



TCM SMALL CAP GROWTH FUND

ANNUAL REPORT

TCM Small Cap Growth Fund

September 30, 2017



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**PERFORMANCE DISCUSSION (Unaudited)**

November 10, 2017

Dear Fellow Shareholder:

Thank you for your investment in the TCM Small Cap Growth Fund (the “Fund”). This is the annual report to shareholders of the Fund, covering the fiscal year ended September 30, 2017. The report includes a discussion of the factors that impacted the performance of the Fund for the period, as well as information on Fund expenses and holdings. The report also contains the audited financial statements of the Fund and a Report of Independent Registered Public Accounting Firm.

As is evident from the quarterly results in the table below, it was a remarkable fiscal year for the stock market as well as the Fund. Each quarter, performance by the equity markets seemed like a repetitive refrain as investors generally shrugged off a variety of potentially tumultuous events, including Fed efforts to tighten monetary policy, political turmoil surrounding legislative inaction, and increasing conflicts overseas such as threats by North Korea. Throughout the past year the U.S. economy has looked relatively healthy, with unemployment hitting a 16-year low (and lower than 96% of the time since 1970) and companies reasonably optimistic that legislators will indeed pass positive corporate tax reform. The Fund’s strong outperformance of its benchmark, the Russell 2000® Growth Index, for the one year ended September 30, 2017 was driven entirely by positive stock selection in the following economic sectors – technology, industrials, energy, healthcare, financials and materials. For that period, the effect of our sector weights was negative due primarily to an overweight to energy (the poorest performing sector for the period). In addition, any cash held by the Fund had a negative effect relative to the benchmark in such a strong market.

Fiscal Year Performance Overview. Quarterly returns and the total return for the one year ended September 30, 2017 for the Fund, the Russell 2000® Growth Index, the Fund’s benchmark, and the Lipper Small Cap Growth category average were:

	<u>Small Cap Fund</u>	<u>Russell 2000® Growth</u>	<u>Lipper Small Cap Growth</u>
4th Quarter 2016	8.22%	3.57%	2.61%
1st Quarter 2017	7.47%	5.35%	5.81%
2nd Quarter 2017	4.25%	4.39%	4.58%
3rd Quarter 2017	7.21%	6.22%	5.51%
1 Year	29.99%	20.98%	19.85%

Longer term performance for the Fund is set forth in the chart and table that follows this letter.

Performance Attribution – Year in Review. Below is a summary of performance attribution for each of the past four quarters.

Fourth Quarter 2016. It was a remarkable quarter in terms of both political intrigue and the powerful market response to President Trump’s unexpected victory. Animal spirits, otherwise known as a spontaneous urge to buy stocks, were high as

**PERFORMANCE DISCUSSION (Unaudited) (Continued)**

investors reacted to the “possibility” of lower corporate tax rates, reduced regulatory burdens, and economic stimulus driven by increased infrastructure spending. While many boats were lifted in this rally, the fourth quarter was overall a reversal of the summer’s rally in the smallest and lowest quality stocks (as measured by market cap or returns on equity and invested capital), which was positive for the Fund’s relative performance. The Fund outperformed its benchmark based on strong stock selection in technology, financials, industrials, materials, energy and healthcare. The effect of our sector weights also made a positive contribution based primarily on our overweight to industrials and underweight to healthcare.

First Quarter 2017. The first quarter of 2017 was reasonably strong for stocks as investors continued to believe that our legislative and executive branches will eventually take positive action on tax reform, burdensome regulations, and infrastructure spending. The failure by a GOP controlled congress and presidency to pass healthcare reform was a reminder of the difficulty of adopting major legislation and a warning to future expectations. With that backdrop, the focus of investors turned in the first quarter from industrial stocks that might benefit from infrastructure spends and regulatory reform to technology companies with growth prospects leveraged to a stronger economy. The Fed raised rates in March as widely expected and signaled that the economy was strong enough to support further hikes in 2017.

The top performing sectors in the Russell 2000® Growth Index for the quarter were healthcare, materials and technology, with the laggard being the energy sector by a wide margin. The performance of the healthcare sector was driven in large part by biotech and pharma stocks. Even though the Fund was underweight those types of stocks, our stock selection in other healthcare industries, such as healthcare providers and professional services, was positive and offset that headwind. The Fund’s overall outperformance for the period was due to very strong stock selection in technology, healthcare, industrials and energy, offset by the negative effects of our sector allocation (primarily an overweight to energy and underweight to healthcare).

Second Quarter 2017. Although inflation continued to be stubbornly below the Fed’s target rate of 2%, the Fed again raised rates in June and signaled a possible additional hike before year end. That decision was based on the view that weak inflation indicators reflected temporary factors such as falling cell phone prices and lower than expected drug prices, and that domestic wage inflation is likely to rise given current unemployment trends. The top performing sectors in the Russell 2000® Growth Index for the second quarter were healthcare and technology, together accounting for over 76% of the total return of the index. As with the prior quarter, a significant portion of the performance of the healthcare sector was driven by biotech and pharma stocks. The Fund performed in-line with the benchmark for the quarter with strong stock selection in healthcare, consumer discretionary, industrials and energy being entirely offset by the negative effects of our sector weights, including our overweight to energy and industrials and underweight to healthcare.

**PERFORMANCE DISCUSSION** (Unaudited) (Continued)

Third Quarter 2017. Market response to second quarter earnings, reported in the third quarter, was volatile with positive results getting lukewarm investor reaction, and earnings or guidance misses being punished. Given current valuations, this was not unexpected. After a lukewarm stock market in August in light of those earnings, the year-to-date rally resumed in response to proposed lower corporate tax rates (positives for small caps) and pronouncements from the Fed reflecting higher confidence in economic growth along with lower deflation risk. The outperformance of the Fund for the quarter was driven almost entirely by stock selection, with technology, industrials and consumer discretionary being the strongest contributors. Our overweight to industrials also helped a bit, offset by the effect of cash in a strong quarter.

Top and Bottom Contributing Stocks. The top and bottom five contributing stocks to absolute performance for the 2017 fiscal year were:

<u>Top Five</u>	<u>Average Weight (%)</u>	<u>Contribution to Returns (%)</u>
Tower Semiconductor (customizable chip manufacturer)	2.48	1.94
Take-Two Interactive Software (console gaming entertainment)	1.83	1.69
Kinsale Capital Group (property and casualty insurance products)	1.79	1.40
MasTec (infrastructure construction services)	2.35	1.24
Veeva Systems (life sciences cloud-based software)	1.47	1.08
<u>Bottom Five</u>	<u>Average Weight (%)</u>	<u>Contribution to Returns (%)</u>
Fabrinet (electronic components contract manufacturer)	1.10	-0.37
Superior Energy Services (oilfield services and equipment)	0.29	-0.32
athenahealth (cloud-based services for medical groups and health systems)	0.13	-0.31
Chuy's Holdings (Mexican/Tex-Mex restaurants)	0.41	-0.31
Patterson-UTI Energy (oilfield drilling and pumping services)	0.50	-0.26

With another earnings season upon us, rising valuations continue to be in focus, with the need for strong fundamentals to support current stock prices. The market continues to climb this “wall of worry,” and as long as the yield curve maintains its upward slope and junk spreads don’t materially widen, it will likely take a substantial increase in interest rates or negative earnings revisions to break the trend, absent an

**PERFORMANCE DISCUSSION (Unaudited) (Continued)**

exogenous event (although we note that many unsettling events have failed to rattle this market). How the bond market reacts to the Fed's balance sheet tapering will be interesting as the move is well telegraphed and, as of yet, has had little impact. However, the actual tapering as opposed to the talking has not yet occurred. We note that stocks can perform well in periods of rising rates, at least until the winds of recession blow on the horizon, which we do not see occurring in the near term.

