SEAFARER FUNDS

Seafarer Overseas Growth and Income Fund

Investor Class SFGIX
Institutional Class SIGIX

ANNUAL REPORT

April 30, 2014

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LETTER TO SHAREHOLDERS

May 12, 2014

Dear Fellow Shareholders,

I am pleased to address you once again on behalf of the Seafarer Overseas Growth and Income Fund. This annual report encompasses the Fund's most recent fiscal year, which ran from May 1, 2013 to April 30, 2014.

During the twelve month period, the Fund gained 2.12%[1], while the Fund's benchmark, the MSCI Emerging Markets Total Return Index, fell -1.49%. By way of broader comparison, the S&P 500 Index increased 20.44%.

The Fund began the fiscal year with a net asset value of $11.91 per share. During the ensuing twelve months, the Fund paid two distributions, worth $0.552 in aggregate. Those payments brought the cumulative distributions per share, as measured from the Fund's inception, to $0.674.[2] The Fund then finished the fiscal year with a value of $11.59 per share.[3]

We are proud of the Fund's performance during this period, whether measured relative to peers, relative to the benchmark index, or in absolute. Emerging markets were highly volatile during the past twelve months, and we are pleased the Fund dampened a bit of that volatility, in line with the Fund's investment objective.

Frankly, though, it was a tough time to be an investor in the Fund, or the emerging markets more broadly. Equity markets swung around a great deal, and the Fund did not go unscathed. Sometimes the emerging markets and the Fund moved higher together, but mostly they moved either sideways or lower. In the end, the Fund's returns for the fiscal year were meager, and while positive, hardly seem worth the intervening drama. It was a frustrating time, and we are happy it is behind us.

However, while we are looking back: what a year it was! The emerging markets were beset by myriad troubles, with very few positive events to offset. The woes were numerous:

- "Tapering," or the end to the U.S. Federal Reserve's quantitative easing policy.[4]
- A mini-currency panic, led by the "fragile five" countries, which were deemed by some to be susceptible to funding gaps and therefore to financial crisis.[5]
- A rout in emerging market local currency bonds.
- A material deceleration in China's economic growth, accompanied by several bouts of distress within that country's rickety financial system, including the country's first recorded corporate bond default.
- A collapse in commodity prices, which weighed heavily on Latin American and South African equities.
- The implosion and final death throes of a Brazilian magnate's empire, in which Seafarer estimates over $30 billion worth of Brazilian equity and bond capitalization evaporated during the preceding 24 months.[6]
- Episodic bouts of aggression and hostility on the part of North Korea.
- Political instability in Brazil, Turkey, and Thailand, culminating in riots and protracted protests.
- Cross-border conflict, instability and secession in Ukraine.

When I review the list above, I am struck by the breadth and severity of the difficulties that have weighed on the emerging markets during the past twelve months. I am also struck by the performance of the benchmark index, when viewed in this context: a decline of only -1.49% is remarkable.

Last April, who would have imagined one year could deliver so many troubling events? And if you possessed such foreknowledge, would you have predicted the index would end the year roughly where it began? I, for one, would not have done so. If I somehow had advance notice of the list above, I would have cautioned clients to shelter from the market collapse that would inevitably follow. Yet the market was nearly flat! With the benefit of hindsight, it is natural to view the index's return as disappointing; yet I would assert that it was *remarkably resilient* in light of *what could have happened.*

The resilience of the emerging markets, in the face of so much bad news, likely conveys a basic but important message: stocks in the developing world are inexpensive. I cannot conclusively determine whether stocks are truly "cheap," or "cheap enough" – those are loaded phrases that hold different meanings for different investors, and anyway, the markets are too broad to offer a simple, binary assessment as to their "cheapness." However, I can state that in my experience, when stocks absorb a great deal of bad news, and yet their prices are materially unchanged, the simplest (and most likely) explanation is that prices were already low enough to compensate investors for additional risks – even big, unforeseen ones. Expensive stocks tend to exhibit the opposite behavior: a reduced tolerance for bad news, with prices swooning after a minor negative shock. The one-year return from the emerging markets was nearly flat, despite all that occurred – and I submit it was probably because stocks were inexpensive, with valuations that could accommodate bad news.

