from the company’s nascent, liquids-rich Anadarko Basin wells. As a result, the company recently raised its 2014 production guidance for the second time this year. Several new holdings purchased earlier this year contributed to the positive first half results. Barnes & Noble, Inc. and Big Lots, Inc. are two new holdings in the retail sector that have performed well thus far. Barnes & Noble was available at a severely depressed price, as the inherent profitability of its bookstores was being masked by its money-losing NOOK digital business. Fortunately, management has taken necessary actions to stem the NOOK losses. Also, the company recently announced plans to enhance shareholder value by splitting into two companies – one company will operate the retail bookstores and the other company will operate its college bookstore business and NOOK business. Big Lots was also available at a depressed price when the Fund took a position, due to the company’s ill-advised entry into the Canadian market a few years ago. Wisely, management recently decided to exit Canada completely, resulting in a big jump in the company’s expected profitability for this year and next. As the stock price rose more than 70% from our cost, we sold most of our position. Nordion, Inc. was another strong performer, up 45% year-to-date, as the company agreed to be acquired by Sterigenics, Inc., a privately held firm. The Fund’s five best performing securities this year are listed below.

<u>Company</u>	<u>Industry</u>	<u>YTD Return</u>
Newfield Exploration Company	Oil & Gas Exploration/Production	+81.4%
Big Lots, Inc.	Consumer – Specialty Retail	+72.5%
Barnes & Noble, Inc.	Consumer – Specialty Retail	+72.0%
InterDigital, Inc.	Technology – Licensing	+71.0%
Nordion, Inc.	Health care – Products/Services	+45.4%

On the negative side, two of our technology holdings, Ultratech, Inc. and ADTRAN, Inc., were detractors from performance in the first half. Ultratech is a supplier for the semiconductor and LED markets. The industry is currently facing a technological shift causing delays in Ultratech’s customer

# AVE MARIA OPPORTUNITY FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited) (Continued)

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order activity. Despite the near-term uncertainty, we have confidence in management's acumen and remain optimistic regarding the stock's recovery potential. Meantime, the company's cash-rich balance sheet is rock-solid with no debt. ADTRAN's stock price declined due to weaker than expected results, also caused by delays in orders from some of their telecom customers. The five biggest detractors from performance so far this year are listed below.

<u>Company</u>	<u>Industry</u>	<u>YTD Return</u>
Ultratech, Inc.	Semiconductor Capital Equipment	-22.7%
Hudson Technologies, Inc.	Industrial Goods	-21.9%
ADTRAN, Inc.	Communications Equipment	-16.0%
Biglari Holdings, Inc.	Investment Management/Restaurants	-15.7%
Rent-A-Center, Inc.	Retail - Specialty	-12.5%

During the past six months, we liquidated several issues from the portfolio due to their stock prices appreciating to our estimate of intrinsic value: Alliant Techsystems, Inc. (ATK), Atrion Corporation (ATRI), Broadridge Financial Solutions, Inc. (BR), CARBO Ceramics, Inc. (CRR), Diebold, Incorporated (DBD), Dolby Laboratories, Inc. (DLB), Iconix Brand Group, Inc. (ICON), and Qumu Corporation (QUMU). As the stock market has risen sharply in the past 18 months, the number of new, attractive investment opportunities has diminished. Nevertheless, other new positions were established in issues which we believe provide the opportunity for significant future gains:

- InterDigital, Inc. (IDCC) – InterDigital is a \$1.5 billion market cap, intellectual property licensing company that employs 175 engineers who invent and then license various wireless technologies. Apple, LG, and Samsung are major customers that pay royalties to IDCC for the use of their wireless technologies. IDCC's business can be highly profitable and generates strong cash flow with minimal CAPEX requirements. Further, the balance sheet is solid with \$500 million in net cash. The company should continue to benefit from the proliferation of mobile device usage throughout the world.
- Knowles Corporation (KN) – Knowles was formerly part of Dover Corp, before being spun off in February, 2014. It is a \$2.5 billion market cap company that makes mobile communication electronics (microphones, speakers, receivers) for consumer electronic devices and also makes specialty components for the medical tech, telecom equipment, and

# AVE MARIA OPPORTUNITY FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited) (Continued)

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industrial markets. Management is implementing a plant consolidation and restructuring plan that should improve future profitability. Further, upcoming new product launches hold significant promise.

- StarTek, Inc. (SRT) – StarTek is a call center operator in the business process outsourcing (BPO) industry. The company serves the telecom and healthcare markets. Management has recently completed a multi-year turnaround, which now positions the company for substantial growth. At a market cap of \$100 million, this is an under the radar company that we believe has a bright future.

We remain optimistic in regard to the Fund’s future investment results. Based on our fundamental research, value driven investment philosophy, the portfolio contains securities that we believe will provide above average, long-term investment results. As always, our risk-averse approach entails selecting individual securities of well-managed businesses, in sound financial condition, and that are selling at prices significantly below our estimate of intrinsic value.

Thank you for being a shareholder in the Ave Maria Opportunity Fund.

With best regards,



Timothy S. Schwartz, CFA  
Portfolio Manager

# AVE MARIA OPPORTUNITY FUND

## TEN LARGEST EQUITY HOLDINGS

### June 30, 2014 (Unaudited)

Shares	Company	Market Value	% of Net Assets
55,000	Avnet, Inc. ....	\$ 2,437,050	4.2%
5,596	Biglari Holdings, Inc. ....	2,366,940	4.1%
43,000	Rosetta Resources, Inc. ....	2,358,550	4.1%
70,000	Rowan Companies plc - Class A ....	2,235,100	3.8%
35,000	Atwood Oceanics, Inc. ....	1,836,800	3.2%
225,000	StarTek, Inc. ....	1,737,000	3.0%
75,000	Barnes & Noble, Inc. ....	1,709,250	2.9%
50,000	Apollo Education Group, Inc. ....	1,562,500	2.7%
40,543	Conrad Industries, Inc. ....	1,560,905	2.7%
100,000	Pan American Silver Corporation ....	1,535,000	2.6%

## ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary .....	14.0%
Energy .....	19.5%
Financials .....	14.4%
Health Care .....	1.0%
Industrials .....	6.6%
Information Technology .....	18.7%
Materials .....	9.1%
Exchange-Traded Funds .....	0.9%
Money Market Funds, Other Assets in Excess of Liabilities .....	15.8%
	<u>100.0%</u>

**AVE MARIA OPPORTUNITY FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2014 (Unaudited)**

<b>COMMON STOCKS — 83.3%</b>	<b>Shares</b>	<b>Market Value</b>
<b>Consumer Discretionary — 14.0%</b>		
<i>Diversified Consumer Services — 3.6%</i>		
Apollo Education Group, Inc. *	50,000	\$ 1,562,500
DeVry Education Group, Inc. ....	10,000	423,400
Matthews International Corporation - Class A .....	1,000	41,570
Outerwall, Inc. *	1,000	59,350
		<u>2,086,820</u>
<i>Hotels, Restaurants &amp; Leisure — 4.1%</i>		
Biglari Holdings, Inc. *	5,596	<u>2,366,940</u>
<i>Multiline Retail — 0.1%</i>		
Big Lots, Inc. *	2,000	<u>91,400</u>
<i>Specialty Retail — 5.8%</i>		
Aaron's, Inc. ....	6,000	213,840
Barnes & Noble, Inc. *	75,000	1,709,250
Rent-A-Center, Inc. ....	45,000	1,290,600
Signet Jewelers Ltd. ....	1,500	165,885
		<u>3,379,575</u>
<i>Textiles, Apparel &amp; Luxury Goods — 0.4%</i>		
Crocs, Inc. *	15,000	<u>225,450</u>
<b>Energy — 19.5%</b>		
<i>Energy Equipment &amp; Services — 9.3%</i>		
Atwood Oceanics, Inc. *	35,000	1,836,800
Enscopl - Class A .....	10,000	555,700
Patterson-UTI Energy, Inc. ....	22,000	768,680
Rowan Companies plc - Class A .....	70,000	2,235,100
		<u>5,396,280</u>
<i>Oil, Gas &amp; Consumable Fuels — 10.2%</i>		
Cloud Peak Energy, Inc. *	40,000	736,800
EXCO Resources, Inc. ....	125,000	736,250
Newfield Exploration Company *	25,000	1,105,000
Rosetta Resources, Inc. *	43,000	2,358,550
SM Energy Company .....	6,000	504,600
World Fuel Services Corporation .....	10,000	492,300
		<u>5,933,500</u>
<b>Financials — 14.4%</b>		
<i>Capital Markets — 1.3%</i>		
Federated Investors, Inc. - Class B .....	25,000	<u>773,000</u>
<i>Consumer Finance — 2.4%</i>		
EZCORP, Inc. - Class A *	120,000	<u>1,386,000</u>

**AVE MARIA OPPORTUNITY FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 83.3% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Financials — 14.4% (Continued)</b>		
<i>Diversified Financial Services — 4.7%</i>		
Leucadia National Corporation .....	33,000	\$ 865,260
PICO Holdings, Inc. * .....	35,000	831,600
Western Union Company (The) .....	60,000	<u>1,040,400</u>
		<u>2,737,260</u>
<i>Insurance — 4.4%</i>		
Allegheny Corporation * .....	3,036	1,330,132
Markel Corporation * .....	500	327,820
White Mountains Insurance Group Ltd. ....	1,500	<u>912,660</u>
		<u>2,570,612</u>
<i>Thriffs &amp; Mortgage Finance — 1.6%</i>		
FedFirst Financial Corporation .....	12,020	267,205
Oritani Financial Corporation .....	30,000	461,700
Standard Financial Corporation .....	10,000	<u>194,900</u>
		<u>923,805</u>
<b>Health Care — 1.0%</b>		
<i>Life Sciences Tools &amp; Services — 1.0%</i>		
Nordion, Inc. * .....	46,193	<u>580,184</u>
<b>Industrials — 6.6%</b>		
<i>Aerospace &amp; Defense — 0.5%</i>		
Cubic Corporation .....	6,000	<u>267,060</u>
<i>Commercial Services &amp; Supplies — 0.9%</i>		
Hudson Technologies, Inc. * .....	180,000	<u>520,200</u>
<i>Construction &amp; Engineering — 1.1%</i>		
EMCOR Group, Inc. ....	15,000	<u>667,950</u>
<i>Machinery — 4.1%</i>		
Conrad Industries, Inc. ....	40,543	1,560,905
Lindsay Corporation .....	10,000	<u>844,700</u>
		<u>2,405,605</u>
<b>Information Technology — 18.7%</b>		
<i>Communications Equipment — 2.4%</i>		
ADTRAN, Inc. ....	20,000	451,200
InterDigital, Inc. ....	20,000	<u>956,000</u>
		<u>1,407,200</u>
<i>Electronic Equipment, Instruments &amp; Components — 8.8%</i>		
Arrow Electronics, Inc. * .....	20,000	1,208,200
Avnet, Inc. ....	55,000	2,437,050
FLIR Systems, Inc. ....	7,000	<u>243,110</u>

**AVE MARIA OPPORTUNITY FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 83.3% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Information Technology — 18.7% (Continued)</b>		
<i>Electronic Equipment, Instruments &amp; Components — 8.8% (Continued)</i>		
Ingram Micro, Inc. - Class A * .....	20,000	\$ 584,200
Knowles Corporation * .....	20,000	614,800
		<u>5,087,360</u>
<i>IT Services — 3.9%</i>		
Computer Services, Inc. ....	15,500	529,325
StarTek, Inc. * .....	225,000	1,737,000
		<u>2,266,325</u>
<i>Semiconductors &amp; Semiconductor Equipment — 2.5%</i>		
Ultratech, Inc. * .....	65,000	1,441,700
<i>Technology Hardware, Storage &amp; Peripherals — 1.1%</i>		
Lexmark International, Inc. - Class A .....	7,000	337,120
QLogic Corporation * .....	30,000	302,700
		<u>639,820</u>
<b>Materials — 9.1%</b>		
<i>Chemicals — 2.0%</i>		
H.B. Fuller Company .....	15,000	721,500
Intrepid Potash, Inc. * .....	25,000	419,000
		<u>1,140,500</u>
<i>Metals &amp; Mining — 7.1%</i>		
Alamos Gold, Inc. ....	35,000	354,900
Horsehead Holding Corporation * .....	80,000	1,460,800
Kinross Gold Corporation * .....	190,000	786,600
Pan American Silver Corporation .....	100,000	1,535,000
		<u>4,137,300</u>
<b>Total Common Stocks</b> (Cost \$36,917,034) .....		<u>\$ 48,431,846</u>
<b>EXCHANGE-TRADED FUNDS — 0.9%</b>	<b>Shares</b>	<b>Market Value</b>
iShares Gold Trust * .....	15,000	\$ 193,200
SPDR Gold Shares * .....	2,700	345,708
<b>Total Exchange-Traded Funds</b> (Cost \$482,195) .....		<u>\$ 538,908</u>

**AVE MARIA OPPORTUNITY FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>MONEY MARKET FUNDS — 15.8%</b>	<b>Shares</b>	<b>Market Value</b>
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	2,724,491	\$ 2,724,491
Federated Treasury Obligations Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	2,724,491	2,724,491
Federated U.S. Treasury Cash Reserves Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	2,724,491	2,724,491
Invesco Short-Term Investments Trust (The) - Treasury Portfolio - Institutional Class, 0.01% <sup>(a)</sup> .....	986,783	986,783
<b>Total Money Market Funds</b> (Cost \$9,160,256) .....		<u>\$ 9,160,256</u>
<b>Total Investments at Market Value — 100.0%</b> (Cost \$46,559,485) .....		\$ 58,131,010
<b>Other Assets in Excess of Liabilities — 0.0%</b> <sup>(b)</sup> .....		<u>8,613</u>
<b>Net Assets — 100.0%</b> .....		<u>\$ 58,139,623</u>

\* Non-income producing security.