Our charge remains the same, as it has for over 21 years, to focus on finding companies that can meet or beat their earnings expectations, and own them when they have sustainable/rising valuations relative to the benchmark. We again thank you for your support.

Sincerely,

Richard J. Johnson
Chief Investment Officer

Jeff B. Curtis
President

This material must be preceded or accompanied by a current prospectus. Please refer to the prospectus for important information about the Fund, including investment objectives, risks and expenses.

Past performance is no guarantee of future results.

This report reflects our views, opinions and portfolio holdings as of September 30, 2017, the end of the reporting period. These views are subject to change at any time based on market and other conditions and we disclaim any responsibility to update these views. The views should not be relied on as investment advice or an indication of trading intent on behalf of the Fund.

Fund holdings and sector allocations are subject to change at any time and are not recommendations to buy or sell any security. Please refer to the Schedule of Investments for a complete listing of Fund holdings.

Lipper Analytical Services, Inc. is an independent mutual fund research and ranking agency. Each Lipper average represents a universe of funds with similar investment objectives. The Russell 2000® Index is an unmanaged index that serves as a benchmark for small-cap stocks by measuring the performance of approximately 2,000 small-cap companies. The Russell 2000® Growth Index is an unmanaged index representing those Russell 2000® Index companies with higher price-to-book ratios and future projected earnings according to the Frank Russell Company.

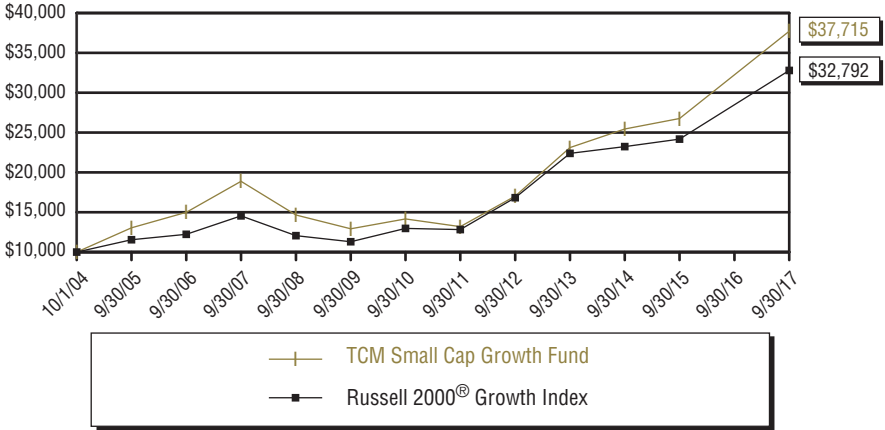
Mutual fund investing involves risk, principal loss is possible. The Fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater in emerging markets. Growth-oriented funds may underperform when value investing is in favor.

Quasar Distributors, LLC, Distributor (11/17)



TCM SMALL CAP GROWTH FUND

VALUE OF \$10,000 VS. RUSSELL 2000® GROWTH INDEX (Unaudited)



Average Annual Returns for the periods ended September 30, 2017

	One Year	Three Year	Five Year	Ten Year	Since Inception (10/1/2004)
TCM Small Cap Growth Fund	29.99%	14.02%	17.24%	7.17%	10.75%
Russell 2000® Growth Index	20.98%	12.17%	14.28%	8.47%	9.57%
Lipper Small Cap Growth Average	19.85%	10.69%	12.63%	7.44%	9.06%

This chart illustrates the performance of a hypothetical \$10,000 investment made on October 1, 2004, and is not intended to imply any future performance. The returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. The returns reflect fee waivers in effect. In the absence of such waivers, total return would be reduced. The chart assumes reinvestment of capital gains and dividends for a fund and dividends for an index.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-536-3230.



FUND INFORMATION at September 30, 2017 (Unaudited)

Basic Fund Facts

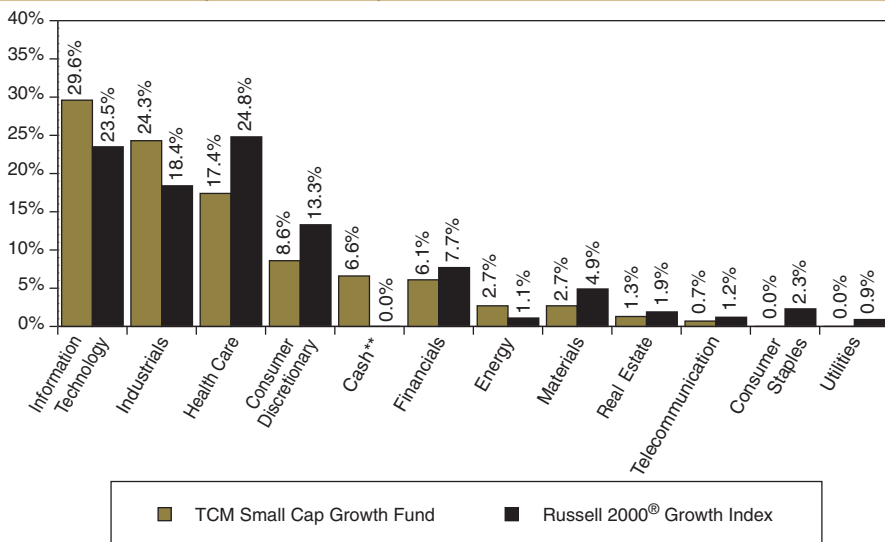
Ticker Symbol	TCMSX
Inception Date	10/1/04
Total Net Assets	\$371 million
Total Operating Expenses*	0.96%

* Tygh Capital Management, Inc. (the “Advisor”) has contractually agreed to reduce its fees and/or pay the Small Cap Fund’s expenses (excluding interest expense in connection with investment activities, taxes, Acquired Fund Fees and Expenses and extraordinary expenses) in order to limit Total Annual Fund Operating Expenses to 0.95% of average net assets (the “Expense Cap”). The Expense Cap will remain in effect until at least January 31, 2018 and will continue for an indefinite period thereafter as determined by the Board. The Advisor is permitted to be reimbursed for fee reductions and/or expense payments made in the prior three years. This reimbursement may be requested if the aggregate amount actually paid by the Fund toward operating expenses for such period (taking into account any reimbursement) does not exceed the Expense Cap at the time of waiver or at the time of reimbursement. The Expense Cap may be terminated at any time by the Board of Trustees upon 60 days’ notice to the Advisor, or by the Advisor with the consent of the Board. The total operating expenses represents what investors have paid as of the prospectus dated January 29, 2017. Please see the Fund’s Financial Highlights for the most recent expense ratio.