Performance Review

Amid this challenging year, the Fund's performance was bolstered by its exposure to China, Vietnam, India and Poland. Chile, Turkey and Thailand weighed on returns. The Fund benefited from banks, health care, industrials, and utilities; it made absolute gains in technology shares, but on a relative basis it underperformed the index, which did much better in that sector; and the Fund was especially impaired by its exposure to commodity stocks.

Latin America was particularly challenging for the Fund throughout much of the fiscal year; the Fund's holdings in Mexico, Chile and Brazil were all weak during the bulk of the period. However, we were pleased to see most of the Fund's holdings in Brazil recover much of their lost ground near the close of the fiscal year, such that the Fund position in Brazil finished nearly flat. The Fund's holdings in Mexico declined a bit during the period, but this was mainly because the positions had been so successful during the prior year – effectively, the valuations of the Fund's holdings "cooled off" a bit, after substantial prior gains. We remain comfortable with the Fund's holdings in that market.

Chile was a different story, though: at the outset of the year, the Fund's holdings there were mostly centered on the commodity sector. A collapse in prices for raw materials undermined the Fund's chief holding there, and for a variety of reasons – both related and unrelated to the price decline – we had the Fund exit the position.[7] The Fund retains one position in Chile – Corpbanca, a mid-sized bank that is currently merging with Itau, one of Brazil's largest financial institutions.

Regarding banks, and other financial institutions: the financial sector made the single largest contribution to the Fund's outperformance versus the benchmark index. The Fund generated gains from the sector in several markets – Poland, Brazil, South Korea and Vietnam – while the benchmark produced sharply negative returns. Seafarer's focus on bottom-up stock selection helped during the fiscal period, as there was no common theme or geography to otherwise unite these positions. The banks in Poland and Brazil are large capitalization stocks, acquired when their shares were depressed; the Fund benefited from the subsequent recovery in the valuation of those shares. In Korea, the Fund acquired the heavily discounted preferred shares of a commercial insurance company; happily for the Fund, the discount subsequently eased. In Vietnam, the Fund benefited from its exposure to a small capitalization stock associated with the country's largest commercial re-insurer.

As mentioned above, the Fund's performance was weak, on a relative basis, within the technology sector – the Fund produced gains, but it was outpaced by the benchmark index. The index's gains were spurred mostly by its exposure to internet stocks, particularly those based in China and Korea. Since its inception, the Fund has lacked exposure to internet-focused companies (e.g. social media, search engines, entertainment). The Fund's strategy does not prohibit exposure to the internet; however, such stocks typically fail to meet the Fund's valuation and dividend criteria. We recognize there are some excellent internet-driven businesses, and if valuations ever become sufficiently attractive, the Fund will likely seek exposure.

The Fund performed well within India, generating gains and avoiding the worst of the volatility that impacted Indian shares and the local currency last autumn. The Fund's exposure to Poland also proved successful: the Fund's holdings were relatively steady amid the gyrations of the past year, and the holdings experienced growth that outpaced market expectations, which lifted share prices a bit.

The most surprising source of returns for the Fund was China. The country suffered from declining stock markets and widely publicized fears over slow growth and systemic risks within its financial sector. So perhaps it is surprising, but nonetheless true, that the Fund's exposure to China was one of the largest sources of its absolute and relative gains, and the majority of the Fund's Chinese holdings had positive returns during the fiscal year. The Fund's success was due to its avoidance of large capitalization banks and energy companies – those sectors arguably are most affected by China's current problems; and it was aided by its exposure to small and mid-sized industrial, technology and health care companies.

If you wish to review a more detailed discussion of the Fund's performance and holdings, Seafarer publishes four portfolio reviews per year on its website. Each corresponds to a standard calendar quarter. Please visit www.seafarerfunds.com/archives for further information.