<sup>(a)</sup> The rate shown is the 7-day effective yield as of June 30, 2014.

<sup>(b)</sup> Percentage rounds to less than 0.1%.

See notes to financial statements.

# AVE MARIA WORLD EQUITY FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited)

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Dear Fellow Shareholder:

The Ave Maria World Equity Fund (the “Fund”) delivered a total return of 4.68% for the six months ended June 30, 2014, which compared to 6.52% for the S&P Global 1200 Index.

Since inception on April 30, 2010, the cumulative and annualized returns for the Fund compared to its benchmark were:

	Since 4-30-2010 Inception through 6-30-2014 Total Returns	
	<u>Cumulative</u>	<u>Annualized</u>
Ave Maria World Equity Fund (AVEWX)	49.47%	10.13%
S&P Global 1200 Index	61.33%	12.16%

Global equity markets were up solidly in the first half of 2014 – with most starting the year slowly, but then finishing much more strongly in the 2nd quarter. For the developed markets, U.S. and Canadian issues generally posted the strongest returns, while Europe was mixed and Japan was in negative territory. Although the Russian/Ukraine conflict dominated much of the headlines, continued accommodating central bank policies seemed to be the bigger news for the markets. In the U.S., despite low “core” inflation and a falling unemployment rate, the Fed continued its bond-buying program. The European Central Bank actually cut interest rates on overnight bank deposits in June to negative levels for the first time, while also introducing other measures in an effort to get banks to lend more and to stave off deflation. The Bank of Japan continued its aggressive asset purchases, although the market seemed to be more concerned about the effectiveness of the “third arrow” of the Prime Minister’s three-part plan to boost longer-term growth. Although we are happy with the positive short-term impact that the central bank policies seem to have had on the equity markets, we remain wary about the possible longer-term unintended consequences that the policies may have.

As a result primarily of merger activity, the Fund experienced especially strong returns in its health care sector holdings during the 1st half of 2014. Energy holdings also added to returns. Conversely, the Fund saw weaker relative returns in financials and industrials. Covidien plc accepted a purchase offer from Medtronic, Inc. and was up over 30% during the period. Another health care holding, Shire plc, was the beneficiary of acquisition interest from Abbvie Inc. and was up over 65% during the period. Within the energy sector, both

# AVE MARIA WORLD EQUITY FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited) (Continued)

Schlumberger Limited, an oil equipment and service company, and Canadian Natural Resources Ltd., an exploration and production company, were up over 30% for the six month period.

In financials, both Citigroup, Inc. and AXA S.A. were down during the period. We continue to believe both companies have long term merits and are significantly under-valued. In the industrial holdings, we sold ABB Limited with concern that the problems they are having in their Power Systems division may be longer term in nature.

New positions during the six month period included: POSCO (steel) and Tupperware Brands Corporation (housewares). Nine issues were eliminated in favor of stocks with more attractive risk/reward ratios: ABB Limited, BP plc, Deere & Company, Emerson Electric Company, Energizer Holdings, Inc., Intel Corporation, MasterCard, Inc., Varian Medical Systems, Inc., and Volkswagen AG.

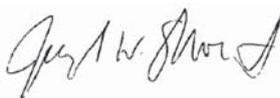
As of June 30, 2014, the Fund's geographic weightings versus the S&P Global 1200 Index were approximately:

	Ave Maria World Equity Fund	S&P Global 1200 Index
Americas	54%	59%
Europe Developed	21%	18%
United Kingdom	3%	9%
Japan	4%	7%
Australasia	3%	3%
Asia Developed	0%	2%
Asia Emerging	3%	2%
Other	1%	—
Cash Equivalents	11%	—

We appreciate your continued support as a shareholder. With best regards,



Gregory R. Heilman, CFA  
Co-Portfolio Manager



Joseph W. Skornicka, CFA  
Co-Portfolio Manager

# AVE MARIA WORLD EQUITY FUND

## TEN LARGEST EQUITY HOLDINGS

### June 30, 2014 (Unaudited)

Shares	Company	Market Value	% of Net Assets
37,000	Abbott Laboratories .....	\$ 1,513,300	3.6%
12,300	Toyota Motor Corporation - ADR .....	1,471,818	3.6%
15,700	Covidien plc .....	1,415,826	3.4%
11,700	Schlumberger Limited .....	1,380,015	3.3%
19,500	St. Jude Medical, Inc. ....	1,350,375	3.3%
48,000	EMC Corporation .....	1,264,320	3.0%
26,000	Citigroup, Inc. ....	1,224,600	3.0%
15,500	Fluor Corporation .....	1,191,950	2.9%
14,000	Tupperware Brands Corporation .....	1,171,800	2.8%
44,500	AXA S.A. - ADR .....	1,067,110	2.6%

## ASSET ALLOCATION (Unaudited)

Sector	% of Net Assets
Consumer Discretionary .....	10.0%
Consumer Staples .....	6.2%
Energy .....	8.6%
Financials .....	18.7%
Health Care .....	11.7%
Industrials .....	12.5%
Information Technology .....	12.4%
Materials .....	8.4%
Exchange-Traded Funds .....	0.9%
Money Market Funds, Liabilities in Excess of Other Assets .....	10.6%
	<u>100.0%</u>

**AVE MARIA WORLD EQUITY FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2014 (Unaudited)**

<b>COMMON STOCKS — 88.5%</b>	<b>Shares</b>	<b>Market Value</b>
<b>Consumer Discretionary — 10.0%</b>		
<i>Automobiles — 3.6%</i>		
Toyota Motor Corporation - ADR .....	12,300	\$ 1,471,818
<i>Hotels, Restaurants &amp; Leisure — 1.1%</i>		
McDonald's Corporation .....	4,500	453,330
<i>Household Durables — 2.8%</i>		
Tupperware Brands Corporation .....	14,000	1,171,800
<i>Textiles, Apparel &amp; Luxury Goods — 2.5%</i>		
Swatch Group AG (The) - ADR .....	34,500	1,043,280
<b>Consumer Staples — 6.2%</b>		
<i>Beverages — 3.8%</i>		
Diageo plc - ADR .....	6,000	763,620
Heineken N.V. - ADR .....	23,000	824,320
		1,587,940
<i>Food Products — 2.4%</i>		
Mondelēz International, Inc. - Class A .....	16,000	601,760
Nestlé S.A. - ADR .....	5,000	388,350
		990,110
<b>Energy — 8.6%</b>		
<i>Energy Equipment &amp; Services — 5.0%</i>		
Schlumberger Limited .....	11,700	1,380,015
Tidewater, Inc. ....	12,000	673,800
		2,053,815
<i>Oil, Gas &amp; Consumable Fuels — 3.6%</i>		
Canadian Natural Resources Ltd. ....	22,000	1,010,020
Exxon Mobil Corporation .....	5,000	503,400
		1,513,420
<b>Financials — 18.7%</b>		
<i>Capital Markets — 4.4%</i>		
Credit Suisse Group AG - ADR * .....	28,000	794,360
Franklin Resources, Inc. ....	17,500	1,012,200
		1,806,560
<i>Diversified Financial Services — 5.0%</i>		
Citigroup, Inc. ....	26,000	1,224,600
Western Union Company (The) .....	50,000	867,000
		2,091,600

# AVE MARIA WORLD EQUITY FUND

## SCHEDULE OF INVESTMENTS

(Continued)

COMMON STOCKS — 88.5% (Continued)	Shares	Market Value
<b>Financials — 18.7% (Continued)</b>		
<i>Insurance — 9.3%</i>		
ACE Limited .....	9,500	\$ 985,150
AXA S.A. - ADR .....	44,500	1,067,110
Reinsurance Group of America, Inc. ....	13,000	1,025,700
Validus Holdings Ltd. ....	20,000	764,800
		<u>3,842,760</u>
<b>Health Care — 11.7%</b>		
<i>Health Care Equipment &amp; Supplies — 10.3%</i>		
Abbott Laboratories .....	37,000	1,513,300
Covidien plc .....	15,700	1,415,826
St. Jude Medical, Inc. ....	19,500	1,350,375
		<u>4,279,501</u>
<i>Pharmaceuticals — 1.4%</i>		
Shire plc - ADR .....	2,500	588,725
		<u>588,725</u>
<b>Industrials — 12.5%</b>		
<i>Aerospace &amp; Defense — 2.2%</i>		
United Technologies Corporation .....	8,000	923,600
		<u>923,600</u>
<i>Construction &amp; Engineering — 2.9%</i>		
Fluor Corporation .....	15,500	1,191,950
		<u>1,191,950</u>
<i>Industrial Conglomerates — 5.8%</i>		
3M Company .....	4,000	572,960
Koninklijke Philips Electronics N.V. ....	24,851	789,263
Siemens AG - ADR .....	8,000	1,057,520
		<u>2,419,743</u>
<i>Road &amp; Rail — 1.6%</i>		
Canadian National Railway Company .....	10,000	650,200
		<u>650,200</u>
<b>Information Technology — 12.4%</b>		
<i>Communications Equipment — 2.1%</i>		
QUALCOMM, Incorporated .....	11,000	871,200
		<u>871,200</u>
<i>IT Services — 3.6%</i>		
Accenture plc - Class A .....	7,000	565,880
Teradata Corporation * .....	23,000	924,600
		<u>1,490,480</u>
<i>Semiconductors &amp; Semiconductor Equipment — 2.3%</i>		
Taiwan Semiconductor Manufacturing Company Ltd. - ADR .....	44,500	951,855
		<u>951,855</u>

**AVE MARIA WORLD EQUITY FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 88.5% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Information Technology — 12.4% (Continued)</b>		
<i>Technology Hardware, Storage &amp; Peripherals — 4.4%</i>		
EMC Corporation .....	48,000	\$ 1,264,320
Lenovo Group Ltd. - ADR .....	21,000	570,990
		<u>1,835,310</u>
<b>Materials — 8.4%</b>		
<i>Chemicals — 5.4%</i>		
FMC Corporation .....	12,700	904,113
International Flavors & Fragrances, Inc. ....	9,000	938,520
Syngenta AG - ADR .....	5,000	374,000
		<u>2,216,633</u>
<i>Metals &amp; Mining — 3.0%</i>		
BHP Billiton Ltd. - ADR .....	15,500	1,060,975
POSCO - ADR .....	2,500	186,100
		<u>1,247,075</u>
<b>Total Common Stocks (Cost \$29,877,768) .....</b>		<u>\$ 36,692,705</u>

<b>EXCHANGE-TRADED FUNDS — 0.9%</b>	<b>Shares</b>	<b>Market Value</b>
iShares Gold Trust * (Cost \$520,564) .....	30,000	<u>\$ 386,400</u>

# AVE MARIA WORLD EQUITY FUND

## SCHEDULE OF INVESTMENTS

### (Continued)

<b>MONEY MARKET FUNDS — 11.0%</b>	<b>Shares</b>	<b>Market Value</b>
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	1,933,135	\$ 1,933,135
Federated Treasury Obligations Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	1,933,135	1,933,135
Federated U.S. Treasury Cash Reserves Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	706,059	706,059
<b>Total Money Market Funds (Cost \$4,572,329) .....</b>		<u>\$ 4,572,329</u>
<b>Total Investments at Market Value — 100.4%</b> (Cost \$34,970,661) .....		\$ 41,651,434
<b>Liabilities in Excess of Other Assets — (0.4%) .....</b>		<u>(165,340)</u>
<b>Net Assets — 100.0% .....</b>		<u>\$ 41,486,094</u>

ADR - American Depositary Receipt.

\* Non-income producing security.

<sup>(a)</sup> The rate shown is the 7-day effective yield as of June 30, 2014.

## SUMMARY OF COMMON STOCKS BY COUNTRY

### June 30, 2014 (Unaudited)

<b>Country</b>	<b>Value</b>	<b>% of Net Assets</b>
United States .....	\$ 20,699,223	49.9%
Switzerland .....	2,790,780	6.7%
Germany .....	1,851,880	4.5%
Canada .....	1,660,220	4.0%
Netherlands .....	1,613,583	3.9%
Japan .....	1,471,818	3.5%
Ireland .....	1,415,826	3.4%
United Kingdom .....	1,352,345	3.3%
France .....	1,067,110	2.6%
Australia .....	1,060,975	2.6%
Taiwan .....	951,855	2.3%
Hong Kong .....	570,990	1.4%
South Korea .....	186,100	0.4%
	<u>\$ 36,692,705</u>	<u>88.5%</u>

See notes to financial statements.

# AVE MARIA BOND FUND

## PORTFOLIO MANAGER COMMENTARY

### (Unaudited)

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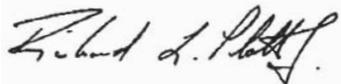
Dear Fellow Shareholders:

For the six months ended June 30, 2014, the Ave Maria Bond Fund (the “Fund”) had a total return of 1.56%, compared to 2.25% for the Barclays Intermediate U.S. Government/Credit Index. As interest rates declined during this period, prices of the longer-maturity bonds in the Index rose more than the short-average maturity bonds in the Fund. Dividend-paying stocks continued to contribute positively to overall performance during that period. Particularly strong were Intel Corporation (semi-conductors), PNC Financial Services Group, Inc. (banking) and ConocoPhillips (energy exploration and production). Equity holdings of Coach, Inc. (special apparel stores), Paychex Inc. (payroll and data processing) and Emerson Electric Company (industrial automatic controls) had a negative impact on performance.

As 2014 began, the economy seemed to be improving with the Fed poised to moderate its aggressive monetary policy, not the sort of environment where interest rates would be expected to decline. Many reasons have been given as to why rates went down, most of which makes sense, only in retrospect. We expect interest rates to move toward their historical norms, substantially above current levels. Therefore, the Fund is being managed in a very conservative manner, with emphasis on short-maturity, high-quality bonds. Dividend-paying common stocks continue to offer an attractive combination of income and potential price appreciation. With 14.8% of the portfolio invested in these high-quality stocks, they add an important dimension to the Fund. Short-maturity bonds are also attractive for their defensive qualities and the opportunity they afford to reinvest that much more quickly when a rising interest-rate environment materializes.