Top Ten Holdings (% of net assets)

MasTec, Inc.	2.7%	Summit Materials, Inc. - Class A	1.8%
Lumentum Holdings, Inc.	2.3%	ICON PLC	1.8%
Dycom Industries, Inc.	2.0%	II-VI, Inc.	1.8%
Ligand Pharmaceuticals, Inc.	2.0%	Genesee & Wyoming, Inc. - Class A	1.7%
Kinsale Capital Group, Inc.	2.0%	H&E Equipment Services, Inc.	1.7%

Sector Allocation (% of net assets)



** Cash equivalents and other assets in excess of liabilities.



TCM SMALL CAP GROWTH FUND

SCHEDULE OF INVESTMENTS at September 30, 2017

Shares		Value	Shares		Value
COMMON STOCKS - 91.0%			Construction Materials - 2.7%		
Air Freight & Logistics - 4.1%			29,344	Eagle Materials, Inc.	\$ 3,131,005
180,439	Air Transport Services Group, Inc.*	\$ 4,391,885	211,366	Summit Materials, Inc. - Class A*	6,770,053
78,438	Atlas Air Worldwide Holdings, Inc.*	5,161,220			9,901,058
81,948	XPO Logistics, Inc.*	5,554,436	Distributors - 0.7%		
		15,107,541	25,399	Pool Corp.	2,747,410
Auto Components - 0.6%			Diversified Consumer Services - 1.6%		
115,562	Horizon Global Corp.*	2,038,514	56,783	Adtalem Global Education, Inc.	2,035,670
Banks - 3.0%			43,480	Bright Horizons Family Solutions, Inc.*	3,748,411
45,542	Bank of the Ozarks, Inc.	2,188,293			5,784,081
62,251	Webster Financial Corp.	3,271,290	Diversified Telecommunication Services - 0.7%		
106,220	Western Alliance Bancorp*	5,638,158	76,465	Zayo Group Holdings, Inc.*	2,631,925
		11,097,741	Electronic Equipment, Instruments & Components - 5.1%		
Biotechnology - 2.5%			24,869	Coherent, Inc.*	5,848,443
54,565	Ligand Pharmaceuticals, Inc.*	7,429,025	106,761	Fabrinet*	3,956,562
147,597	Natera, Inc.*	1,902,525	158,686	II-VI, Inc.*	6,529,929
		9,331,550	12,926	Littelfuse, Inc.	2,531,945
Building Products - 0.7%					18,866,879
32,757	Patrick Industries, Inc.*	2,754,864	Energy Equipment & Services - 2.0%		
Commercial Services & Supplies - 1.8%			61,422	Patterson-UTI Energy, Inc.	1,286,177
64,959	Advanced Disposal Services, Inc.*	1,636,317	138,601	Superior Energy Services, Inc.*	1,480,259
259,941	Casella Waste Systems, Inc. - Class A*	4,886,891	118,382	U.S. Silica Holdings, Inc.	3,678,129
		6,523,208	41,482	Unit Corp.*	853,699
Communications Equipment - 3.0%					7,298,264
155,037	Lumentum Holdings, Inc.*	8,426,261	Health Care Equipment & Supplies - 2.1%		
295,587	Viavi Solutions, Inc.*	2,796,253	88,252	Natus Medical, Inc.*	3,309,450
		11,222,514	50,989	Nevro Corp.*	4,633,880
Construction & Engineering - 7.5%					7,943,330
87,003	Dycom Industries, Inc.*	7,471,817	Health Care Providers & Services - 2.3%		
69,363	Granite Construction, Inc.	4,019,586	132,523	Acadia Healthcare Co, Inc.*	6,329,298
217,805	MasTec, Inc.*	10,106,152	37,578	Amedisys, Inc.*	2,102,865
71,163	MYR Group, Inc.*	2,073,690			8,432,163
110,400	Quanta Services, Inc.*	4,125,648			
		27,796,893			

The accompanying notes are an integral part of these financial statements.



SCHEDULE OF INVESTMENTS at September 30, 2017 (Continued)

Shares	Value	Shares	Value
COMMON STOCKS - 91.0% (Continued)		IT Services - 2.5%	
Health Care Technology - 3.2%		39,966	WEX, Inc.* \$ 4,484,985
85,627	Cotiviti Holdings, Inc.* \$ 3,080,859	126,872	WNS Holdings Ltd. - ADR* 4,630,828
208,509	Evolent Health, Inc. - Class A* 3,711,460		9,115,813
262,394	HMS Holdings Corp.* 5,211,145	Life Sciences Tools & Services - 6.1%	
	12,003,464	19,267	Bio-Rad Laboratories, Inc. - Class A* 4,281,513
Hotels, Restaurants & Leisure - 2.5%		43,194	Bio-Techne Corp. 5,221,722
175,293	Del Taco Restaurants, Inc.* 2,688,995	25,194	Charles River Laboratories International, Inc.* 2,721,456
115,377	Penn National Gaming, Inc.* 2,698,668	59,286	ICON PLC* 6,751,490
182,113	Pinnacle Entertainment, Inc.* 3,880,828	46,924	PRA Health Sciences, Inc.* 3,574,201
	9,268,491		22,550,382
Household Durables - 2.3%		Machinery - 3.2%	
32,984	Cavco Industries, Inc.* 4,866,789	51,130	AGCO Corp. 3,771,860
77,236	Hooker Furniture Corp. 3,688,019	53,656	Standex International Corp. 5,698,267
	8,554,808	109,702	Welbilt, Inc.* 2,528,631
Industrial Conglomerates - 0.6%			11,998,758
68,232	Raven Industries, Inc. 2,210,717	Oil, Gas & Consumable Fuels - 0.7%	
Insurance - 3.2%		65,056	Delek US Holdings, Inc. 1,738,947
74,027	AMERISAFE, Inc. 4,308,371	33,807	Matador Resources Co.* 917,860
171,085	Kinsale Capital Group, Inc. 7,385,740		2,656,807
	11,694,111	Professional Services - 1.0%	
Internet & Direct Marketing Retail - 0.9%		67,414	On Assignment, Inc.* 3,618,783
64,554	Liberty Expedia Holdings, Inc. - Class A* 3,428,463	Road & Rail - 1.7%	
Internet Software & Services - 4.7%		87,367	Genesee & Wyoming, Inc. - Class A* 6,466,032
43,776	Alteryx, Inc. - Class A* 891,717	Semiconductors & Semiconductor Equipment - 7.9%	
112,258	Envestnet, Inc.* 5,725,158	146,363	Diodes, Inc.* 4,380,645
92,311	Mimecast Ltd* 2,623,479	218,020	FormFactor, Inc.* 3,673,637
84,028	MuleSoft, Inc. - Class A* 1,692,324	95,388	Inphi Corp.* 3,785,950
71,312	New Relic, Inc.* 3,551,338	67,762	Integrated Device Technology, Inc.* 1,801,114
49,746	The Trading Desk, Inc. - Class A* 3,059,876	110,454	Kulicic & Soffa Industries, Inc.* 2,382,493
	17,543,892	98,636	Microsemi Corp.* 5,077,781

The accompanying notes are an integral part of these financial statements.