Peering Over China's Great Wall of Worry

Returning to the topic of China: among investors focused on the emerging markets, the country is regarded with skepticism and trepidation. The global financial media is rife with reports of failings within the country's financial system. Every release of economic data, no matter how trivial, receives a ridiculous degree of scrutiny, as if it were a tealeaf on which the Middle Kingdom's future was written. I suppose there is a rational basis for this, as China is undergoing a major economic transition. The immediate outlook is not encouraging, and fraught with risk. There is plenty that can go wrong.

Yet if there is one surprising aspect to the current cloud that hangs over China, it is the near-total absence of discussion of all that could go right. The present debate around China's investment merits is so unbalanced that it strikes me as absurd.

Please do not mistake me for a naive optimist about the country: for the past five years, I have written about the economy's decelerating growth; its need for a revised economic model; troubles within its banking sector; potential imbalances that might undermine its currency, the renminbi; and the possibility that the country might instigate armed conflict with its neighbors. I am concerned about all of these issues, and more.

However, to dwell solely on the country's well-known weaknesses is to ignore the important, broad-based reform efforts that are underway. China's new leadership, installed in the fall of 2012, has launched a major overhaul of the country's economic and political structure. Here is a partial list of what is taking place:

- A substantial (but unfortunately not exhaustive) anti-corruption drive.
- Liberalization of the local currency and of interest rates within the banking system. Both are "backdoor" reforms of the domestic banking sector.
- Recapitalization of the domestic banking system to address financial weaknesses.
- Major stock market reforms, including: enhanced access for foreign investors via the "through train" policy,[8] new mechanisms for companies to issue capital, and a liberalized market for initial public offerings (IPOs).
- Major reforms to reduce excess capacities within state-owned enterprises.
- Modernization of provincial governments' finances, possibly culminating in the authority to levy local taxes (i.e. property and sales taxes), and the authority to issue municipal-style bonds.
- Liberalization of most key input prices, especially energy and natural resources.
- Environmental regulation, targeting sharp reduction in carbon emissions, with severe penalties for polluters.
- Reformed property and land use rights.

- Reform of the hukou ("household registration") system. Hukou is a set of identification documents, somewhat like a domestic passport. Hukou defines a household's civil, economic and legal rights within a given local municipality. It confers access (or lack thereof) to various government services, health care, education, housing and employment. If a family attempts to move from the countryside to the city, it will not be entitled to such services in the new urban residence because the family's hukou remains tied to the original rural home. In my opinion, the system is broadly analogous to social entitlements in the U.S. – and its reform is just as politically contentious.
- A major overhaul of the national healthcare delivery system.
- Relaxation of the "one child" policy.

Make no mistake: this is an impressive list. Apparently, China has listened to its external advisors, and to some of its detractors. The list makes it clear that China is not shying away from difficult change. No other developing nation has undertaken a reform program so comprehensive or bold. Imagine if the U.S. simultaneously tackled several sensitive issues. Envision a coordinated effort to reform healthcare, banking regulations, the tax code, and social entitlement programs. The project would be sweeping in its scale; it would meet with considerable resistance from vested interests; it would stand a significant risk of outright failure; and it would certainly rile every corner of our economy.

This is analogous to what is now taking place in China: the country is engaged in an extensive overhaul of the political and economic landscape. I cannot predict the extent to which it will be successful, but the country does not lack ambition. Nor does the leadership lack understanding about the urgency or nature of the challenges ahead. Admittedly, the most sensitive political reforms – those that might undermine the communist party's authority – are absent. Nevertheless, any one of the initiatives above has the potential to impact the entire domestic economy for the better. If the reforms mostly meet with success, I believe China's growth has the capacity to impress for many years to come. The team at Seafarer is eager to watch China's progress unfold – and we will keep you informed regarding the results.

A Few Announcements

Please note: This section of the letter was written jointly by Andrew Foster and Michelle Foster, managing members of Seafarer Capital Partners, LLC.