We appreciate your participation in the Fund.

Sincerely,



Richard L. Platte, Jr., CFA  
Co-Portfolio Manager



Brandon S. Scheitler  
Co-Portfolio Manager

# AVE MARIA BOND FUND

## TEN LARGEST HOLDINGS\*

### June 30, 2014 (Unaudited)

Par Value	Holding	Market Value	% of Net Assets
\$ 5,000,000	U.S. Treasury Notes, 3.875%, due 05/15/18 ...	\$ 5,500,780	3.3%
5,000,000	U.S. Treasury Notes, 3.500%, due 02/15/18 ...	5,416,015	3.2%
5,000,000	U.S. Treasury Notes, 2.125%, due 12/31/15 ...	5,139,455	3.0%
3,000,000	U.S. Treasury Notes, 2.625%, due 02/29/16 ...	3,115,194	1.8%
3,000,000	U.S. Treasury Notes, 2.500%, due 04/30/15 ...	3,059,883	1.8%
3,000,000	U.S. Treasury Notes, 1.375%, due 11/30/15 ...	3,048,516	1.8%
2,500,000	U.S. Treasury Notes, 2.000%, due 04/30/16 ...	2,573,632	1.5%
2,310,000	Zimmer Holdings, Inc., 4.625%, due 11/30/19 ...	2,555,758	1.5%
2,347,560	U.S. Treasury Inflation-Protected Notes, 2.500%, due 07/15/16 .....	2,547,469	1.5%
2,500,000	U.S. Treasury Notes, 1.000%, due 03/31/17 ...	2,514,845	1.5%

\* Excludes cash equivalents.

## ASSET ALLOCATION (Unaudited)

	% of Net Assets
<b>U.S. TREASURY AND GOVERNMENT AGENCY OBLIGATIONS</b>	
U.S. Treasuries .....	26.5%
U.S. Government Agencies .....	0.6%
<b>CORPORATE BONDS</b>	
<b>Sector</b>	
Consumer Discretionary .....	7.5%
Consumer Staples .....	3.5%
Energy .....	3.1%
Financials .....	6.0%
Health Care .....	3.8%
Industrials .....	13.6%
Information Technology .....	4.6%
Materials .....	2.7%
Utilities .....	4.0%
<b>COMMON STOCKS</b>	
<b>Sector</b>	
Consumer Discretionary .....	1.4%
Consumer Staples .....	3.4%
Energy .....	1.5%
Financials .....	2.0%
Health Care .....	1.2%
Industrials .....	3.1%
Information Technology .....	2.2%
<b>MONEY MARKET FUNDS, OTHER ASSETS IN EXCESS OF LIABILITIES</b> .....	9.3%
	<u>100.0%</u>

**AVE MARIA BOND FUND**  
**SCHEDULE OF INVESTMENTS**  
**June 30, 2014 (Unaudited)**

<b>U.S. TREASURY OBLIGATIONS — 26.5%</b>	<b>Par Value</b>	<b>Market Value</b>
<b>U.S. Treasury Inflation-Protected Notes — 3.5%</b>		
2.500%, due 07/15/16 .....	\$ 2,347,560	\$ 2,547,469
2.625%, due 07/15/17 .....	1,143,730	1,280,352
0.125%, due 04/15/18 .....	2,050,920	2,118,537
		<u>5,946,358</u>
<b>U.S. Treasury Notes — 23.0%</b>		
2.375%, due 08/31/14 .....	1,500,000	1,505,683
2.500%, due 04/30/15 .....	3,000,000	3,059,883
1.375%, due 11/30/15 .....	3,000,000	3,048,516
2.125%, due 12/31/15 .....	5,000,000	5,139,455
2.625%, due 02/29/16 .....	3,000,000	3,115,194
2.000%, due 04/30/16 .....	2,500,000	2,573,632
1.000%, due 03/31/17 .....	2,500,000	2,514,845
0.875%, due 04/30/17 .....	2,500,000	2,504,493
0.625%, due 09/30/17 .....	2,500,000	2,468,945
0.750%, due 12/31/17 .....	2,000,000	1,974,688
3.500%, due 02/15/18 .....	5,000,000	5,416,015
3.875%, due 05/15/18 .....	5,000,000	5,500,780
		<u>38,822,129</u>
<b>Total U.S. Treasury Obligations (Cost \$44,380,080) .....</b>		<b>\$ 44,768,487</b>

<b>U.S. GOVERNMENT AGENCY OBLIGATIONS — 0.6%</b>	<b>Par Value</b>	<b>Market Value</b>
<b>Federal Farm Credit Bank — 0.6%</b>		
4.500%, due 01/22/15 (Cost \$1,003,567) .....	\$ 1,000,000	\$ 1,024,121

<b>CORPORATE BONDS — 48.8%</b>	<b>Par Value</b>	<b>Market Value</b>
<b>Consumer Discretionary — 7.5%</b>		
Coca-Cola Company (The), 1.650%, due 11/01/18 .....	\$ 1,500,000	\$ 1,503,762
Johnson Controls, Inc., 5.500%, due 01/15/16 .....	1,000,000	1,069,785
Lowe's Companies, Inc., 5.000%, due 10/15/15 .....	500,000	527,976
Lowe's Companies, Inc., 2.125%, due 04/15/16 .....	1,000,000	1,026,969
Mattel, Inc., 4.350%, due 10/01/20 .....	1,350,000	1,448,319
McDonald's Corporation, 5.350%, due 03/01/18 .....	2,000,000	2,271,194
TJX Companies, Inc. (The), 4.200%, due 08/15/15 .....	1,750,000	1,816,866
TJX Companies, Inc. (The), 6.950%, due 04/15/19 .....	1,285,000	1,563,416
VF Corporation, 5.950%, due 11/01/17 .....	1,270,000	1,458,039
		<u>12,686,326</u>

# AVE MARIA BOND FUND

## SCHEDULE OF INVESTMENTS

(Continued)

CORPORATE BONDS — 48.8% (Continued)	Par Value	Market Value
<b>Consumer Staples — 3.5%</b>		
Clorox Company (The), 5.000%, due 01/15/15 .....	\$ 1,000,000	\$ 1,024,164
J.M. Smucker Company (The), 3.500%, due 10/15/21 ...	1,000,000	1,034,053
Kellogg Company, 4.150%, due 11/15/19 .....	2,042,000	2,210,835
Kimberly Clark Corporation, 6.125%, due 08/01/17 ....	1,475,000	1,695,726
		<u>5,964,778</u>
<b>Energy — 3.1%</b>		
Apache Corporation, 5.625%, due 01/15/17 .....	1,750,000	1,948,671
Apache Corporation, 1.750%, due 04/15/17 .....	1,500,000	1,526,580
ConocoPhillips, 1.050%, due 12/15/17 .....	1,750,000	1,733,144
		<u>5,208,395</u>
<b>Financials — 6.0%</b>		
Bank of New York Mellon Corporation (The), 2.300%, due 07/28/16 .....	1,500,000	1,546,948
Bank of New York Mellon Corporation (The), 2.100%, due 08/01/18 .....	1,000,000	1,014,253
Caterpillar Financial Services Corporation, 4.750%, due 02/17/15 .....	1,000,000	1,027,799
Caterpillar Financial Services Corporation, 2.650%, due 04/01/16 .....	1,000,000	1,035,495
MasterCard, Inc., 2.000%, due 04/01/19 .....	2,000,000	2,008,140
PACCAR Financial Corporation, 1.600%, due 03/15/17 ....	2,000,000	2,024,674
U.S. Bancorp, 2.450%, due 07/27/15 .....	1,500,000	1,533,635
		<u>10,190,944</u>
<b>Health Care — 3.8%</b>		
Medtronic, Inc., 4.750%, due 09/15/15 .....	1,000,000	1,051,934
Medtronic, Inc., 2.625%, due 03/15/16 .....	500,000	517,130
Stryker Corporation, 3.000%, due 01/15/15 .....	1,000,000	1,014,422
Stryker Corporation, 2.000%, due 09/30/16 .....	1,150,000	1,179,608
Zimmer Holdings, Inc., 4.625%, due 11/30/19 .....	2,310,000	2,555,758
		<u>6,318,852</u>
<b>Industrials — 13.6%</b>		
3M Company, 1.375%, due 09/29/16 .....	1,393,000	1,417,488
3M Company, 1.000%, due 06/26/17 .....	2,000,000	1,999,908
Emerson Electric Company, 5.250%, due 10/15/18 .....	1,600,000	1,827,762
Emerson Electric Company, 4.250%, due 11/15/20 .....	609,000	660,554
General Dynamics Corporation, 2.250%, due 07/15/16 ...	1,650,000	1,700,784
Illinois Tool Works, Inc., 1.950%, due 03/01/19 .....	2,000,000	2,002,228
John Deere Capital Corporation, 1.400%, due 03/15/17 ...	1,700,000	1,722,545
John Deere Capital Corporation, 1.700%, due 01/15/20 ...	2,000,000	1,941,544
Norfolk Southern Corporation, 5.750%, due 04/01/18 ....	885,000	1,010,590

**AVE MARIA BOND FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>CORPORATE BONDS — 48.8% (Continued)</b>	<b>Par Value</b>	<b>Market Value</b>
<b>Industrials — 13.6% (Continued)</b>		
Norfolk Southern Corporation, 5.900%, due 06/15/19 ....	\$ 441,000	\$ 514,244
Ryder System, Inc., 3.150%, due 03/02/15 .....	1,000,000	1,017,845
Union Pacific Corporation, 4.875%, due 01/15/15 .....	750,000	768,306
Union Pacific Corporation, 2.250%, due 02/15/19 .....	2,000,000	2,035,266
United Parcel Service, Inc., 5.500%, due 01/15/18 .....	1,500,000	1,710,906
United Parcel Service, Inc., 5.125%, due 04/01/19 .....	1,500,000	1,716,750
United Technologies Corporation, 5.375%, due 12/15/17 .....	839,000	952,710
		<u>22,999,430</u>
<b>Information Technology — 4.6%</b>		
Hewlett-Packard Company, 2.125%, due 09/13/15 .....	500,000	508,812
Hewlett-Packard Company, 2.650%, due 06/01/16 .....	500,000	516,137
Hewlett-Packard Company, 2.750%, due 01/14/19 .....	1,500,000	1,538,039
International Business Machines Corporation, 2.000%, due 01/05/16 .....	1,410,000	1,442,612
National Semiconductor Corporation, 6.600%, due 06/15/17 .....	1,605,000	1,857,908
Texas Instruments, Inc., 1.650%, due 08/03/19 .....	2,000,000	1,965,376
		<u>7,828,884</u>
<b>Materials — 2.7%</b>		
PPG Industries, Inc., 6.650%, due 03/15/18 .....	1,191,000	1,387,215
Praxair Inc., 4.625%, due 03/30/15 .....	2,000,000	2,063,698
Sherwin-Williams Company (The), 3.125%, due 12/15/14 .....	1,000,000	1,012,247
		<u>4,463,160</u>
<b>Utilities — 4.0%</b>		
Consolidated Edison Company of New York, Inc., 5.300%, due 12/01/16 .....	2,000,000	2,207,904
Consolidated Edison Company of New York, Inc., 6.650%, due 04/01/19 .....	800,000	963,226
Duke Energy Corporation, 3.950%, due 09/15/14 .....	800,000	805,777
Georgia Power Company, 4.250%, due 12/01/19 .....	1,500,000	1,666,260
NextEra Energy Capital Holdings, Inc., 2.600%, due 09/01/15 .....	1,000,000	1,021,694
		<u>6,664,861</u>
<b>Total Corporate Bonds</b> (Cost \$81,574,310) .....		<u>\$ 82,325,630</u>

**AVE MARIA BOND FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 14.8%</b>	<b>Shares</b>	<b>Market Value</b>
<b>Consumer Discretionary — 1.4%</b>		
<i>Household Durables — 0.6%</i>		
Tupperware Brands Corporation .....	12,500	\$ 1,046,250
<i>Leisure Products — 0.8%</i>		
Hasbro, Inc. ....	25,000	1,326,250
<b>Consumer Staples — 3.4%</b>		
<i>Beverages — 1.4%</i>		
Coca-Cola Company (The) .....	56,000	2,372,160
<i>Food &amp; Staples Retailing — 0.9%</i>		
Sysco Corporation .....	43,000	1,610,350
<i>Household Products — 1.1%</i>		
Clorox Company (The) .....	20,000	1,828,000
<b>Energy — 1.5%</b>		
<i>Oil, Gas &amp; Consumable Fuels — 1.5%</i>		
ConocoPhillips .....	11,400	977,322
Exxon Mobil Corporation .....	15,000	1,510,200
		2,487,522
<b>Financials — 2.0%</b>		
<i>Banks — 1.0%</i>		
PNC Financial Services Group, Inc. (The) .....	19,000	1,691,950
<i>Capital Markets — 1.0%</i>		
Bank of New York Mellon Corporation (The) .....	45,000	1,686,600
<b>Health Care — 1.2%</b>		
<i>Health Care Equipment &amp; Supplies — 1.2%</i>		
Abbott Laboratories .....	50,000	2,045,000
<b>Industrials — 3.1%</b>		
<i>Air Freight &amp; Logistics — 1.6%</i>		
C.H. Robinson Worldwide, Inc. ....	15,000	956,850
United Parcel Service, Inc. - Class B .....	17,000	1,745,220
		2,702,070
<i>Electrical Equipment — 1.0%</i>		
Emerson Electric Company .....	25,000	1,659,000
<i>Road &amp; Rail — 0.5%</i>		
Norfolk Southern Corporation .....	9,000	927,270

**AVE MARIA BOND FUND**  
**SCHEDULE OF INVESTMENTS**  
**(Continued)**

<b>COMMON STOCKS — 14.8% (Continued)</b>	<b>Shares</b>	<b>Market Value</b>
<b>Information Technology — 2.2%</b>		
<i>Semiconductors &amp; Semiconductor Equipment — 1.4%</i>		
Intel Corporation .....	45,000	\$ 1,390,500
Microchip Technology, Inc. ....	20,000	976,200
		<u>2,366,700</u>
<i>Software — 0.8%</i>		
CA, Inc. ....	45,000	1,293,300
		<u>1,293,300</u>
<b>Total Common Stocks</b> (Cost \$19,600,960) .....		<u>\$ 25,042,422</u>

<b>MONEY MARKET FUNDS — 8.5%</b>	<b>Shares</b>	<b>Market Value</b>
Federated Government Obligations Tax-Managed Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	7,936,646	\$ 7,936,646
Federated Treasury Obligations Fund - Institutional Shares, 0.01% <sup>(a)</sup> .....	6,339,146	6,339,146
<b>Total Money Market Funds</b> (Cost \$14,275,792) .....		<u>\$ 14,275,792</u>
<b>Total Investments at Market Value — 99.2%</b> (Cost \$160,834,709) .....		\$ 167,436,452
<b>Other Assets in Excess of Liabilities — 0.8%</b> .....		<u>1,300,620</u>
<b>Net Assets — 100.0%</b> .....		<u>\$ 168,737,072</u>

<sup>(a)</sup> The rate shown is the 7-day effective yield as of June 30, 2014.