SCHEDULE OF INVESTMENTS at September 30, 2017 (Continued)

Shares	Value	Shares	Value
COMMON STOCKS - 91.0% (Continued)		SHORT-TERM INVESTMENTS - 2.7%	
Semiconductors & Semiconductor Equipment - 7.9% (Continued)		Money Market Funds - 2.7%	
73,368	Silicon Motion Technology Corp. - ADR	10,166,712	Invesco Short-Term Investments Trust Government Tax Advantage Portfolio - Institutional Class, 0.880%(1)
145,251	Tower Semiconductor Ltd.*		<u>\$ 10,166,712</u>
	<u>4,466,468</u>	TOTAL SHORT-TERM INVESTMENTS	
	<u>29,091,953</u>	(Cost \$10,166,712)	<u>10,166,712</u>
Software - 8.2%		TOTAL INVESTMENTS IN SECURITIES - 96.1%	
273,213	ACI Worldwide, Inc.*	(Cost \$297,325,581)	356,496,308
63,271	Nice Ltd. - ADR	Other Assets in Excess of Liabilities - 3.9%	<u>14,286,588</u>
48,586	PTC, Inc.*	TOTAL NET ASSETS - 100.0%	<u>\$370,782,896</u>
55,147	Tableau Software, Inc. - Class A*		
43,238	Take-Two Interactive Software, Inc.*		
85,043	Talend S.A. - ADR*		
22,927	The Ultimate Software Group, Inc.*		
	<u>4,346,959</u>		
	<u>30,481,576</u>		
Trading Companies & Distributors - 1.9%			
50,526	Foundation Building Materials, Inc.*		
216,848	H&E Equipment Services, Inc.		
	<u>6,331,961</u>		
	<u>7,046,399</u>		
TOTAL COMMON STOCKS			
(Cost \$279,902,194)			
	<u>337,208,384</u>		
EXCHANGE TRADED FUNDS: 1.1%			
48,712	SPDR S&P Biotech		
	<u>4,216,998</u>		
TOTAL EXCHANGE TRADED FUNDS			
(Cost \$2,981,836)			
	<u>4,216,998</u>		
REAL ESTATE INVESTMENT TRUSTS - 1.3%			
83,221	CyrusOne, Inc.		
	<u>4,904,214</u>		
TOTAL REAL ESTATE INVESTMENT TRUSTS			
(Cost \$4,274,839)			
	<u>4,904,214</u>		

* Non-income producing security.

ADR American Depositary Receipt

(1) Seven-day yield as of September 30, 2017.

The Global Industry Classification Standard (GICS®) was developed by MSCI, an independent provider of global indices and benchmark-related products and services, and Standard & Poor's (S&P), an independent international financial data and investment services company. The GICS methodology has been widely accepted as an industry analysis framework for investment research, portfolio management and asset allocation.

The accompanying notes are an integral part of these financial statements.

**EXPENSE EXAMPLE** For the Six Months Ended September 30, 2017 (Unaudited)

As a shareholder of the TCM Small Cap Growth Fund (the “Fund”), you incur ongoing costs, including investment advisory fees and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (4/1/17 – 9/30/17).

Actual Expenses

The first line of the following table provides information about actual account values based on actual returns and actual expenses. Although the Fund charges no sales load or transaction fees, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Fund’s transfer agent. If you request that a redemption be made by wire transfer, currently, a \$15.00 fee is charged by the Fund’s transfer agent. To the extent the Fund invests in shares of other investment companies as part of its investment strategy, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Fund invests in addition to the expenses of the Fund. Actual expenses of the underlying funds are expected to vary among the various underlying funds. These expenses are not included in the example. The example includes, but is not limited to, investment advisory fees, fund accounting, fund administration, custody and transfer agent fees. However, the example does not include portfolio trading commissions and related expenses, interest expense or dividends on short positions taken by the Fund. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During the Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

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



EXPENSE EXAMPLE For the Six Months Ended September 30, 2017 (Unaudited) (Continued)

	Beginning Account Value 4/1/17	Ending Account Value 9/30/17	Expenses Paid During the Period 4/1/17 – 9/30/17*
Actual	\$1,000.00	\$1,117.60	\$5.04
Hypothetical (5% return before expenses)	\$1,000.00	\$1,020.31	\$4.81

* Expenses are equal to the Fund's annualized expense ratio for the most recent six-month period of 0.95% (reflecting fee recoupments in effect) multiplied by the average account value over the period multiplied by 183/365 (to reflect one-half year period).



STATEMENT OF ASSETS AND LIABILITIES at September 30, 2017

ASSETS

Investments in securities, at value (cost \$297,325,581) (Note 2)	\$356,496,308
Receivables:	
Investment securities sold	7,331,436
Fund shares sold	24,736,780
Dividends and interest	54,227
Prepaid expenses	18,950
Total assets	<u>388,637,701</u>

LIABILITIES

Payables:	
Fund shares redeemed	308,164
Investment securities purchased	17,238,468
Investment advisory fees, net	219,108
Administration fees	33,745
Fund accounting fees	12,963
Custody fees	2,738
Transfer agent fees	3,735
Trustee fees	4,056
Chief Compliance Officer fees	1,500
Other accrued expenses	<u>30,328</u>
Total liabilities	<u>17,854,805</u>

NET ASSETS \$370,782,896

Net Asset Value (unlimited shares authorized):

Net assets	\$370,782,896
Shares of beneficial interest issued and outstanding	9,857,125
Net asset value, offering and redemption price per share	<u>\$ 37.62</u>

COMPONENTS OF NET ASSETS

Paid-in capital	\$261,482,689
Undistributed net realized gain on investments	50,129,480
Net unrealized appreciation of investments	<u>59,170,727</u>
Net assets	<u><u>\$370,782,896</u></u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF OPERATIONS** For the Year Ended September 30, 2017**INVESTMENT INCOME**

Income	
Dividends (net of \$9,636 of foreign withholding tax)	\$ 900,740
Interest	56,432
Total investment income	<u>957,172</u>

EXPENSES (Note 3)

Investment advisory fees	2,343,215
Administration fees	192,259
Fund accounting fees	75,834
Custody fees	27,771
Audit fees	26,419
Transfer agent fees	24,162
Registration fees	20,104
Miscellaneous expenses	16,636
Trustees fees	15,071
Reports to shareholders	11,275
Chief Compliance officer fees	8,972
Legal fees	6,842
Insurance expenses	2,995
Interest expense	2,164
Total expenses	<u>2,773,719</u>
Plus: prior year fees waived subject to recoupment	8,848
Net expenses	<u>2,782,567</u>
Net investment loss	<u>(1,825,395)</u>

REALIZED AND UNREALIZED GAIN ON INVESTMENTS:

Net realized gain on investments	66,460,598
Change in net unrealized appreciation/depreciation on investments	<u>12,839,840</u>
Net realized and unrealized gain on investments	<u>79,300,438</u>
Net increase in net assets resulting from operations	<u>\$77,475,043</u>

The accompanying notes are an integral part of these financial statements.