The past fiscal year has been a good one for Seafarer Capital Partners, despite the difficulties that have weighed on the emerging markets. We have been privileged to welcome new shareholders to the Fund, and we have seen our relationships with clients grow. We made further investments in Seafarer's resources – in personnel and technology – so as to ensure the firm's steady growth and development. We recently expanded our investment team with the addition of Paul Espinosa, Senior Analyst, to our firm. Paul is a veteran investor in the emerging markets, and his arrival both broadens and deepens the team's global research capabilities. We plan to further expand Seafarer's team in the coming year.

Shortly after we founded Seafarer three years ago, we had the opportunity to write a brief essay on the firm's goals.[9] In that essay, we noted that our abiding goal as an investment adviser is to deliver superior long-term performance to our clients. However, we also noted three ancillary objectives: to increase the transparency associated with investment in developing countries; to mitigate a portion of the volatility that is inherent to the emerging markets; and to deliver lower costs to our clients, over time and with scale. We continue to work toward these three objectives, and we are happy to declare a bit of progress with respect to the third.

We are pleased to announce that effective September 1, 2014, the Fund will undertake an expense reduction on behalf of its shareholders. Seafarer Capital Partners, LLC (our firm) will contractually commit to lower the expenses of the Fund for the ensuing twelve months, with the intent to renew the same obligation for the foreseeable future.[10] The Investor class net expenses will be reduced to 1.25% by way of this "expense cap," and the Institutional class net expenses will be reduced to 1.05%.[11] This new cap constitutes the second reduction in fees enacted by the Fund since its inception (the first reduction occurred in January 2013).

In addition, Seafarer Capital Partners will reduce its management fee for the Fund from 0.85% to 0.75%. Seafarer's management fee constitutes a portion of the Fund's overall expenses, and therefore such fees are subject to the aforementioned expense cap.

We are able to achieve these expense reductions because the Fund's growth over the past year has afforded some basic economies of scale. Subscriptions from new and existing shareholders have increased the Fund's operating efficiencies. The resulting economies, combined with the momentum we believe exists in our business, give us the confidence to drive expenses lower. We are pleased to achieve progress toward our goal of lower costs, though we are by no means finished. We will strive to further reduce expenses to shareholders, with additional time and with scale.

While we are pleased to be undertaking an expense reduction that benefits both share classes, it is our sincere wish that more shareholders could take advantage of the lower expenses afforded by the Institutional class. In truth, we would prefer to call it the "universal class," because we hope that every shareholder could make use of it. We want to offer the lowest possible expenses to everyone. The problem is that certain distribution platforms (i.e., brokers, dealers, and other financial intermediaries) impose a minimum initial investment of $100,000 on the Institutional class. Those same platforms also restrict Seafarer's ability to distribute the share class with a lower minimum on a direct basis – in other words, the $100,000 minimum applies everywhere, regardless of whether you purchase the Fund's Institutional class directly from Seafarer, or from a platform or intermediary. This is not our preference. We are acutely aware that many shareholders cannot afford or would not choose to invest so much capital in the Fund. We are frustrated by the situation, as it drives a wedge between shareholders and the lower costs we would like to offer them.

Given that we would like to encourage broader usage of the Institutional class, we will describe three ways that certain shareholders might gain access to this share class, even if they are unable to immediately meet the investment minimum. First, financial advisers might discover that their platform will waive the minimum if the adviser invests with the intention to reach the minimum. Every platform evaluates waiver requests differently, and Seafarer has no influence over whether a particular platform will entertain such requests. Platforms that do grant waivers may require that Seafarer submit the request on behalf of the adviser. We are happy to help with such waiver requests. Advisers can contact us at (415) 578-9075 or contact@seafarerfunds.com.

Second, advisers can meet the investment minimum for the Institutional class by aggregating Fund holdings across multiple client accounts, if permitted by the platform.[12] If you are an adviser and you encounter difficulty with aggregation at the platform, please let us know; we will try to resolve the issue with the platform.

Third, our firm has some influence over the application of the minimum as it pertains to shareholders who subscribe to the Fund on a direct basis via an automatic investment plan ("AIP"). We will do our utmost to waive the Institutional class minimum for accounts that satisfy all of the following criteria:

1. The account must be established directly with the Fund, not with a platform or intermediary.
2. The account must activate an AIP.
3. The account holder must request a waiver from the Fund's transfer agent. The applicant must request the waiver in good faith, with the intent to eventually meet the Institutional class minimum via a program of sustained investment over time. The transfer agent can be reached at (855) 732-9220 or seafarerfunds@alpsinc.com.