See notes to financial statements.

**AVE MARIA MUTUAL FUNDS**  
**STATEMENTS OF ASSETS AND LIABILITIES**  
**June 30, 2014 (Unaudited)**

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund
<b>ASSETS</b>			
Investment securities:			
At cost .....	\$ 186,219,023	\$ 194,282,817	\$ 677,022,080
At market value (Note 1) .....	\$ 252,444,477	\$ 286,871,464	\$ 853,429,236
Affiliated investments, at market value (Cost \$1,107,092) (Note 5) .....	3,539,642	—	—
Receivable for investment securities sold .....	—	1,293,265	1,969,880
Receivable for capital shares sold .....	119,740	288,372	2,606,864
Dividends receivable .....	186,305	172,521	938,110
Other assets .....	21,376	24,547	48,771
<b>TOTAL ASSETS</b> .....	<u>256,311,540</u>	<u>288,650,169</u>	<u>858,992,861</u>
<b>LIABILITIES</b>			
Dividends payable .....	—	—	1,967,449
Payable for investment securities purchased .....	—	1,582,397	2,510,049
Payable for capital shares redeemed .....	117,710	347,701	654,421
Payable to Adviser (Note 2) .....	592,183	674,664	1,498,673
Payable to administrator (Note 2) .....	27,994	31,371	79,805
Accrued shareholder servicing fees (Note 2) .....	74,878	17,382	—
Other accrued expenses and liabilities .....	15,160	16,128	47,462
<b>TOTAL LIABILITIES</b> .....	<u>827,925</u>	<u>2,669,643</u>	<u>6,757,859</u>
<b>NET ASSETS</b> .....	<u>\$ 255,483,615</u>	<u>\$ 285,980,526</u>	<u>\$ 852,235,002</u>
<b>NET ASSETS CONSIST OF:</b>			
Paid-in capital .....	\$ 170,049,083	\$ 167,193,727	\$ 650,360,925
Accumulated net investment income (loss) ...	(82,663)	(207,064)	607
Accumulated net realized gains from security transactions .....	16,859,191	26,405,216	25,466,314
Net unrealized appreciation on investments ...	68,658,004	92,588,647	176,407,156
<b>NET ASSETS</b> .....	<u>\$ 255,483,615</u>	<u>\$ 285,980,526</u>	<u>\$ 852,235,002</u>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value) .....	<u>11,610,233</u>	<u>9,489,800</u>	<u>45,644,185</u>
Net asset value, offering price and redemption price per share (Note 1) .....	<u>\$ 22.01</u>	<u>\$ 30.14</u>	<u>\$ 18.67</u>

See notes to financial statements.

**AVE MARIA MUTUAL FUNDS**  
**STATEMENTS OF ASSETS AND LIABILITIES**  
**June 30, 2014 (Unaudited) (Continued)**

	Ave Maria Opportunity Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
<b>ASSETS</b>			
Investment securities:			
At amortized cost .....	\$ 46,559,485	\$ 34,970,661	\$ 160,834,709
At market value (Note 1) .....	\$ 58,131,010	\$ 41,651,434	\$ 167,436,452
Cash .....	—	38,234	—
Receivable for capital shares sold .....	139,891	41,687	602,314
Dividends and interest receivable .....	10,915	34,009	1,003,630
Other assets .....	19,028	19,451	23,898
<b>TOTAL ASSETS</b> .....	<u>58,300,844</u>	<u>41,784,815</u>	<u>169,066,294</u>
<b>LIABILITIES</b>			
Dividends payable .....	—	—	137,445
Payable for investment securities purchased .....	—	185,854	—
Payable for capital shares redeemed .....	29,135	150	36,807
Payable to Adviser (Note 2) .....	117,807	100,902	124,080
Payable to administrator (Note 2) .....	6,291	4,508	13,886
Other accrued expenses .....	7,988	7,307	17,004
<b>TOTAL LIABILITIES</b> .....	<u>161,221</u>	<u>298,721</u>	<u>329,222</u>
<b>NET ASSETS</b> .....	<u>\$ 58,139,623</u>	<u>\$ 41,486,094</u>	<u>\$ 168,737,072</u>
<b>NET ASSETS CONSIST OF:</b>			
Paid-in capital .....	\$ 42,451,459	\$ 32,262,287	\$ 158,309,019
Accumulated net investment income (loss) ....	(175,959)	85,229	463
Accumulated net realized gains from security transactions .....	4,292,598	2,457,805	3,825,847
Net unrealized appreciation on investments ...	<u>11,571,525</u>	<u>6,680,773</u>	<u>6,601,743</u>
<b>NET ASSETS</b> .....	<u>\$ 58,139,623</u>	<u>\$ 41,486,094</u>	<u>\$ 168,737,072</u>
Shares of beneficial interest outstanding (unlimited number of shares authorized, no par value) .....	<u>3,893,667</u>	<u>2,850,542</u>	<u>14,667,732</u>
Net asset value, offering price and redemption price per share (Note 1) .....	<u>\$ 14.93</u>	<u>\$ 14.55</u>	<u>\$ 11.50</u>

See notes to financial statements.

**AVE MARIA MUTUAL FUNDS**  
**STATEMENTS OF OPERATIONS**  
**For the Six Months Ended June 30, 2014 (Unaudited)**

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund
<b>INVESTMENT INCOME</b>			
Dividends .....	\$ 1,561,266	\$ 1,659,653	\$ 6,904,302
<b>EXPENSES</b>			
Investment advisory fees (Note 2) .....	1,167,922	1,332,414	2,833,508
Administration, accounting and transfer agent fees (Note 2) .....	166,029	187,045	446,483
Shareholder servicing fees (Note 2) .....	184,409	210,382	—
Legal and audit fees .....	23,252	24,123	39,810
Postage and supplies .....	26,364	31,727	55,130
Registration and filing fees .....	16,652	18,539	44,794
Trustees' fees and expenses (Note 2) .....	19,193	19,193	19,193
Custodian and bank service fees .....	9,073	9,950	25,091
Compliance service fees and expenses (Note 2) .....	6,207	7,092	18,297
Advisory board fees and expenses (Note 2) ....	5,017	5,017	5,017
Insurance expense .....	5,370	5,695	12,791
Printing of shareholder reports .....	4,919	5,664	8,459
Other expenses .....	9,522	9,876	14,353
<b>TOTAL EXPENSES</b> .....	<u>1,643,929</u>	<u>1,866,717</u>	<u>3,522,926</u>
<b>NET INVESTMENT INCOME (LOSS)</b> .....	<u>(82,663)</u>	<u>(207,064)</u>	<u>3,381,376</u>
<b>REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS</b>			
Net realized gains from security transactions .....	17,087,232	26,657,515	25,740,222
Net change in unrealized appreciation/ depreciation on investments .....	(7,563,300)	(27,106,782)	24,771,198
Net change in unrealized appreciation/ depreciation on affiliated investments (Note 5) .....	(209,379)	—	—
<b>NET REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS</b> ....	<u>9,314,553</u>	<u>(449,267)</u>	<u>50,511,420</u>
<b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b> .....	<u>\$ 9,231,890</u>	<u>\$ (656,331)</u>	<u>\$ 53,892,796</u>

See notes to financial statements.

**AVE MARIA MUTUAL FUNDS**  
**STATEMENTS OF OPERATIONS**  
**For the Six Months Ended June 30, 2014 (Unaudited) (Continued)**

	Ave Maria Opportunity Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
<b>INVESTMENT INCOME</b>			
Dividends .....	\$ 163,446	\$ 401,697	\$ 245,496
Foreign withholding taxes on dividends .....	(3,750)	(23,196)	—
Interest .....	<u>—</u>	<u>—</u>	<u>1,004,631</u>
TOTAL INCOME .....	<u>159,696</u>	<u>378,501</u>	<u>1,250,127</u>
<b>EXPENSES</b>			
Investment advisory fees (Note 2) .....	255,098	196,958*	256,485*
Administration, accounting and transfer agent fees (Note 2) .....	36,275	26,413	79,491
Shareholder servicing fees (Note 2) .....	—	—	—
Legal and audit fees .....	17,829	17,386	20,870
Postage and supplies .....	8,193	5,342	15,053
Registration and filing fees .....	12,922	12,693	21,244
Trustees' fees and expenses (Note 2) .....	19,193	19,193	19,193
Custodian and bank service fees .....	3,164	1,954	5,640
Compliance service fees and expenses (Note 2) .....	1,422	1,091	3,927
Advisory board fees and expenses (Note 2) ...	5,017	5,017	5,017
Insurance expense .....	1,070	780	3,189
Printing of shareholder reports .....	1,987	1,551	3,068
Other expenses .....	<u>5,277</u>	<u>4,894</u>	<u>12,457</u>
TOTAL EXPENSES .....	<u>367,447</u>	<u>293,272</u>	<u>445,634</u>
Less fee reductions by the Adviser (Note 2) ...	<u>(31,792)</u>	<u>—</u>	<u>—</u>
NET EXPENSES .....	<u>335,655</u>	<u>293,272</u>	<u>445,634</u>
<b>NET INVESTMENT INCOME (LOSS) .....</b>	<u>(175,959)</u>	<u>85,229</u>	<u>804,493</u>
<b>REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS</b>			
Net realized gains from security transactions .....	4,322,750	2,457,805	3,825,847
Net change in unrealized appreciation/ depreciation on investments .....	<u>(861,507)</u>	<u>(740,093)</u>	<u>(2,071,255)</u>
<b>NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS .....</b>	<u>3,461,243</u>	<u>1,717,712</u>	<u>1,754,592</u>
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS .....</b>	<u>\$ 3,285,284</u>	<u>\$ 1,802,941</u>	<u>\$ 2,559,085</u>

\* Includes \$11,219 and \$19,343 of prior years' advisory fee reductions recouped by the Adviser from the Ave Maria World Equity Fund and the Ave Maria Bond Fund, respectively (Note 2).

See notes to financial statements.

# AVE MARIA CATHOLIC VALUES FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013
<b>FROM OPERATIONS</b>		
Net investment loss .....	\$ (82,663)	\$ (50,151)
Net realized gains from security transactions .....	17,087,232	13,645,029
Net realized gains from in-kind redemptions (Note 1) .....	—	2,217,896
Net change in unrealized appreciation/depreciation on investments ....	(7,563,300)	35,292,390
Net change in unrealized appreciation/depreciation on affiliated investments (Note 5) .....	<u>(209,379)</u>	<u>294,262</u>
Net increase in net assets resulting from operations .....	<u>9,231,890</u>	<u>51,399,426</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net realized gains on investments .....	<u>—</u>	<u>(13,593,202)</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	13,361,521	29,976,323
Reinvestment of distributions to shareholders .....	—	12,568,399
Payments for shares redeemed .....	<u>(13,910,790)</u>	<u>(24,649,834)</u>
Net increase (decrease) in net assets from capital share transactions ..	<u>(549,269)</u>	<u>17,894,888</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>8,682,621</b>	<b>55,701,112</b>
<b>NET ASSETS</b>		
Beginning of period .....	<u>246,800,994</u>	<u>191,099,882</u>
End of period .....	<u>\$ 255,483,615</u>	<u>\$ 246,800,994</u>
<b>ACCUMULATED NET INVESTMENT LOSS .....</b>	<u>\$ (82,663)</u>	<u>\$ —</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	627,734	1,502,325
Shares issued in reinvestment of distributions to shareholders .....	—	595,095
Shares redeemed .....	<u>(652,510)</u>	<u>(1,213,180)</u>
Net increase (decrease) in shares outstanding .....	(24,776)	884,240
Shares outstanding, beginning of period .....	<u>11,635,009</u>	<u>10,750,769</u>
Shares outstanding, end of period .....	<u>11,610,233</u>	<u>11,635,009</u>

See notes to financial statements.