STATEMENTS OF CHANGES IN NET ASSETS

	Year Ended September 30, 2017	Year Ended September 30, 2016
INCREASE (DECREASE) IN NET ASSETS FROM:		
OPERATIONS		
Net investment loss	\$ (1,825,395)	\$ (1,117,012)
Net realized gain (loss) on investments	66,460,598	(12,580,096)
Change in net unrealized appreciation/depreciation on investments	<u>12,839,840</u>	<u>34,593,612</u>
Net increase in net assets resulting from operations	<u>77,475,043</u>	<u>20,896,504</u>
DISTRIBUTIONS TO SHAREHOLDERS		
From net realized gain	<u>—</u>	<u>(37,200,174)</u>
Total distributions to shareholders	<u>—</u>	<u>(37,200,174)</u>
CAPITAL SHARE TRANSACTIONS		
Net increase in net assets derived from net change in outstanding shares ⁽¹⁾	<u>23,730,419</u>	<u>31,662,157</u>
Total increase in net assets	<u>101,205,462</u>	<u>15,358,487</u>
NET ASSETS		
Beginning of year	<u>269,577,434</u>	<u>254,218,947</u>
End of year	<u>\$370,782,896</u>	<u>\$269,577,434</u>
Accumulated net investment loss	<u>\$ —</u>	<u>\$ (1,117,012)</u>

(1) Summary of share transactions is as follows:

	Year Ended September 30, 2017		Year Ended September 30, 2016	
	Shares	Value	Shares	Value
Shares Sold	2,624,770	\$ 90,832,891	1,367,299	\$ 37,111,950
Shares issued in reinvested of distributions	—	—	1,319,720	37,150,105
Shares redeemed ⁽²⁾	<u>(2,082,537)</u>	<u>(67,102,472)</u>	<u>(1,572,286)</u>	<u>(42,599,898)</u>
Net increase	<u>542,233</u>	<u>\$ 23,730,419</u>	<u>1,114,733</u>	<u>\$ 31,662,157</u>

(2) Net of redemption fees of \$— and \$363, respectively. Effective January 29, 2016 the 1.00% redemption fee was eliminated.

The accompanying notes are an integral part of these financial statements.



FINANCIAL HIGHLIGHTS For a capital share outstanding throughout each year

	Year Ended September 30,				
	2017	2016	2015	2014	2013
Net asset value, beginning of year	<u>\$28.94</u>	<u>\$31.00</u>	<u>\$34.25</u>	<u>\$39.38</u>	<u>\$29.72</u>
INCOME FROM INVESTMENT OPERATIONS:					
Net investment loss ⁽¹⁾	(0.21)	(0.12)	(0.14)	(0.17)	(0.12)
Net realized and unrealized gain on investments	<u>8.89</u>	<u>2.60</u>	<u>1.96</u>	<u>3.91</u>	<u>10.48</u>
Total from investment operations	<u>8.68</u>	<u>2.48</u>	<u>1.82</u>	<u>3.74</u>	<u>10.36</u>
LESS DISTRIBUTIONS:					
From net realized gain	<u>—</u>	<u>(4.54)</u>	<u>(5.07)</u>	<u>(8.87)</u>	<u>(0.70)</u>
Total distributions	<u>—</u>	<u>(4.54)</u>	<u>(5.07)</u>	<u>(8.87)</u>	<u>(0.70)</u>
Paid-in capital from redemption fees (Note 2) ⁽²⁾	<u>—</u>	<u>—*</u>	<u>—*</u>	<u>—*</u>	<u>—</u>
Net asset value, end of year	<u>\$37.62</u>	<u>\$28.94</u>	<u>\$31.00</u>	<u>\$34.25</u>	<u>\$39.38</u>
Total return	29.99%	8.42%	5.17%	10.09%	35.77%

SUPPLEMENTAL DATA:

Net assets, end of year (millions)	\$370.8	\$269.6	\$254.2	\$274.4	\$257.8
Portfolio turnover rate	139%	134%	137%	149%	137%

RATIOS OF EXPENSES TO AVERAGE NET ASSETS:

Before fees waived/recouped	0.95%	0.95%	0.93%	0.92%	0.93%
After fees waived/recouped	0.95%	0.95%	0.93%	0.92%	0.93%

RATIO OF NET INVESTMENT LOSS TO AVERAGE NET ASSETS:

Before fees waived/recouped	(0.62)%	(0.44)%	(0.41)%	(0.46)%	(0.38)%
After fees waived/recouped	(0.62)%	(0.44)%	(0.41)%	(0.46)%	(0.38)%

⁽¹⁾ Calculated using average shares outstanding method.

⁽²⁾ Effective January 29, 2016 the 1.00% redemption fee was eliminated.

* Does not round to \$0.01 per share.

The accompanying notes are an integral part of these financial statements.

**NOTES TO FINANCIAL STATEMENTS** – September 30, 2017**NOTE 1 – ORGANIZATION**

The TCM Small Cap Growth Fund (the “Fund”) is a diversified series of shares of beneficial interest of Professionally Managed Portfolios (the “Trust”), which is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 “Financial Services – Investment Companies.” The Fund commenced operations on October 11, 2004.

The Fund’s investment objective is to seek long-term capital appreciation.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

- A. *Security Valuation.* All equity securities, which may include Real Estate Investment Trusts (“REIT’s”), Business Development Companies (“BDC’s”), and Master Limited Partnerships (“MLP’s”), that are traded on U.S. national or foreign securities exchanges, are valued either at the last reported sale price on the exchange on which the security is principally traded or the exchange’s official closing price, if applicable. If, on a particular day, an exchange-traded security does not trade, then the mean between the most recent quoted bid and asked prices will be used. All equity securities which may include REIT’s, BDC’s and MLP’s that are not traded on a listed exchange are valued at the last sale price in the over-the-counter market. If a non-exchange traded security does not trade on a particular day, then the mean between the last quoted closing bid and asked price will be used.

Securities for which quotations are not readily available are valued at their respective fair values as determined in good faith by the Valuation Committee. When a security is “fair valued,” consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the pricing procedures adopted by the Board of Trustees. Fair value pricing is an inherently subjective process, and no single standard exists for determining fair value. Different funds could reasonably arrive at different values for the same security. The use of fair value pricing by a fund may cause the net asset value of its shares to differ significantly from the net asset value that would be calculated without regard to such considerations.

As described above, the Fund utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a



NOTES TO FINANCIAL STATEMENTS – September 30, 2017 (Continued)

hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

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 in its entirety.

The following is a summary of the inputs used to value the Fund's investments as of September 30, 2017. See the Schedule of Investments for the industry breakout.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$337,208,384	\$ —	\$ —	\$337,208,384
Exchange Traded Funds	4,216,998	—	—	4,216,998
Real Estate				
Investment Trusts	4,904,214	—	—	4,904,214
Short-Term Investments	<u>10,166,712</u>	<u>—</u>	<u>—</u>	<u>10,166,712</u>
Total Investments				
in Securities	<u>\$356,496,308</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$356,496,308</u>



NOTES TO FINANCIAL STATEMENTS – September 30, 2017 (Continued)

It is the Fund's policy to recognize transfers between levels at the end of the Fund's reporting period. There were no transfers into or out of Level 1 or 2 as of September 30, 2017.

- B. *Federal Income Taxes.* The Fund has elected to be taxed as a "regulated investment company" and intends to distribute substantially all taxable income to its shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income taxes or excise taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, the Fund intends to declare as dividends in each calendar year at least 98.0% of its net investment income (earned during the calendar year) and at least 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years.