Also, we will do our best to ensure that existing AIP participants can convert from the Investor class to the Institutional class (known as a "share class transfer"), provided they satisfy all three criteria above. Ultimately, it is our hope that more shareholders make use of this "universal" share class, regardless of what its official name might convey. For our part, we will work to extend the benefit of lower expenses to those who undertake the extra effort required to invest directly with the Fund, on a sustained basis.

Thank you for entrusting us with your patience and your capital. It is an honor to serve as your investment adviser in the emerging markets.

Sincerely,

Andrew Foster, Chief Investment Officer
Michelle Foster, President
Seafarer Capital Partners, LLC

The MSCI Emerging Markets Total Return Index, Standard (Large+Mid Cap) Core, Gross (dividends reinvested), USD is a free float-adjusted market capitalization index designed to measure equity market performance of emerging markets. Index code: GDUEEGF.

The S&P 500 Total Return Index is a stock market index based on the market capitalizations of 500 large companies with common stock listed on the NYSE or NASDAQ. The index is not actively managed and does not reflect any deductions for fees, expense or taxes. An investor may not invest directly in an index.

The views and information discussed in this commentary are as of the date of publication, are subject to change, and may not reflect the writer's current views. The views expressed represent an assessment of market conditions at a specific point in time, are opinions only and should not be relied upon as investment advice regarding a particular investment or markets in general. Such information does not constitute a recommendation to buy or sell specific securities or investment vehicles. It should not be assumed that any investment will be profitable or will equal the performance of the portfolios or any securities or any sectors mentioned herein. The subject matter contained herein has been derived from several sources believed to be reliable and accurate at the time of compilation. Seafarer does not accept any liability for losses either direct or consequential caused by the use of this information.

[1] *References to the "Fund" pertain to the Fund's Institutional share class (ticker: SIGIX). The Investor share class (ticker: SFGIX) returned 1.93% during the fiscal year.*

[2] *The Fund's inception date was February 15, 2012.*

[3] *The Fund's Investor share class began the fiscal year with a net asset value of $11.91 per share; it paid two distributions, worth $0.540 in aggregate; and it finished the fiscal year with a value of $11.58 per share.*

[4] *Quantitative easing is the attempt by a central bank to inject more money into the economy and to keep long-term interest rates low through the purchase of large amounts of assets, often held by financial institutions. (Source: MITnews, "Explained: Quantitative Easing," August 17, 2010)*

[5] *The "fragile five" countries consist of Brazil, India, Indonesia, South Africa, and Turkey.*

[6] *Bloomberg, "Batista's Losers Shout and Sue as OGX Meltdown Casts Pall," 31 December 2013 (www.bloomberg.com/news/2013-12-31/batista-s-losers-shout-and-sue-as-ogx-meltdown-casts-pall.html).*

[7] *For more details regarding the Fund's exposure to the commodity sector, please see the Fund's portfolio review for the third quarter of 2013 (www.seafarerfunds.com/fund/portfolio-review/2013/09/Q3).*

[8] *In April 2014 the China Securities Regulatory Commission (CSRC) and Hong Kong Securities and Futures Commission (SFC) announced the development of a pilot program called "Shanghai-Hong Kong Stock Connect" (informally known as the "through train") that will establish mutual stock market access between mainland China and Hong Kong. The program will allow mainland Chinese and Hong Kong investors to access each other's equity markets, and will enhance foreign investors' access to mainland listed stocks as well.*

[9] *The essay on the firm's goals is available at www.seafarerfunds.com/ask-seafarer/#what-are-the-firms-goals.*

[10] *Though it is Seafarer's intent to renew this expense cap for the foreseeable future, Seafarer is under no obligation to renew the expense cap beyond the twelve month contractual term ending August 31, 2015.*