# AVE MARIA GROWTH FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013
<b>FROM OPERATIONS</b>		
Net investment loss .....	\$ (207,064)	\$ (708,957)
Net realized gains from security transactions .....	26,657,515	10,866,038
Net change in unrealized appreciation/depreciation on investments ....	<u>(27,106,782)</u>	<u>55,757,941</u>
Net increase (decrease) in net assets resulting from operations .....	<u>(656,331)</u>	<u>65,915,022</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net realized gains on investments .....	<u>—</u>	<u>(9,031,799)</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	23,561,584	66,833,710
Reinvestment of distributions to shareholders .....	—	8,286,790
Payments for shares redeemed .....	<u>(22,057,201)</u>	<u>(45,632,663)</u>
Net increase in net assets from capital share transactions .....	<u>1,504,383</u>	<u>29,487,837</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>848,052</b>	<b>86,371,060</b>
<b>NET ASSETS</b>		
Beginning of period .....	<u>285,132,474</u>	<u>198,761,414</u>
End of period .....	<u>\$ 285,980,526</u>	<u>\$ 285,132,474</u>
<b>ACCUMULATED NET INVESTMENT LOSS .....</b>	<u>\$ (207,064)</u>	<u>\$ —</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	791,059	2,493,809
Shares issued in reinvestment of distributions to shareholders .....	—	274,943
Shares redeemed .....	<u>(744,531)</u>	<u>(1,709,714)</u>
Net increase in shares outstanding .....	46,528	1,059,038
Shares outstanding, beginning of period .....	<u>9,443,272</u>	<u>8,384,234</u>
Shares outstanding, end of period .....	<u>9,489,800</u>	<u>9,443,272</u>

See notes to financial statements.

# AVE MARIA RISING DIVIDEND FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013
<b>FROM OPERATIONS</b>		
Net investment income .....	\$ 3,381,376	\$ 5,673,098
Net realized gains from security transactions .....	25,740,222	12,208,133
Net change in unrealized appreciation/depreciation on investments ....	<u>24,771,198</u>	<u>120,534,622</u>
Net increase in net assets resulting from operations .....	<u>53,892,796</u>	<u>138,415,853</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net investment income .....	(3,380,769)	(5,673,774)
From net realized gains on investments .....	<u>—</u>	<u>(12,211,020)</u>
Decrease in net assets from distributions to shareholders .....	<u>(3,380,769)</u>	<u>(17,884,794)</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	156,016,582	338,177,149
Reinvestment of distributions to shareholders .....	3,033,504	16,386,212
Payments for shares redeemed .....	<u>(67,477,170)</u>	<u>(68,852,912)</u>
Net increase in net assets from capital share transactions .....	<u>91,572,916</u>	<u>285,710,449</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>142,084,943</b>	<b>406,241,508</b>
<b>NET ASSETS</b>		
Beginning of period .....	<u>710,150,059</u>	<u>303,908,551</u>
End of period .....	<u>\$ 852,235,002</u>	<u>\$ 710,150,059</u>
<b>ACCUMULATED NET INVESTMENT INCOME .....</b>	<u>\$ 607</u>	<u>\$ —</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	8,876,712	21,328,062
Shares issued in reinvestment of distributions to shareholders .....	165,941	956,838
Shares redeemed .....	<u>(3,838,520)</u>	<u>(4,366,681)</u>
Net increase in shares outstanding .....	5,204,133	17,918,219
Shares outstanding, beginning of period .....	<u>40,440,052</u>	<u>22,521,833</u>
Shares outstanding, end of period .....	<u>45,644,185</u>	<u>40,440,052</u>

See notes to financial statements.

# AVE MARIA OPPORTUNITY FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013
<b>FROM OPERATIONS</b>		
Net investment loss .....	\$ (175,959)	\$ (79,682)
Net realized gains from security transactions .....	4,322,750	2,055,099
Net change in unrealized appreciation/depreciation on investments ....	<u>(861,507)</u>	<u>8,192,578</u>
Net increase in net assets resulting from operations .....	<u>3,285,284</u>	<u>10,167,995</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net realized gains on investments .....	<u>—</u>	<u>(1,123,357)</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	6,567,464	12,608,527
Reinvestment of distributions to shareholders .....	—	1,019,549
Payments for shares redeemed .....	<u>(3,418,170)</u>	<u>(7,465,029)</u>
Net increase in net assets from capital share transactions .....	<u>3,149,294</u>	<u>6,163,047</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>6,434,578</b>	<b>15,207,685</b>
<b>NET ASSETS</b>		
Beginning of period .....	<u>51,705,045</u>	<u>36,497,360</u>
End of period .....	<u>\$ 58,139,623</u>	<u>\$ 51,705,045</u>
<b>ACCUMULATED NET INVESTMENT LOSS .....</b>	<u>\$ (175,959)</u>	<u>\$ —</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	461,406	977,794
Shares issued in reinvestment of distributions to shareholders .....	—	72,877
Shares redeemed .....	<u>(240,457)</u>	<u>(584,770)</u>
Net increase in shares outstanding .....	220,949	465,901
Shares outstanding, beginning of period .....	<u>3,672,718</u>	<u>3,206,817</u>
Shares outstanding, end of period .....	<u>3,893,667</u>	<u>3,672,718</u>

See notes to financial statements.

# AVE MARIA WORLD EQUITY FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013
<b>FROM OPERATIONS</b>		
Net investment income .....	\$ 85,229	\$ 88,098
Net realized gains from security transactions .....	2,457,805	1,304,333
Net change in unrealized appreciation/depreciation on investments ....	<u>(740,093)</u>	<u>5,350,516</u>
Net increase in net assets resulting from operations .....	<u>1,802,941</u>	<u>6,742,947</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net investment income .....	—	(88,197)
From net realized gains on investments .....	<u>—</u>	<u>(610,855)</u>
Decrease in net assets from distributions to shareholders .....	<u>—</u>	<u>(699,052)</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	5,556,357	13,380,779
Reinvestment of distributions to shareholders .....	—	585,119
Payments for shares redeemed .....	<u>(5,743,122)</u>	<u>(4,375,713)</u>
Net increase (decrease) in net assets from capital share transactions ....	<u>(186,765)</u>	<u>9,590,185</u>
<b>TOTAL INCREASE IN NET ASSETS</b> .....	1,616,176	15,634,080
<b>NET ASSETS</b>		
Beginning of period .....	<u>39,869,918</u>	<u>24,235,838</u>
End of period .....	<u>\$ 41,486,094</u>	<u>\$ 39,869,918</u>
<b>ACCUMULATED NET INVESTMENT INCOME</b> .....	<u>\$ 85,229</u>	<u>\$ —</u>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	403,159	1,054,553
Shares issued in reinvestment of distributions to shareholders .....	—	42,277
Shares redeemed .....	<u>(420,337)</u>	<u>(344,416)</u>
Net increase (decrease) in shares outstanding .....	(17,178)	752,414
Shares outstanding, beginning of period .....	<u>2,867,720</u>	<u>2,115,306</u>
Shares outstanding, end of period .....	<u>2,850,542</u>	<u>2,867,720</u>

See notes to financial statements.

# AVE MARIA BOND FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013
<b>FROM OPERATIONS</b>		
Net investment income .....	\$ 804,493	\$ 1,326,826
Net realized gains from security transactions .....	3,825,847	2,846,592
Net change in unrealized appreciation/depreciation on investments ....	<u>(2,071,255)</u>	<u>3,614,498</u>
Net increase in net assets resulting from operations .....	<u>2,559,085</u>	<u>7,787,916</u>
<b>FROM DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net investment income .....	(804,030)	(1,326,871)
From net realized gains on investments .....	<u>—</u>	<u>(2,847,211)</u>
Decrease in net assets from distributions to shareholders .....	<u>(804,030)</u>	<u>(4,174,082)</u>
<b>FROM CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares sold .....	32,790,897	61,108,576
Reinvestment of distributions to shareholders .....	658,943	3,445,382
Payments for shares redeemed .....	<u>(16,217,542)</u>	<u>(31,460,772)</u>
Net increase in net assets from capital share transactions .....	<u>17,232,298</u>	<u>33,093,186</u>
<b>TOTAL INCREASE IN NET ASSETS .....</b>	<b>18,987,353</b>	<b>36,707,020</b>
<b>NET ASSETS</b>		
Beginning of period .....	<u>149,749,719</u>	<u>113,042,699</u>
End of period .....	<u>\$ 168,737,072</u>	<u>\$ 149,749,719</u>
<b>ACCUMULATED NET INVESTMENT INCOME .....</b>	<b>\$ 463</b>	<b>\$ —</b>
<b>SUMMARY OF CAPITAL SHARE ACTIVITY</b>		
Shares sold .....	2,881,029	5,383,619
Shares issued in reinvestment of distributions to shareholders .....	57,680	303,093
Shares redeemed .....	<u>(1,425,073)</u>	<u>(2,770,598)</u>
Net increase in shares outstanding .....	1,513,636	2,916,114
Shares outstanding, beginning of period .....	<u>13,154,096</u>	<u>10,237,982</u>
Shares outstanding, end of period .....	<u>14,667,732</u>	<u>13,154,096</u>

See notes to financial statements.

# AVE MARIA CATHOLIC VALUES FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Net asset value at beginning of period .....	\$ 21.21	\$ 17.78	\$ 16.20	\$ 16.42	\$ 13.63	\$ 9.91
Income (loss) from investment operations:						
Net investment income (loss) .....	(0.01)	(0.00) <sup>(a)</sup>	0.06	(0.01)	0.01	0.01
Net realized and unrealized gains (losses) on investments .....	0.81	4.66	2.09	(0.21)	2.79	3.72
Total from investment operations ..	0.80	4.66	2.15	(0.22)	2.80	3.73
Less distributions:						
From net investment income .....	—	—	(0.06)	—	(0.01)	(0.01)
From net realized gains on investments .....	—	(1.23)	(0.51)	—	—	—
Total distributions .....	—	(1.23)	(0.57)	—	(0.01)	(0.01)
Net asset value at end of period .....	\$ 22.01	\$ 21.21	\$ 17.78	\$ 16.20	\$ 16.42	\$ 13.63
Total return <sup>(b)</sup> .....	3.8% <sup>(c)</sup>	26.2%	13.3%	(1.3%)	20.5%	37.6%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ...	\$ 255,484	\$ 246,801	\$ 191,100	\$ 180,050	\$ 187,913	\$ 170,634
Ratio of net expenses to average net assets <sup>(d)</sup> .....	1.34% <sup>(e)</sup>	1.42%	1.48%	1.50%	1.50%	1.50%
Ratio of net investment income (loss) to average net assets .....	(0.07%) <sup>(e)</sup>	(0.02%)	0.35%	(0.08%)	0.04%	0.07%
Portfolio turnover rate .....	15% <sup>(c)</sup>	29%	25%	29%	33%	58%

<sup>(a)</sup> Amount rounds to less than \$0.01 per share.

<sup>(b)</sup> Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(c)</sup> Not annualized.

<sup>(d)</sup> Absent investment advisory fee reductions by the Adviser, the ratio of expenses to average net assets would have been 1.51% and 1.56% for the years ended December 31, 2010 and 2009, respectively (Note 2).

<sup>(e)</sup> Annualized.

See notes to financial statements.

# AVE MARIA GROWTH FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Net asset value at beginning of period .....	\$ 30.19	\$ 23.71	\$ 20.67	\$ 20.56	\$ 16.26	\$ 12.86
Income (loss) from investment operations:						
Net investment loss .....	(0.02)	(0.08)	(0.04)	(0.06)	(0.05)	(0.02)
Net realized and unrealized gains (losses) on investments .....	(0.03)	7.55	3.08	0.17	4.35	3.42
Total from investment operations ..	(0.05)	7.47	3.04	0.11	4.30	3.40
Less distributions:						
From net realized gains on investments .....	—	(0.99)	—	—	—	—
Net asset value at end of period .....	\$ 30.14	\$ 30.19	\$ 23.71	\$ 20.67	\$ 20.56	\$ 16.26
Total return <sup>(a)</sup> .....	(0.2%) <sup>(b)</sup>	31.5%	14.7%	0.5%	26.5%	26.4%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ..	\$ 285,981	\$ 285,132	\$ 198,761	\$ 162,072	\$ 147,443	\$ 115,626
Ratio of net expenses to average net assets <sup>(c)</sup> .....	1.33% <sup>(d)</sup>	1.43%	1.50%	1.50%	1.50%	1.50%
Ratio of net investment loss to average net assets .....	(0.15%) <sup>(d)</sup>	(0.29%)	(0.17%)	(0.29%)	(0.29%)	(0.16%)
Portfolio turnover rate .....	19% <sup>(b)</sup>	18%	33%	10%	25%	9%

<sup>(a)</sup> Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(b)</sup> Not annualized.

<sup>(c)</sup> Absent investment advisory fee reductions by the Adviser, the ratio of expenses to average net assets would have been 1.52% and 1.61% for the years ended December 31, 2010 and 2009, respectively (Note 2).

<sup>(d)</sup> Annualized.

See notes to financial statements.

# AVE MARIA RISING DIVIDEND FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Net asset value at beginning of period .....	\$ 17.56	\$ 13.49	\$ 12.68	\$ 12.51	\$ 10.77	\$ 8.72
Income from investment operations:						
Net investment income .....	0.08	0.17	0.23	0.18	0.17	0.13
Net realized and unrealized gains on investments .....	1.11	4.38	1.51	0.40	1.74	2.05
Total from investment operations ...	1.19	4.55	1.74	0.58	1.91	2.18
Less distributions:						
From net investment income .....	(0.08)	(0.17)	(0.23)	(0.18)	(0.17)	(0.13)
From net realized gains on investments .....	—	(0.31)	(0.70)	(0.23)	—	—
Total distributions .....	(0.08)	(0.48)	(0.93)	(0.41)	(0.17)	(0.13)
Net asset value at end of period .....	\$ 18.67	\$ 17.56	\$ 13.49	\$ 12.68	\$ 12.51	\$ 10.77
Total return <sup>(a)</sup> .....	6.8% <sup>(b)</sup>	33.9%	13.9%	4.6%	17.9%	25.3%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ..	\$ 852,235	\$ 710,150	\$ 303,909	\$ 223,982	\$ 127,022	\$ 102,861
Ratio of expenses to average net assets .....	0.93% <sup>(c)</sup>	0.97%	0.99%	1.02%	1.06%	1.11%
Ratio of net investment income to average net assets .....	0.89% <sup>(c)</sup>	1.16%	1.75%	1.45%	1.52%	1.42%
Portfolio turnover rate .....	15% <sup>(b)</sup>	14%	37%	22%	34%	63%

<sup>(a)</sup> Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(b)</sup> Not annualized.