Net capital losses incurred after October 31 and net investment losses incurred after December 31, and within the taxable year are deemed to arise on the first business day of the Fund's next taxable year. As of September 30, 2017, the Fund had no late year losses and no post-October losses. As of September 30, 2017, there were no Capital Loss Carryovers for the Fund. As of September 30, 2017, the Fund did not have any tax positions that did not meet the threshold of being sustained by the applicable tax authority. Generally, tax authorities can examine all the tax returns filed for the last three years. The Fund identifies its major tax jurisdiction as U.S. Federal and the Commonwealth of Massachusetts; however the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially.

- C. *Security Transactions and Investment Income.* Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities are determined on a specific identification basis. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Dividends received from REITS generally are comprised of ordinary income, capital gains and may include return of capital. Interest income is recorded on an accrual basis. Other non-cash dividends are recognized as investment income at the fair value of the property received. Withholding taxes on foreign dividends have been provided for in accordance with the Trust's understanding of the applicable country's tax rules and rates.
- D. *Distributions to Shareholders.* Distributions to shareholders from net investment income and net realized gains on securities for the Fund normally are declared and paid on an annual basis. Distributions are recorded on the ex-dividend date.



NOTES TO FINANCIAL STATEMENTS – September 30, 2017 (Continued)

- E. *Use of Estimates.* The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.
- F. *Share Valuation.* The net asset value (“NAV”) per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash and other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding, rounded to the nearest cent. The Fund’s shares will not be priced on the days on which the New York Stock Exchange is closed for trading. The offering and redemption price is equal to the Fund’s NAV per share. The Fund charged a 1.00% redemption fee on shares held less than 60 days; however, effective January 29, 2016, the redemption fee was eliminated. This fee was deducted from the redemption proceeds otherwise payable to the shareholder. The Fund retained the fee charged as paid-in capital and such fees become part of that Fund’s daily NAV calculation.
- G. *Guarantees and Indemnifications.* In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.
- H. *Reclassification of Capital Accounts.* Accounting principles generally accepted in the United States of America require that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. These differences are primarily due to prior year equalization and net operating loss. For the year ended September 30, 2017, the following adjustments were made:

<u>Undistributed Net Investment Income/(Loss)</u>	<u>Accumulated Net Realized Gain/(Loss)</u>
\$2,942,407	\$(2,942,407)

- I. *Subsequent Events.* In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. The Fund has determined that there are no subsequent events that would need to be disclosed in the Fund’s financial statements.


NOTES TO FINANCIAL STATEMENTS – September 30, 2017 (Continued)
NOTE 3 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

Tygh Capital Management, Inc. (the “Advisor”), provides the Fund with investment management services under an Investment Advisory Agreement (the “Agreement”). Under the Agreement, the Advisor furnishes all investment advice, office space, certain administrative services, and provides most of the personnel needed by the Fund. As compensation for its services, the Advisor is entitled to a monthly fee at the annual rate of 0.80% based upon the average daily net assets of the Fund. The amount of investment advisory fees incurred by the Fund for the year ended September 30, 2017, is disclosed in the Statement of Operations. The investment advisory fees incurred are paid monthly to the Advisor, net of any monthly waiver or reimbursement discussed below.

The Advisor has contractually agreed to limit the Fund’s annual ratio of expenses to 0.95% of the Fund’s average daily net assets. The contract’s term is indefinite and may be terminated only by the Board of Trustees. The amount of fees recouped by the Advisor for the year ended September 30, 2017, is disclosed in the Statement of Operations.

The Advisor is permitted to seek reimbursement from the Fund, subject to limitations, for fees waived and/or Fund expenses it pays over the following three years after payment. As of September 30, 2017, the remaining cumulative amount the Advisor may be reimbursed was \$6,692. The Advisor may recapture a portion of the above unreimbursed amount no later than the dates stated below:

<u>Date of Expiration</u>	<u>Amount</u>
September 30, 2019	\$6,692

The Fund must pay its current ordinary operating expenses before the Advisor is entitled to any reimbursement of fees and/or expenses. Any such reimbursement is also contingent upon the Board of Trustee’s review and approval.

U.S. Bancorp Fund Services, LLC (“USBFS”), an indirect wholly-owned subsidiary of U.S. Bancorp, serves as the Fund’s administrator, fund accountant and transfer agent. In those capacities USBFS maintains the Fund’s books and records, calculates the Fund’s NAV, prepares various federal and state regulatory filings, coordinates the payment of fund expenses, reviews expense accruals and prepares materials supplied to the Board of Trustees. The officers of the Trust and the Chief Compliance Officer are also employees of USBFS. Fees paid by the Fund to USBFS for these services for the year ended September 30, 2017, are disclosed in the Statement of Operations.

Quasar Distributors, LLC (the “Distributor”) acts as the Fund’s principal underwriter in a continuous public offering of the Fund’s shares. U.S. Bank NA (the “Custodian”) serves as custodian to the Fund. Both the Distributor and Custodian are affiliates of USBFS.

**NOTES TO FINANCIAL STATEMENTS – September 30, 2017 (Continued)****NOTE 4 – PURCHASES AND SALES OF SECURITIES**

For the year ended September 30, 2017, the cost of purchases and proceeds from the sales of securities, excluding short-term investments, were \$402,480,389 and \$393,128,023, respectively.

There were no purchases or sales of long-term U.S. Government securities for the year ended September 30, 2017.

NOTE 5 – DISTRIBUTIONS TO SHAREHOLDERS

The tax character of distributions paid during the year ended September 30, 2017 and the year ended September 30, 2016, were as follows:

	<u>September 30, 2017</u>	<u>September 30, 2016</u>
Distributions paid from:		
Net investment income	\$ —	\$ 8,365,300
Long-term capital gain	—	28,834,874

As of September 30, 2017, the components of accumulated earnings/(losses) on a tax basis were as follows:

Cost of investments ^(a)	<u>\$298,453,286</u>
Gross tax unrealized appreciation	61,971,328
Gross tax unrealized depreciation	<u>(3,928,306)</u>
Net tax unrealized appreciation	58,043,022
Undistributed ordinary income	9,573,613
Undistributed long-term capital gain	<u>41,683,572</u>
Total distributable earnings	<u>51,257,185</u>
Other accumulated gain (loss)	—
Total accumulated gain	<u>\$109,300,207</u>

(a) At September 30, 2017, the difference between book and tax-basis unrealized appreciation was attributable primarily to the treatment of wash sales.