[11] *Gross expense ratio as of the prospectus dated August 31, 2013: 2.79% for Investor class; 2.69% for Institutional class.*

[12] *Similarly, individual investors can reach the investment minimum for the Institutional class by aggregating multiple accounts within the Fund, if permitted by the platform.*

Seafarer Overseas Growth and Income Fund Performance

Total Return *(As of April 30, 2014)*	**1 Year**	**Since Inception* - Annualized**	**Net Expense Ratio****
Investor Class (SFGIX)	1.93%	9.72%	1.40%
Institutional Class (SIGIX)	2.12%	9.85%	1.25%
MSCI Emerging Markets Total Return Index^	-1.49%	0.09%	

*Gross expense ratio: 2.79% for Investor Class; 2.69% for Institutional Class. Ratios as of the Prospectus dated August 31, 2013***

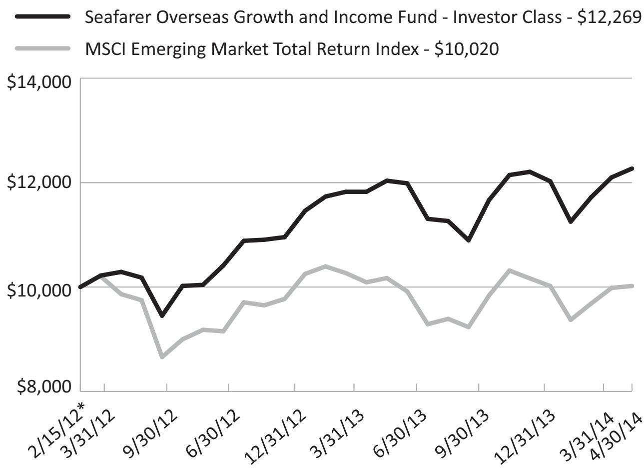
All performance is in U.S. dollars with gross (pre-tax) dividends and/or distributions reinvested. The performance data quoted represents past performance and does not guarantee future results. Future returns may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Shares of the Fund redeemed or exchanged within 90 days of purchase are subject to a 2% redemption fee. Performance does not reflect this fee, which if deducted would reduce an individual's return. To obtain the Fund's most recent month-end performance, visit seafarerfunds.com or call (855) 732-9220.

* *Inception Date: February 15, 2012.*

** *Seafarer Capital Partners, LLC has agreed contractually to waive and/or reimburse fees or expenses in order to limit Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursements (excluding brokerage expenses, interest expenses, taxes and extraordinary expenses) to 1.40% and 1.25% of the Fund's average daily net assets for the Investor and Institutional share classes, respectively. This agreement is in effect through August 31, 2014.*

^ *The MSCI Emerging Markets Total Return Index, Standard (Large+Mid Cap) Core, Gross (dividends reinvested), USD is a free float-adjusted market capitalization index designed to measure equity market performance of emerging markets. Index code: GDUEEGF. The index is not actively managed and does not reflect any deductions for fees, expense or taxes. An investor may not invest directly in an index.*

Performance of a $10,000 Investment Since Inception



** Inception Date: February 15, 2012.*

The chart shown above represents historical performance of a hypothetical investment of $10,000 in the Fund's Investor Class shares for the period from inception to April 30, 2014. All returns reflect reinvested dividends and/or distributions, but do not reflect the deduction of taxes that an investor would pay on distributions or redemptions.

The Fund also offers Institutional Class shares, performance for which is not reflected in the chart above. The performance of Institutional Class shares may be higher or lower than the performance of the Investor Class shares shown above based upon differences in fees paid by shareholders investing in the Investor Class shares and Institutional Class shares.

Investment Objective

The Fund seeks to provide long-term capital appreciation along with some current income. The Fund seeks to mitigate adverse volatility in returns as a secondary objective.

Strategy

The Fund invests primarily in the securities of companies located in developing countries. The Fund invests in several asset classes including dividend-paying common stocks, preferred stocks, convertible bonds, and fixed-income securities.