<sup>(c)</sup> Annualized.

See notes to financial statements.

# AVE MARIA OPPORTUNITY FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Net asset value at beginning of period .....	\$ 14.08	\$ 11.38	\$ 10.99	\$ 10.85	\$ 9.11	\$ 6.47
Income (loss) from investment operations:						
Net investment income (loss) .....	(0.05)	(0.02)	0.03	(0.03)	0.01	(0.02)
Net realized and unrealized gains on investments .....	0.90	3.03	0.39	0.17	1.74	2.66
Total from investment operations ..	0.85	3.01	0.42	0.14	1.75	2.64
Less distributions:						
From net investment income .....	—	—	(0.03)	—	(0.01)	—
From net realized gains on investments .....	—	(0.31)	—	—	—	—
Total distributions .....	—	(0.31)	(0.03)	—	(0.01)	—
Net asset value at end of period .....	\$ 14.93	\$ 14.08	\$ 11.38	\$ 10.99	\$ 10.85	\$ 9.11
Total return <sup>(a)</sup> .....	6.0% <sup>(b)</sup>	26.5%	3.8%	1.3%	19.2%	40.8%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ..	\$ 58,140	\$ 51,705	\$ 36,497	\$ 33,727	\$ 24,794	\$ 16,787
Ratio of net expenses to average net assets <sup>(c)</sup> .....	1.25% <sup>(d)</sup>	1.25%	1.25%	1.25%	1.25%	1.25%
Ratio of net investment income (loss) to average net assets .....	(0.65%) <sup>(d)</sup>	(0.18%)	0.25%	(0.32%)	0.07%	(0.25%)
Portfolio turnover rate .....	26% <sup>(b)</sup>	58%	84%	101%	81%	113%

<sup>(a)</sup> Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(b)</sup> Not annualized.

<sup>(c)</sup> Absent investment advisory fee reductions and expense reimbursements by the Adviser, the ratio of expenses to average net assets would have been 1.37%<sup>(d)</sup>, 1.40%, 1.43%, 1.48%, 1.79% and 2.31% for the periods ended June 30, 2014, December 31, 2013, 2012, 2011, 2010 and 2009, respectively (Note 2).

<sup>(d)</sup> Annualized.

See notes to financial statements.

# AVE MARIA WORLD EQUITY FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011	Period Ended December 31, 2010 <sup>(a)</sup>
Net asset value at beginning of period .....	\$ 13.90	\$ 11.46	\$ 10.11	\$ 11.24	\$ 10.00
Income (loss) from investment operations:					
Net investment income .....	0.03	0.03	0.05	0.05	0.00 <sup>(b)</sup>
Net realized and unrealized gains (losses) on investments .....	0.62	2.66	1.35	(1.13)	1.24
Total from investment operations .....	0.65	2.69	1.40	(1.08)	1.24
Less distributions:					
From net investment income .....	—	(0.03)	(0.05)	(0.05)	—
From net realized gains on investments .....	—	(0.22)	—	—	—
Total distributions .....	—	(0.25)	(0.05)	(0.05)	—
Net asset value at end of period .....	\$ 14.55	\$ 13.90	\$ 11.46	\$ 10.11	\$ 11.24
Total return <sup>(c)</sup> .....	4.7% <sup>(d)</sup>	23.5%	13.8%	(9.6%)	12.4% <sup>(d)</sup>
Ratios/Supplementary Data:					
Net assets at end of period (000's) .....	\$ 41,486	\$ 39,870	\$ 24,236	\$ 20,324	\$ 12,000
Ratio of net expenses to average net assets <sup>(e)</sup> .....	1.50% <sup>(f)</sup>	1.50%	1.50%	1.50%	1.50% <sup>(f)</sup>
Ratio of net investment income to average net assets .....	0.44% <sup>(f)</sup>	0.28%	0.46%	0.58%	0.01% <sup>(f)</sup>
Portfolio turnover rate .....	19% <sup>(d)</sup>	31%	33%	13%	5% <sup>(d)</sup>

<sup>(a)</sup> Represents the period from the initial public offering (April 30, 2010) through December 31, 2010.

<sup>(b)</sup> Amount rounds to less than \$0.01 per share.

<sup>(c)</sup> Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(d)</sup> Not annualized.

<sup>(e)</sup> Absent investment advisory fee reductions by the Adviser, the ratio of expenses to average net assets would have been 1.55%, 1.63%, 1.78% and 2.45%<sup>(f)</sup> for the periods ended December 31, 2013, 2012, 2011 and 2010, respectively (Note 2).

<sup>(f)</sup> Annualized.

See notes to financial statements.

# AVE MARIA BOND FUND

## FINANCIAL HIGHLIGHTS

### Per Share Data for a Share Outstanding Throughout Each Period

	Six Months Ended June 30, 2014 (Unaudited)	Year Ended December 31, 2013	Year Ended December 31, 2012	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Net asset value at beginning of period .....	\$ 11.38	\$ 11.04	\$ 10.87	\$ 10.90	\$ 10.48	\$ 9.79
Income from investment operations:						
Net investment income .....	0.06	0.11	0.18	0.21	0.26	0.29
Net realized and unrealized gains on investments .....	0.12	0.56	0.32	0.15	0.43	0.69
Total from investment operations ...	0.18	0.67	0.50	0.36	0.69	0.98
Less distributions:						
From net investment income .....	(0.06)	(0.11)	(0.18)	(0.21)	(0.26)	(0.29)
From net realized gains on investments .....	—	(0.22)	(0.15)	(0.18)	(0.01)	—
Total distributions .....	(0.06)	(0.33)	(0.33)	(0.39)	(0.27)	(0.29)
Net asset value at end of period .....	\$ 11.50	\$ 11.38	\$ 11.04	\$ 10.87	\$ 10.90	\$ 10.48
Total return <sup>(a)</sup> .....	1.6% <sup>(b)</sup>	6.1%	4.6%	3.3%	6.7%	10.2%
Ratios/Supplementary Data:						
Net assets at end of period (000's) ...	\$ 168,737	\$ 149,750	\$ 113,043	\$ 92,401	\$ 74,606	\$ 51,788
Ratio of net expenses to average net assets <sup>(c)</sup> .....	0.56% <sup>(d)</sup>	0.70%	0.70%	0.70%	0.70%	0.66%
Ratio of net investment income to average net assets .....	1.02% <sup>(d)</sup>	1.01%	1.64%	1.96%	2.38%	2.90%
Portfolio turnover rate .....	14% <sup>(b)</sup>	17%	21%	27%	24%	27%

<sup>(a)</sup> Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. The returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>(b)</sup> Not annualized.

<sup>(c)</sup> Absent investment advisory fee reductions by the Adviser, the ratio of expenses to average net assets would have been 0.71%, 0.73%, 0.85% and 0.93% for the years ended December 31, 2012, 2011, 2010 and 2009, respectively (Note 2).

<sup>(d)</sup> Annualized.

See notes to financial statements.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### June 30, 2014 (Unaudited)

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#### 1. Organization and Significant Accounting Policies

The Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund, the Ave Maria Opportunity Fund, the Ave Maria World Equity Fund and the Ave Maria Bond Fund (collectively, the “Funds”) are each a diversified series of the Schwartz Investment Trust (the “Trust”), an open-end management investment company registered under the Investment Company Act of 1940 and established as an Ohio business trust under a Declaration of Trust dated August 31, 1992. The Ave Maria Catholic Values Fund commenced the public offering of its shares on May 1, 2001. The public offering of shares of the Ave Maria Growth Fund and the Ave Maria Bond Fund commenced on May 1, 2003. The Ave Maria Rising Dividend Fund commenced the public offering of its shares on May 2, 2005. The Ave Maria Opportunity Fund commenced the public offering of its shares on May 1, 2006. The Ave Maria World Equity Fund commenced the public offering of its shares on April 30, 2010.

The investment objective of the Ave Maria Catholic Values Fund is to seek long-term capital appreciation from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Growth Fund is to seek long-term capital appreciation, using the growth style, from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Rising Dividend Fund is to provide increasing dividend income over time, long-term growth of capital, and a reasonable level of current income from investments in dividend-paying common stocks of companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Opportunity Fund is long-term capital appreciation from equity investments in companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria World Equity Fund is to seek long-term capital appreciation from equity investments in U.S. and non-U.S. companies that do not violate core values and teachings of the Roman Catholic Church. The investment objective of the Ave Maria Bond Fund is to seek preservation of principal with a reasonable level of current income in corporate debt and equity securities that do not violate core values and teachings of the Roman Catholic Church. See the Funds’ Prospectus for information regarding the investment strategies of each Fund.

Shares of each Fund are sold at net asset value. To calculate the net asset value, each Fund’s assets are valued and totaled, liabilities are subtracted, and the balance is divided by the number of shares outstanding. The offering price and redemption price per share are equal to the net asset value per share for each Fund.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

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The following is a summary of significant accounting policies followed by the Funds:

**(a) Valuation of investments** – Securities which are traded on stock exchanges are valued at the closing sales price as of the close of the regular session of trading on the New York Stock Exchange on the day the securities are being valued, or, if not traded on a particular day, at the closing bid price. Securities which are quoted by NASDAQ are valued at the NASDAQ Official Closing Price or, if an official close price is not available, at the most recently quoted bid price. Securities traded in the over-the-counter market are valued at the last reported sales price or, if there is no reported sale on the valuation date, at the most recently quoted bid price. Securities which are traded both in the over-the-counter market and on a stock exchange are valued according to the broadest and most representative market. Investments in shares of other open-end investment companies are valued at their net asset value as reported by such companies. Securities for which market quotations are not readily available are valued at their fair value as determined in good faith in accordance with consistently applied procedures established by and under the general supervision of the Board of Trustees, and will be classified as Level 2 or 3 within the fair value hierarchy (see below), depending on the inputs used. Fair value pricing may be used, for example, in situations where (i) a portfolio security is so thinly traded that there have been no transactions for that stock over an extended period of time; (ii) the exchange on which the portfolio security is principally traded closes early; or (iii) trading of the portfolio security is halted during the day and does not resume prior to a Fund’s net asset value calculation. A portfolio security’s “fair value” price may differ from the price next available for that portfolio security using the Funds’ normal pricing procedures. Short-term instruments (those with remaining maturities of 60 days or less at the time of purchase) may be valued at amortized cost, which approximates market value.

Accounting principles generally accepted in the United States (“GAAP”) establish a single authoritative definition of fair value, set out a framework for measuring fair value and require additional disclosures about fair value measurements.

Various inputs are used in determining the value of each Fund’s investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs
- Level 3 – significant unobservable inputs

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

U.S. Treasury Obligations, U.S. Government Agency Obligations and Corporate Bonds held by the Ave Maria Bond Fund are classified as Level 2 since the values for such securities are based on prices provided by an independent pricing service that utilizes various “other significant observable inputs” including bid and ask quotations, prices of similar securities and interest rates, among other factors.

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

The following is a summary of the inputs used to value the Funds’ investments, by security type, as of June 30, 2014:

<b>Ave Maria Catholic Values Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks .....	\$ 227,388,292	\$ —	\$ —	\$ 227,388,292
Warrants .....	2,845,700	—	—	2,845,700
Exchange-Traded Funds .....	3,542,000	—	—	3,542,000
Money Market Funds .....	<u>22,208,127</u>	<u>—</u>	<u>—</u>	<u>22,208,127</u>
Total .....	<u>\$ 255,984,119</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 255,984,119</u>

<b>Ave Maria Growth Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks .....	\$ 255,515,735	\$ —	\$ —	\$ 255,515,735
Money Market Funds .....	<u>31,355,729</u>	<u>—</u>	<u>—</u>	<u>31,355,729</u>
Total .....	<u>\$ 286,871,464</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 286,871,464</u>

<b>Ave Maria Rising Dividend Fund</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks .....	\$ 749,126,075	\$ —	\$ —	\$ 749,126,075
Warrants .....	5,820,750	—	—	5,820,750
Exchange-Traded Funds .....	5,989,200	—	—	5,989,200
Money Market Funds .....	<u>92,493,211</u>	<u>—</u>	<u>—</u>	<u>92,493,211</u>
Total .....	<u>\$ 853,429,236</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 853,429,236</u>

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

(Continued)

Ave Maria Opportunity Fund	Level 1	Level 2	Level 3	Total
Common Stocks .....	\$ 48,431,846	\$ —	\$ —	\$ 48,431,846
Exchange-Traded Funds .....	538,908	—	—	538,908
Money Market Funds .....	9,160,256	—	—	9,160,256
Total .....	<u>\$ 58,131,010</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 58,131,010</u>

Ave Maria World Equity Fund	Level 1	Level 2	Level 3	Total
Common Stocks .....	\$ 36,692,705	\$ —	\$ —	\$ 36,692,705
Exchange-Traded Funds .....	386,400	—	—	386,400
Money Market Funds .....	4,572,329	—	—	4,572,329
Total .....	<u>\$ 41,651,434</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 41,651,434</u>

Ave Maria Bond Fund	Level 1	Level 2	Level 3	Total
U.S. Treasury Obligations .....	\$ —	\$ 44,768,487	\$ —	\$ 44,768,487
U.S. Government Agency Obligations .....	—	1,024,121	—	1,024,121
Corporate Bonds .....	—	82,325,630	—	82,325,630
Common Stocks .....	25,042,422	—	—	25,042,422
Money Market Funds .....	14,275,792	—	—	14,275,792
Total .....	<u>\$ 39,318,214</u>	<u>\$ 128,118,238</u>	<u>\$ —</u>	<u>\$ 167,436,452</u>

Refer to each Fund's Schedule of Investments for a listing of the securities by security type and sector or industry type. As of June 30, 2014, the Funds did not have any transfers in and out of any Level. There were no Level 3 securities or derivative instruments held by the Funds as of June 30, 2014. It is the Funds' policy to recognize transfers into and out of all Levels at the end of the reporting period.