NOTE 6 – CREDIT FACILITY

U.S. Bank NA has made available to the Fund a credit facility pursuant to a separate Loan and Security Agreement for temporary or extraordinary purposes. Loan activity for the year ended September 30, 2017, was as follows:

Maximum available credit	\$20,000,000
Largest amount outstanding on an individual day	5,050,000
Average daily loan outstanding	60,975
Credit facility outstanding as of September 30, 2017	—
Average interest rate	3.50%

Interest expenses for the year ended September 30, 2017 are disclosed in the Statement of Operations.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM****To the Shareholders of TCM Small Cap Growth Fund and
The Board of Trustees of Professionally Managed Portfolios**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of the TCM Small Cap Growth Fund, a series of Professionally Managed Portfolios (the “Trust”), as of September 30, 2017 and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Trust’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust’s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of September 30, 2017, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the TCM Small Cap Growth Fund as of September 30, 2017, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER LLP

**Philadelphia, Pennsylvania
November 27, 2017**



APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited)

At a meeting held on August 22, 2017, the Board (which is comprised of five persons all of whom are Independent Trustees as defined under the Investment Company Act) considered and approved the continuance of the Investment Advisory Agreement (the “Advisory Agreement”) between Professionally Managed Portfolios (the “Trust”) and Tygh Capital Management, Inc. (the “Advisor”) for the TCM Small Cap Growth Fund (the “Fund”). At this meeting and at a prior meeting held on May 25, 2017, the Board received and reviewed substantial information regarding the Fund, the Advisor and the services provided by the Advisor to the Fund under the Advisory Agreement. This information, together with the information provided to the Board throughout the course of the year, formed the primary (but not exclusive) basis for the Board’s determinations. Below is a summary of the factors considered by the Board and the conclusions that formed the basis for the Board’s approval of the continuance of the Advisory Agreement:

- 1. The nature, extent and quality of the services provided and to be provided by the Advisor under the Advisory Agreement.** The Trustees considered the nature, extent and quality of the Advisor’s overall services provided to the Fund as well as its specific responsibilities in all aspects of day-to-day investment management of the Fund. The Board considered the qualifications, experience and responsibilities of the portfolio manager, as well as the responsibilities of other key personnel of the Advisor involved in the day-to-day activities of the Fund. The Board also considered the resources and compliance structure of the Advisor, including information regarding its compliance program, its chief compliance officer and the Advisor’s compliance record, as well as the Advisor’s cybersecurity program and business continuity plan. The Board also considered the prior relationship between the Advisor and the Trust, as well as the Board’s knowledge of the Advisor’s operations, and noted that during the course of the prior year they had met with the Advisor via video conference to discuss fund performance and investment outlook, as well as, various marketing and compliance topics, including the Advisor’s risk management process. The Board concluded that the Advisor had the quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Advisory Agreement and that the nature, overall quality and extent of such management services are satisfactory.
- 2. The Fund’s historical performance and the overall performance of the Advisor.** In assessing the quality of the portfolio management delivered by the Advisor, the Board reviewed the short-term and long-term performance of the Fund on both an absolute basis, and in comparison to its peer funds utilizing Morningstar classifications and appropriate securities benchmarks,



APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited) (Continued)

all for periods ended March 31, 2017. While the Board considered both short-term and long-term performance, it placed greater emphasis on longer term performance. When reviewing the Fund's performance against its comparative peer group universe, the Board took into account that the investment objective and strategy of the Fund, as well as its level of risk tolerance, may differ significantly from funds in the peer universe.

The Board noted that the Fund outperformed its peer group median for the one-year, three-year, five-year and ten-year periods. The Board also considered the performance of the TCM Small Cap Growth Fund against its broad-based securities market benchmark, noting it outperformed for the one-year, three-year, and five-year periods and underperformed for the ten-year period. The Board also considered the Fund's underperformance compared to the Advisor's small cap composite for the one-year, three-year, five-year and ten-year periods ended March 31, 2017 and the reasons given by the Advisor for such differences.

- 3. The costs of the services provided by the Advisor and the structure of the Advisor's fees under the Advisory Agreement.** In considering the advisory fee and total fees and expenses of the Fund, the Board reviewed comparisons to the peer funds and similarly managed separate accounts for other types of clients advised by the Advisor, as well as all expense waivers and reimbursements. When reviewing fees charged to other similarly managed accounts, the Board took into consideration the type of account and the differences in the management of that account that might be germane to the difference, if any, in the fees charged to such accounts. The Trustees noted that the fees charged to the Fund were generally in line with the fees charged by the Advisor to its similarly managed separate account clients, and to the extent the fees differed, noted it was due to a number of factors.

The Board noted that the Advisor had contractually agreed to maintain an annual expense ratio of 0.95% for the Fund (the "Expense Cap"), but was currently operating below this level. The Board noted that the Fund's advisory fee and net expense ratio were lower than those of its peer group median and average. The Board concluded that the fees paid to the Advisor were fair and reasonable in light of the comparative performance and advisory fee information.

- 4. Economies of Scale.** The Board also considered whether economies of scale were being realized by the Advisor that should be shared with shareholders. The Board noted that the Advisor has contractually agreed to reduce its advisory fees or reimburse Fund expenses so that the Fund does not exceed its



APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited) (Continued)

specified Expense Cap. The Board also noted the Fund's annual expense ratio is currently operating under the Expense Cap. The Board noted that at current asset levels, it did not appear that there were additional significant economies of scale being realized by the Advisor that should be shared with shareholders and concluded that it would continue to monitor economies of scale in the future as circumstances changed and assuming asset levels increase.

5. **The profits to be realized by the Advisor and its affiliates from their relationship with the Fund.** The Board reviewed the Advisor's financial information and took into account both the direct benefits and the indirect benefits to the Advisor from advising the Fund. The Board considered the profitability to the Advisor from its relationship with the Fund and considered any additional benefits derived by the Advisor from its relationship with the Fund, particularly benefits received in exchange for "soft dollars" paid to the Advisor. After such review, the Board determined that the profitability to the Advisor with respect to the Advisory Agreement was not excessive, and that the Advisor had maintained adequate profit levels to support the services it provides to the Fund.

No single factor was determinative of the Board's decision to approve the continuance of the Advisory Agreement, but rather the Board based its determination on the total combination of information available to them. Based on a consideration of all the factors in their totality, the Board determined that the advisory arrangement with the Advisor, including the Fund's advisory fee, was fair and reasonable. The Board therefore determined that the continuation of the Advisory Agreement would be in the best interests of the Fund and its shareholders.


TRUSTEES AND EXECUTIVE OFFICERS (Unaudited)

The Board is responsible for the overall management of the Trust, including general supervision and review of the investment activities of the Fund. The Board, in turn, elects the officers of the Trust, who are responsible for the day-to-day operations of the Trust and its separate series. The current Trustees and executive officers of the Trust, their birth dates, positions with the Trust, terms of office with the Trust and length of time served, their principal occupations during the past five years and other directorships are set forth in the table below.

<u>Name, Address and Age</u>	<u>Position with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number of Portfolios in Fund Complex⁽²⁾ Overseen by Trustees</u>	<u>Other Directorships Held During the Past 5 Years</u>
Independent Trustees of the Trust⁽¹⁾					
Dorothy A. Berry (born 1943) c/o U.S. Bancorp Fund Services, LLC 2020 E. Financial Way Suite 100 Glendora, CA 91741	Chairman and Trustee	Indefinite Term; Since May 1991.	Formerly, President, Talon Industries, Inc. (business consulting); formerly, Executive Vice President and Chief Operating Officer, Integrated Asset Management (investment adviser and manager) and formerly, President, Value Line, Inc. (investment advisory and financial publishing firm).	1	Director, PNC Funds (34 series), PNC Advantage Funds (1 series).
Wallace L. Cook (born 1939) c/o U.S. Bancorp Fund Services, LLC 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Investment Consultant; formerly, Chief Executive Officer, Rockefeller Trust Co., (prior thereto Senior Vice President), and Managing Director, Rockefeller & Co. (Investment Manager and Financial Advisor); formerly, Senior Vice President, Norton Simon, Inc. (international consumer products conglomerate).	1	Trustee, The Dana Foundation.



TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

Name, Address and Age	Position with the Trust	Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex ⁽²⁾ Overseen by Trustees	Other Directorships Held During the Past 5 Years
Eric W. Falkeis (born 1973) c/o U.S. Bancorp Fund Services, LLC 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since September 2011.	Chief Operating Officer, Direxion Funds since 2013; formerly, Senior Vice President and Chief Financial Officer (and other positions), U.S. Bancorp Fund Services, LLC 1997-2013.	1	Interested Trustee, Direxion Funds (24 series), Direxion Shares ETF Trust (142 series) and Direxion Insurance Trust.
Carl A. Froebel (born 1938) c/o U.S. Bancorp Fund Services, LLC 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Formerly, President and Founder, National Investor Data Services, Inc. (investment related computer software).	1	None.
Steven J. Paggioli (born 1950) c/o U.S. Bancorp Fund Services, LLC 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Consultant, since July 2001; formerly, Executive Vice President, Investment Company Administration, LLC (mutual fund administrator).	1	Independent Trustee, AMG Funds (67 series); Advisory Board Member, Sustainable Growth Advisers, LP; Independent Director, Chase Investment Counsel.



TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

<u>Name, Address and Age</u>	<u>Position with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number of Portfolios in Fund Complex⁽²⁾ Overseen by Trustees</u>	<u>Other Directorships Held During the Past 5 Years</u>
<u>Officers of the Trust</u>					
Elaine E. Richards (born 1968) c/o U.S. Bancorp Fund Services, LLC 2020 E. Financial Way Suite 100 Glendora, CA 91741	President	Indefinite Term; Since March 2013.	Vice President and Legal Compliance Officer, U.S. Bancorp Fund Services, LLC, since July 2007.	Not Applicable.	Not Applicable.
	Secretary	Indefinite Term; Since February 2008.			
Aaron J. Perkovich (born 1973) c/o U.S. Bancorp Fund Services, LLC 615 East Michigan St. Milwaukee, WI 53202	Vice President	Indefinite Term; Since March 2017.	Vice President, U.S. Bancorp Fund Services, LLC, since June 2006.	Not Applicable.	Not Applicable.
	Treasurer	Indefinite Term; Since August 2016.			
Melissa Breitzman (born 1983) c/o U.S. Bancorp Fund Services, LLC 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2016.	Assistant Vice President, U.S. Bancorp Fund Services, LLC since June 2005.	Not Applicable.	Not Applicable.
Craig Benton (born 1985) c/o U.S. Bancorp Fund Services, LLC 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2016.	Assistant Vice President, U.S. Bancorp Fund Services, LLC since November 2007.	Not Applicable.	Not Applicable.



TCM SMALL CAP GROWTH FUND

TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

Name, Address and Age	Position with the Trust	Term of Office and Length of Time Served	Principal Occupation During Past Five Years	Number of Portfolios in Fund Complex ⁽²⁾ Overseen by Trustees	Other Directorships Held During the Past 5 Years
Cory Akers (born 1978) c/o U.S. Bancorp Fund Services, LLC 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2017.	Assistant Vice President, U.S. Bancorp Fund Services, LLC since October 2006.	Not Applicable.	Not Applicable.
Donna Barrette (born 1966) c/o U.S. Bancorp Fund Services, LLC 615 East Michigan St. Milwaukee, WI 53202	Chief Compliance Officer	Indefinite Term; Since July 2011.	Senior Vice President and Compliance Officer, U.S. Bancorp Fund Services, LLC since August 2004.	Not Applicable.	Not Applicable.
	Anti-Money Laundering Officer	Indefinite Term; Since July 2011.			
	Vice President	Indefinite Term; Since July 2011.			

- (1) All Trustees of the Trust are not “interested persons” of the Trust as defined under the 1940 Act (“Independent Trustees”).
- (2) The Trust is comprised of numerous series managed by unaffiliated investment advisers. The term “Fund Complex” applies only to the Fund. The Fund does not hold itself out as related to any other series within the Trust for purposes of investment and investor services, nor does it share the same investment advisor with any other series.

**QUALIFIED DIVIDEND INCOME/DIVIDENDS RECEIVED DEDUCTION (Unaudited)**

For the fiscal year ended September 30, 2017, certain dividends paid by the Fund may be subject to a maximum tax rate of 23.8%, as provided for by the American Taxpayer Relief Act of 2012.

The percentage of dividends declared from ordinary income designated as qualified dividend income was 0.00%.

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended September 30, 2017, was 0.00%.

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal revenue Section 871 (k)(2)(C) for the fiscal year ended September 30, 2017, was 0.00%.

INFORMATION ABOUT PROXY VOTING (Unaudited)

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling (800) 536-3230 or by accessing the Fund's website at www.tyghcap.com. Furthermore, you can obtain the description on the SEC's website at www.sec.gov.

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12 months ending June 30 is available without charge, upon request, by calling (800) 536-3230 or by accessing the SEC's website at www.sec.gov.

INFORMATION ABOUT THE PORTFOLIO HOLDINGS (Unaudited)

The Fund files its complete schedule of portfolio holdings for its first and third fiscal quarters with the SEC on Form N-Q. The Fund's Form N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington D.C. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The Fund's Form N-Q is available without charge, upon request, by calling (800) 536-3230. Furthermore, you can obtain the Form N-Q on the SEC's website at www.sec.gov.



INFORMATION ABOUT HOUSEHOLDING (Unaudited)

In an effort to decrease costs, the Fund will reduce the number of duplicate prospectuses, proxy statements and annual and semi-annual reports that you receive by sending only one copy of each to those addresses shared by two or more accounts and to shareholders the Transfer Agent reasonably believes are from the same family or household. If you would like to discontinue householding for your accounts, please call the transfer agent toll free at (800) 536-3230 to request individual copies of these documents. The Fund will begin sending individual copies 30 days after receiving your request. This policy does not apply to account statements.

INFORMATION ABOUT THE FUND'S TRUSTEES (Unaudited)

The Statement of Additional Information ("SAI") includes additional information about the Fund's Trustees and is available without charge, upon request, by calling (800) 536-3230. Furthermore, you can obtain the SAI on the SEC's website at www.sec.gov or the Fund's website at www.tyghcap.com.



PRIVACY NOTICE

The Fund collects non-public information about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you give us orally; and
- Information about your transactions with us or others.

We do not disclose any non-public personal information about our shareholders or former shareholders without the shareholder's authorization, except as permitted by law or in response to inquiries from governmental authorities. We may share information with affiliated parties and unaffiliated third parties with whom we have contracts for servicing the Fund. We will provide unaffiliated third parties with only the information necessary to carry out their assigned responsibility. We maintain physical, electronic and procedural safeguards to protect your non-public personal information and require third parties to treat your non-public information with the same high degree of confidentiality.

In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared by those entities with unaffiliated third parties.

Investment Advisor

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Independent Registered Public Accounting Firm

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Custodian

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**Transfer Agent, Fund Accountant
and Fund Administrator**

U.S. Bancorp Fund Services, LLC
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TCM Small Cap Growth Fund
Symbol – TCMSX
CUSIP – 742935455