**(b) Income taxes** – Each Fund has qualified and intends to continue to qualify as a regulated investment company under the Internal Revenue Code of 1986 (the "Code"). Qualification generally will relieve each Fund of liability for federal income taxes to the extent 100% of its net investment income and net realized gains are distributed in accordance with the Code. Accordingly, no provision for income tax has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also each Fund's intention to declare as dividends in each calendar year at least 98% of its net investment income and 98.2% of its net realized capital gains plus undistributed amounts from prior years.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

The following information is computed on a tax basis for each item as of June 30, 2014:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
Accumulated ordinary income (loss) .....	\$ (82,663)	\$ 784,541	\$ 20,118	\$ 745,266	\$ 489,812	\$ 92,538
Net unrealized appreciation ...	68,428,992	92,530,456	176,227,379	11,549,719	6,680,773	6,601,743
Other gains .....	<u>17,088,203</u>	<u>25,471,802</u>	<u>25,626,580</u>	<u>3,393,179</u>	<u>2,053,222</u>	<u>3,733,772</u>
Accumulated earnings .....	<u>\$ 85,434,532</u>	<u>\$ 118,786,799</u>	<u>\$ 201,874,077</u>	<u>\$ 15,688,164</u>	<u>\$ 9,223,807</u>	<u>\$ 10,428,053</u>

The following information is based upon the federal income tax cost of the Funds' investment securities as of June 30, 2014:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
Gross unrealized appreciation ...	\$ 72,717,604	\$ 95,145,979	\$ 180,345,624	\$ 12,227,627	\$ 7,158,279	\$ 6,806,503
Gross unrealized depreciation ....	<u>(4,288,612)</u>	<u>(2,615,523)</u>	<u>(4,118,245)</u>	<u>(677,908)</u>	<u>(477,506)</u>	<u>(204,760)</u>
Net unrealized appreciation .....	<u>\$ 68,428,992</u>	<u>\$ 92,530,456</u>	<u>\$ 176,227,379</u>	<u>\$ 11,549,719</u>	<u>\$ 6,680,773</u>	<u>\$ 6,601,743</u>
Federal income tax cost .....	<u>\$ 187,555,127</u>	<u>\$ 194,341,008</u>	<u>\$ 677,201,857</u>	<u>\$ 46,581,291</u>	<u>\$ 34,970,661</u>	<u>\$ 160,834,709</u>

The difference between the federal income tax cost of portfolio investments and the financial statement cost for the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund and the Ave Maria Opportunity Fund is due to certain timing differences in the recognition of capital losses under income tax regulations and GAAP. These “book/tax” differences are temporary in nature and are due to the tax deferral of losses on wash sales. There is no difference between the federal income tax cost and the financial statement cost for the Ave Maria World Equity Fund and the Ave Maria Bond Fund as of June 30, 2014.

During the year ended December 31, 2013, the Ave Maria Catholic Values Fund realized \$2,217,896 of net capital gains resulting from in-kind redemptions – in which shareholders who redeemed Fund shares received securities held by the Fund rather than cash. The Fund recognizes a gain on in-kind redemptions to the extent that the value of the distributed securities on the date of redemption exceeds the cost of those securities. Such gains are not taxable to the Fund and are not required to be distributed to shareholders.

The Funds recognize the tax benefits or expenses of uncertain tax positions only when the position is “more-likely-than-not” to be sustained assuming examination by tax authorities. Management has reviewed the tax positions taken on federal income

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

tax returns for the current and all open tax years (tax years ended December 31, 2010 through December 31, 2013) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements.

**(c) Security transactions and investment income** – Security transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recognized on the accrual basis and includes amortization of premiums and accretion of discounts using the effective yield method. Cost of investments includes amortization of premiums and accretion of discounts. Realized gains and losses on securities sold are determined on a specific identification basis.

**(d) Dividends and distributions** – Dividends from net investment income, if any, are declared and paid annually in December for the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Opportunity Fund and the Ave Maria World Equity Fund. Dividends from net investment income, if any, are declared and paid quarterly for the Ave Maria Rising Dividend Fund and are declared and paid monthly for the Ave Maria Bond Fund. Each Fund expects to distribute any net realized capital gains annually. Dividends and distributions to shareholders are recorded on the ex-dividend date. The tax character of distributions paid during the periods ended June 30, 2014 and December 31, 2013 was as follows:

Period Ended	Ordinary Income	Long-Term Capital Gains	Total Distributions
<b>Ave Maria Catholic Values Fund:</b>			
June 30, 2014 .....	\$ —	\$ —	\$ —
December 31, 2013 .....	\$ 113,755	\$ 13,479,447	\$ 13,593,202
<b>Ave Maria Growth Fund:</b>			
June 30, 2014 .....	\$ —	\$ —	\$ —
December 31, 2013 .....	\$ —	\$ 9,031,799	\$ 9,031,799
<b>Ave Maria Rising Dividend Fund:</b>			
June 30, 2014 .....	\$ 3,380,769	\$ —	\$ 3,380,769
December 31, 2013 .....	\$ 5,673,774	\$ 12,211,020	\$ 17,884,794
<b>Ave Maria Opportunity Fund:</b>			
June 30, 2014 .....	\$ —	\$ —	\$ —
December 31, 2013 .....	\$ —	\$ 1,123,357	\$ 1,123,357
<b>Ave Maria World Equity Fund:</b>			
June 30, 2014 .....	\$ —	\$ —	\$ —
December 31, 2013 .....	\$ 88,197	\$ 610,855	\$ 699,052
<b>Ave Maria Bond Fund</b>			
June 30, 2014 .....	\$ 804,030	\$ —	\$ 804,030
December 31, 2013 .....	\$ 1,368,228	\$ 2,805,854	\$ 4,174,082

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

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(e) **Estimates** – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(f) **Common expenses** – Common expenses of the Trust are allocated among the Funds of the Trust based on relative net assets of each Fund or the nature of the services performed and the relative applicability to each Fund.

## 2. Investment Advisory Agreements and Transactions with Related Parties

The Chairman and President of the Trust is also the Chairman and Chief Investment Officer of Schwartz Investment Counsel, Inc. (the “Adviser”). Certain other officers of the Trust are officers of the Adviser, or of Ultimus Fund Solutions, LLC (“Ultimus”), the administrative, accounting and transfer agent for the Funds, or of Ultimus Fund Distributors, LLC (the “Distributor”), the Funds’ principal underwriter.

Pursuant to Investment Advisory Agreements between the Trust and the Adviser, the Adviser is responsible for the management of each Fund and provides investment advice along with the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Funds. The Adviser receives from each of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Opportunity Fund and the Ave Maria World Equity Fund a quarterly fee at the annual rate of 0.95% of its average daily net assets. The Adviser receives from the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund a quarterly fee at the annual rate of 0.75% and 0.30%, respectively, of average daily net assets.

The Adviser has contractually agreed to reduce its advisory fees or reimburse a portion of operating expenses until at least May 1, 2015 so that: the net expenses of each of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund and the Ave Maria World Equity Fund do not exceed 1.50% per annum of average daily net assets; the net expenses of each of the Ave Maria Rising Dividend Fund and the Ave Maria Opportunity Fund do not exceed 1.25% per annum of average daily net assets; and the net expenses of each of the Ave Maria Bond Fund do not exceed 0.70% per annum of average daily net assets. During the six months ended June 30, 2014, the Adviser reduced its investment advisory fees by \$31,792 with respect to the Ave Maria Opportunity Fund.

Any fee reductions or expense reimbursements by the Adviser are subject to repayment by the Funds for a period of three years from the end of the fiscal year during which such reductions or reimbursements occurred, provided the Funds are able to effect such repayment and remain in compliance with any undertaking by the Adviser to limit expenses of the Funds. During the six months ended June 30, 2014, the Adviser

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

recouped previous investment advisory fee reductions of \$11,219 from the Ave Maria World Equity Fund and \$19,343 from the Ave Maria Bond Fund. As of June 30, 2014, the amounts of fee reductions available for reimbursement to the Adviser are as follows:

Ave Maria Opportunity Fund .....	\$	236,830
Ave Maria World Equity Fund .....	\$	84,550

The Adviser may recapture a portion of the above amounts no later than the dates as stated below:

	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017
Ave Maria Opportunity Fund .....	\$ 71,816	\$ 67,326	\$ 65,896	\$ 31,792
Ave Maria World Equity Fund .....	\$ 37,777	\$ 29,651	\$ 17,122	\$ —

The Chief Compliance Officer of the Trust (the “CCO”) is an employee of the Adviser. The Trust pays the Adviser a fee for providing CCO services, of which each Fund pays its proportionate share along with the other series of the Trust. In addition, the Trust reimburses the Adviser for out-of-pocket expenses incurred, if any, for providing these services.

Pursuant to a Mutual Fund Services Agreement between the Trust and Ultimus, Ultimus supplies regulatory and compliance services, calculates the daily net asset value per share of each Fund, maintains the financial books and records of the Funds, maintains the records of each shareholder’s account, and processes purchases and redemptions of each Fund’s shares. For the performance of these services, Ultimus receives fees computed as a percentage of the average daily net assets of each of the Funds, subject to a minimum monthly fee.

Pursuant to a Distribution Agreement between the Trust and the Distributor, the Distributor serves as each Fund’s exclusive agent for the distribution of its shares. The Distributor is an affiliate of Ultimus.

The Ave Maria Catholic Values Fund and the Ave Maria Growth Fund have adopted a Shareholder Servicing Plan (the “Plan”) which allows such Funds to make payments to financial organizations (including the Adviser and other affiliates of each Fund) for providing account administration and personnel and account maintenance services to Fund shareholders. The annual service fee may not exceed an amount equal to 0.25% of each Fund’s average daily net assets. During the six months ended June 30, 2014, the total expenses incurred pursuant to the Plan were \$184,409 and \$210,382 for the Ave Maria Catholic Values Fund and the Ave Maria Growth Fund, respectively.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

Trustees and officers affiliated with the Adviser or Ultimus are not compensated by the Trust for their services. Each Trustee who is not an affiliated person of the Adviser or Ultimus receives from the Trust an annual retainer of \$26,000 (except that such fee is \$32,000 for the Lead Independent Trustee and \$13,000 for any Emeritus Trustee), payable quarterly, and a fee of \$4,750 for attendance at each meeting of the Board of Trustees (except that such fee is \$2,375 for any Emeritus Trustee), plus reimbursement of travel and other expenses incurred in attending meetings.

Each member of the Catholic Advisory Board (“CAB”) receives an annual retainer of \$2,000 (except that such fee is \$14,000 for the chairman), paid quarterly; a fee of \$2,500 (except that such fee is \$2,750 for the chairman) for attendance at each meeting of the CAB; plus reimbursement of travel and other expenses incurred in attending meetings.

### 3. Investment Transactions

During the six months ended June 30, 2014, cost of purchases and proceeds from sales and maturities of investment securities, excluding short-term investments and U.S. government securities, were as follows:

	Ave Maria Catholic Values Fund	Ave Maria Growth Fund	Ave Maria Rising Dividend Fund	Ave Maria Opportunity Fund	Ave Maria World Equity Fund	Ave Maria Bond Fund
Purchases of investment securities .....	\$ 35,902,441	\$ 48,172,679	\$153,824,012	\$ 13,705,427	\$ 6,988,745	\$ 30,549,889
Proceeds from sales of investment securities .....	\$ 48,987,973	\$ 64,895,630	\$104,289,602	\$ 11,667,204	\$ 9,573,816	\$ 15,927,459

### 4. Contingencies and Commitments

The Funds indemnify the Trust’s officers and Trustees for certain liabilities that might arise from their performance of their duties to the Funds. Additionally, in the normal course of business, the Funds enter into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Funds’ maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the Funds expect the risk of loss to be remote.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

#### 5. Affiliated Investment

A company is considered an affiliate of a Fund under the Investment Company Act of 1940 if the Fund's holdings in that company represent 5% or more of the outstanding voting shares of that company. The Ave Maria Catholic Values Fund owns 5.30% of the outstanding voting shares of Unico American Corporation. Further detail on this holding for the six months ended June 30, 2014 appears below:

**AVE MARIA CATHOLIC VALUES FUND**  
Affiliated Issuer Report

**UNICO AMERICAN CORPORATION**  
From December 31, 2013 To June 30, 2014

Shares at beginning of period .....	282,945
Shares at end of period .....	282,945
Market value at beginning of period .....	\$ 3,749,021
Change in unrealized appreciation (depreciation) .....	(209,379)
Market value at end of period .....	\$ 3,539,642
Net realized gains (losses) during the period .....	\$ —
Dividend income earned during the period .....	\$ —

#### 6. Sector Risk

If a Fund has significant investments in the securities of issuers in industries within a particular sector, any development affecting that sector will have a greater impact on the value of the net assets of the Fund than would be the case if the Fund did not have significant investments in that sector. In addition, this may increase the risk of loss of an investment in the Fund and increase the volatility of the Fund's net asset value per share. From time to time, circumstances may affect a particular sector and the companies within such sector. For instance, economic or market factors, regulation or deregulation, and technological or other developments may negatively impact all companies in a particular sector and therefore the value of the Funds' portfolios will be adversely affected. As of June 30, 2014, the Ave Maria Growth Fund had 27.0% of the value of its net assets invested in stocks within the industrials sector.

# AVE MARIA MUTUAL FUNDS

## NOTES TO FINANCIAL STATEMENTS

### (Continued)

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#### **7. Subsequent Events**

The Funds are required to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed as of the date of the Statements of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Funds are required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements and has noted no such events.

# AVE MARIA MUTUAL FUNDS

## ABOUT YOUR FUNDS' EXPENSES

### (Unaudited)

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We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Funds, you incur ongoing costs, including management fees and other Fund expenses. The following examples are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

A mutual fund's ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The ongoing costs reflected in the tables below are based on an investment of \$1,000 made at the beginning of the most recent semi-annual period (January 1, 2014) and held until the end of the period (June 30, 2014).

The tables that follow illustrate each Fund's ongoing costs in two ways:

Actual fund return – This section helps you to estimate the actual expenses that you paid over the period. The “Ending Account Value” shown is derived from each Fund's actual return, and the third column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in the Funds. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for the Funds under the heading “Expenses Paid During Period.”

Hypothetical 5% return – This section is intended to help you compare the Funds' ongoing costs with those of other mutual funds. It assumes that each Fund had an annual return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is not the Funds' actual returns, the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission (the “SEC”) requires all mutual funds to calculate expenses based on a 5% return. You can assess each Fund's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The Funds do not charge sales loads or redemption fees.

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

More information about the Funds' expenses, including historical annual expense ratios, can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to the Funds' Prospectus.

# AVE MARIA MUTUAL FUNDS

## ABOUT YOUR FUNDS' EXPENSES

### (Unaudited) (Continued)

#### Ave Maria Catholic Values Fund

	Beginning Account Value January 1, 2014	Ending Account Value June 30, 2014	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$1,037.70	\$6.77
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,018.15	\$6.71

\* Expenses are equal to the Ave Maria Catholic Values Fund's annualized expense ratio of 1.34% for the period, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

#### Ave Maria Growth Fund

	Beginning Account Value January 1, 2014	Ending Account Value June 30, 2014	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$ 998.30	\$6.59
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,018.20	\$6.66

\* Expenses are equal to the Ave Maria Growth Fund's annualized expense ratio of 1.33% for the period, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

#### Ave Maria Rising Dividend Fund

	Beginning Account Value January 1, 2014	Ending Account Value June 30, 2014	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$1,067.60	\$4.77
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,020.18	\$4.66

\* Expenses are equal to the Ave Maria Rising Dividend Fund's annualized expense ratio of 0.93% for the period, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

# AVE MARIA MUTUAL FUNDS

## ABOUT YOUR FUNDS' EXPENSES

### (Unaudited) (Continued)

#### Ave Maria Opportunity Fund

	Beginning Account Value January 1, 2014	Ending Account Value June 30, 2014	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$1,060.40	\$6.39
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,018.60	\$6.26

\* Expenses are equal to the Ave Maria Opportunity Fund's annualized expense ratio of 1.25% for the period, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

#### Ave Maria World Equity Fund

	Beginning Account Value January 1, 2014	Ending Account Value June 30, 2014	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$1,046.80	\$7.61
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,017.36	\$7.50

\* Expenses are equal to the Ave Maria World Equity Fund's annualized expense ratio of 1.50% for the period, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

#### Ave Maria Bond Fund

	Beginning Account Value January 1, 2014	Ending Account Value June 30, 2014	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$1,015.60	\$2.80
Based on Hypothetical 5% Return (before expenses)	\$1,000.00	\$1,022.02	\$2.81

\* Expenses are equal to the Ave Maria Bond Fund's annualized expense ratio of 0.56% for the period, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

# **AVE MARIA MUTUAL FUNDS**

## **OTHER INFORMATION**

### **(Unaudited)**

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A description of the policies and procedures the Funds use to determine how to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free (888) 726-9331, or on the SEC's website at <http://www.sec.gov>. Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is also available without charge upon request by calling toll-free (888) 726-9331, or on the SEC's website at <http://www.sec.gov>.

The Trust files a complete listing of portfolio holdings for each of the Funds with the SEC as of the end of the first and third quarters of each fiscal year on Form N-Q. The filings are available free of charge, upon request, by calling (888) 726-9331. Furthermore, you may obtain a copy of the filings on the SEC's website at <http://www.sec.gov>. The Trust's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

# AVE MARIA MUTUAL FUNDS

## APPROVAL OF ADVISORY AGREEMENTS

### (Unaudited)

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At an in-person meeting held on February 5, 2014, the Board of Trustees, including the Independent Trustees voting separately, approved the continuation of the Advisory Agreements with Schwartz Investment Counsel, Inc (the “Adviser”) on behalf of each of the Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Rising Dividend Fund, the Ave Maria Opportunity Fund, the Ave Maria World Equity Fund and the Ave Maria Bond Fund (the “Ave Maria Mutual Funds” or “Funds”).

The Independent Trustees were advised and assisted throughout the process of their evaluation by independent legal counsel experienced in matters relating to the investment management industry. The Independent Trustees received advice from their independent legal counsel, including a legal memorandum, on the standards and obligations in connection with their consideration of the continuation of the Advisory Agreements. The Trustees also received and reviewed relevant information provided by the Adviser in response to requests of the Independent Trustees and their legal counsel to assist in their evaluation of the terms of the Advisory Agreements, including whether the Advisory Agreements continue to be in the best interests of the Funds and their shareholders. The Trustees reviewed, among other things: (1) industry data comparing the advisory fees and expense ratios of the Funds with those of comparable investment companies and any institutional accounts under the management of the Adviser; (2) comparative performance information; (3) the Adviser’s revenues for providing services to the Funds; and (4) information about the Adviser’s portfolio managers, investment process, compliance program and risk management processes.

The Independent Trustees took into account that they meet with the portfolio managers of the Funds at regularly scheduled meetings over the course of the year to discuss the portfolio positioning, portfolio composition, and investment program for each of the Funds. They also considered that they receive at regularly scheduled meetings reports on the Funds’ investment results and the returns of comparative market indices. The Trustees considered various factors, among them:

- the nature, extent and quality of the services provided by the Adviser;
- the fees charged for those services and the Adviser’s profitability with respect to the Funds (and the methodology by which such profitability was calculated);
- the Funds’ performance;
- the extent to which economies of scale may be realized as the Funds grow; and
- whether current fee levels reflect these economies of scale for the benefit of the Funds’ shareholders.

Prior to voting, the Independent Trustees discussed the continuance of the Advisory Agreements with management and also met in executive session with their independent legal counsel at which no representatives of the Adviser were present.

# AVE MARIA MUTUAL FUNDS

## APPROVAL OF ADVISORY AGREEMENTS

### (Unaudited) (Continued)

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In their consideration of the nature and quality of services provided to the Funds, the Trustees evaluated the responsibilities of the Adviser under the Advisory Agreements and the investment management process applied to each Fund. The Trustees reviewed the background, education and experience of the Adviser's key investment, research and operational personnel. The Trustees considered the overall strength and stability of the Adviser and the arrangements that have been made by the Adviser to address succession planning, including the Adviser's assumption of the daily portfolio management responsibilities for Ave Maria Growth Fund and the adoption of a co-portfolio manager structure for Ave Maria World Equity Fund and Ave Maria Bond Fund. The Trustees considered the adequacy of the Adviser's staffing and resources and also noted the Adviser's hiring of an additional equity analyst. The Trustees discussed and considered the quality of administrative and other services provided to the Funds, the Adviser's compliance program, and the Adviser's role in coordinating such services and programs.

The Trustees reviewed the advisory fees paid by each Fund and compared such fees to the advisory fees paid by similar mutual funds as compiled by Morningstar, Inc. ("Morningstar"). The Trustees also considered the fees the Adviser charges to manage separately managed accounts having similar strategies as the Funds and agreed that the differences between the advisory fees paid by the Funds and the advisory fees paid by separately managed accounts appropriately reflect the operational and regulatory differences between advising the Funds and the separately managed accounts. The Trustees compared the total operating expense ratio of each Fund with expense ratios of representative funds within its Morningstar peer group. This analysis also took into account the various fee reductions previously agreed to by the Adviser. In considering each Fund's advisory fee, the Trustees evaluated the Adviser's investment management capabilities within the context of the financial markets and each Fund's long-term investment goals. The Trustees noted that the Adviser continues to expand its internal resources devoted to the research and portfolio management process. They also considered how the Adviser has integrated the morally responsible criteria established by the Funds into its decision-making process. The Trustees noted that the Adviser has taken advantage of opportunities to purchase securities of companies having strong fundamentals and attractive dividend qualities. They further noted the favorable ratings assigned to certain Funds throughout the course of the year by Morningstar and Lipper, Inc. The Trustees concluded that, based upon the investment strategies of each Fund and the quality of services provided by the Adviser, the advisory fees paid by each Fund are reasonable.

The Trustees reviewed the Adviser's analysis of its profitability in managing the Funds during the period ended November 30, 2013, including the methodology by which that profitability analysis was calculated. The Trustees considered that the Adviser may receive, in addition to the advisory fee, certain indirect benefits from serving as the Funds' investment adviser, including various research services as a result of the

# **AVE MARIA MUTUAL FUNDS**

## **APPROVAL OF ADVISORY AGREEMENTS**

### **(Unaudited) (Continued)**

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placement of the Funds' portfolio brokerage. The Trustees considered the costs of the Adviser to provide ongoing services to the Funds, including staffing costs and costs to maintain systems and resources that support portfolio trading, research and other portfolio management functions. Based upon their review of the financial statements of the Adviser, the Trustees concluded that the Adviser possesses the resources necessary to retain qualified professionals to support the research, advisory and administrative operations of the Funds.

The Trustees considered the short-term and long-term investment performance of each of the Ave Maria Mutual Funds in light of its respective investment objective(s). The Trustees considered each Fund's historical performance over various periods ended November 30, 2013, as it compared to the returns of relevant indices. Based upon their review, the Trustees observed that each of the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund outperformed its respective benchmark index during the one-year period; and each of Ave Maria Catholic Values Fund, the Ave Maria Growth Fund, the Ave Maria Opportunity Fund and the Ave Maria World Equity Fund underperformed its respective benchmark index during the one-year period. The Trustees further considered the investment performance of each of the Ave Maria Mutual Funds compared to similarly managed mutual funds as compiled by Morningstar for selected periods in 2013. Based upon their review, the Trustees observed that each of the Ave Maria Mutual Funds, except the Ave Maria Rising Dividend Fund and the Ave Maria Bond Fund, underperformed its Morningstar category average for the one-year period. The Trustees observed that the Adviser's conservative approach to stock selections does not always afford it with the opportunity to keep pace with the strong returns of the Funds' broader respective benchmark indices, which was the case during the one-year period ended November 30, 2013. The Trustees noted that as of December 31, 2013, the Ave Maria Growth Fund, Ave Maria Rising Dividend Fund and Ave Maria Bond Fund received a four-star (second highest possible) rating from Morningstar for their overall performance relative to other funds within the same asset class.

The Trustees also considered the existence of any economies of scale and whether those would be passed along to the Funds' shareholders, and observed that as the Funds' assets have grown, their respective expense ratios generally have fallen. The Trustees considered the lower annual operating expense ratios of Ave Maria Catholic Values Fund, Ave Maria Growth Fund and Ave Maria Rising Dividend Fund during the December 31, 2013 fiscal year. The Trustees noted that the annual operating expense ratios of Ave Maria Opportunity Fund, Ave Maria World Equity Fund and Ave Maria Bond Fund were unchanged for the fiscal year ended December 31, 2013. The Trustees considered the decision to eliminate the shareholder servicing fees for Ave Maria Bond Fund and the decision to reduce shareholder servicing fees for Ave Maria Catholic Values Fund

# **AVE MARIA MUTUAL FUNDS**

## **APPROVAL OF ADVISORY AGREEMENTS**

### **(Unaudited) (Continued)**

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and Ave Maria Growth Fund. The Trustees took note that the Adviser waived a portion of its fees for the Ave Maria Opportunity Fund and the Ave Maria World Equity Fund for the fiscal year ended December 31, 2013.

In approving the Advisory Agreements, the Independent Trustees reached the following additional conclusions: (i) the Funds' performance over the past year has been satisfactory and, with respect to the Ave Maria Rising Dividend Fund and Ave Maria Bond Fund, outstanding; (ii) the nature, extent and quality of services provided by the Adviser are satisfactory; (iii) the advisory fees and total expenses of each Fund are competitive with comparably managed mutual funds and are acceptable, and the profits of the Adviser are reasonable and represent a fair and entrepreneurial profit in light of the quality and scope of services that are provided to each Fund; (iv) the Adviser's commitment to cap overall operating expenses through fee reductions has enabled the Ave Maria Opportunity Fund and the Ave Maria World Equity Fund to each maintain a competitive overall expense ratio that has increased investment returns for shareholders of each of the Funds; (v) the Adviser has demonstrated its commitment to providing shareholders with additional opportunities to participate in economies of scale through various marketing efforts, by previously reducing the advisory fee rates of certain Funds and by eliminating and/or reducing the shareholder service fees for certain Funds; and (vi) the extent to which economies of scale are being achieved as the Funds grow is acceptable.

No single factor was considered in isolation or to be determinative to the decision of the Trustees to approve the continuance of the Advisory Agreements. Rather, the Trustees concluded, in light of a weighing and balancing of all factors considered, that it would be in the best interests of each Fund and its shareholders to renew the Advisory Agreements for an additional annual period.

the *Journal of Applied Behavior Analysis* (1974), and the *Journal of Experimental Psychology: Applied* (1975).

There are a number of reasons why the *Journal of Applied Behavior Analysis* is the most widely cited journal in the field.

First, it is the only journal in the field that is published by a professional organization, the Association for Behavior Analysis.

Second, it is the only journal in the field that is published by a publisher that is not a university press.

Third, it is the only journal in the field that is published by a publisher that is not a university press.

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Ave Maria Catholic Values Fund

Ave Maria Growth Fund

Ave Maria Rising Dividend Fund

Ave Maria Opportunity Fund

Ave Maria World Equity Fund

Ave Maria Bond Fund

### **Ave Maria Mutual Funds**

series of Schwartz Investment Trust  
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