The Fund seeks to offer investors a relatively stable means of participating in a portion of developing countries' growth prospects, while providing some downside protection compared to a portfolio that invests only in the common stocks of those countries.

Fund Characteristics

Inception Date	February 15, 2012
Net Assets	$73.8M
Portfolio Turnover[1]	51%

	Investor Class	Institutional Class
Ticker	SFGIX	SIGIX
NAV	$11.58	$11.59
30-Day SEC Yield	1.80%	1.95%
Fund Distribution Yield	1.62%	1.71%
Net Expense Ratio	1.40%	1.25%
Redemption Fee (within 90 calendar days)	2.00%	2.00%
Minimum Initial Investment	$2,500	$100,000
Minimum Initial Investment (Retirement Account)	$1,000	$100,000

Underlying Portfolio Holdings

Number of Holdings	47
% of Net Assets in Top 10 Holdings	31%
Weighted Average Market Cap	$14.8B
Market Cap of Portfolio Median	$4.2B
Gross Portfolio Yield[2,3]	3.2%
Price / Book Value[2]	1.8
Price / Earnings[2,4]	11.3
Earnings Per Share Growth[2,4]	11%

[1] *For the year ended April 30, 2014.*

[2] *Calculated as a harmonic average of the underlying portfolio holdings.*

[3] *Gross Portfolio Yield = gross yield for the underlying portfolio, estimated based on the dividend yield for common and preferred stocks and yield to maturity for bonds. This measure of yield does not account for offsetting Fund expenses and other costs, and consequently it should not be construed as the yield that an investor in the Fund would receive.*

[4] *Based on consensus earnings estimates for next year. Excludes securities for which consensus earnings estimates are not available.*

Past performance does not guarantee future results.

Sources: ALPS Fund Services, Inc., Bloomberg, Seafarer.

Price / Book Value: the value of a company's common shares, divided by the company's book value.

Price / Earnings: the market price of a company's common shares divided by the earnings per common share as forecast for next year.

Earnings Per Share (EPS) Growth: forecast growth rate of earnings per common share next year, expressed as a percentage.

The "Underlying Portfolio Holdings" table presents indicative values only; Seafarer does not warrant the data's accuracy, and disclaims any responsibility for its use for investment purposes.

Top 10 Holdings

Holding	Sector	Country	% Net Assets	Issuer Mkt Cap ($B)	Yield[1]	Price / Book	Price / Earnings[2]	EPS Growth[2]
Singapore Telecommunications Ltd.	Telecom. Services	Singapore	3.7%	$48.1	4.4%	2.7	15	7%
Hang Lung Properties, Ltd.	Financials	China / Hong Kong	3.5%	$13.5	3.2%	0.8	16	12%
Valid Solucoes	Industrials	Brazil	3.3%	$0.9	2.6%	3.5	12	15%
Sindoh Co. Ltd.[3]	Information Technology	South Korea	3.1%	$0.7	3.4%	0.8	–	–
Keppel Corp. Ltd.	Industrials	Singapore	3.1%	$15.3	3.8%	1.9	11	7%
NTT DOCOMO, Inc.	Telecom. Services	Japan	3.0%	$69.7	3.7%	1.2	13	4%
Cia Vale do Rio Doce, Pfd.	Materials	Brazil	3.0%	$68.7	6.4%	0.9	6	2%
Sun Pharma Advanced Research Co., Ltd.[3,4]	Health Care	India	3.0%	$0.7	–	38.3	–	–
Dongsuh Co. Inc.[3]	Consumer Staples	South Korea	2.7%	$1.5	3.5%	1.8	–	–
Dongfang Electric Corp. Ltd.	Industrials	China / Hong Kong	2.7%	$3.7	1.0%	1.1	9	4%

Cumulative Weight of Top 10 Holdings: **31%**
Total Number of Holdings: **47**

[1] *Yield = dividend yield for common and preferred stocks and yield to maturity for bonds.*
[2] *Based on consensus earnings estimates for next year.*
[3] *Consensus estimates for earnings and EPS growth are not available for this security.*
[4] *Non-income producing security.*

Portfolio holdings are subject to change.

Sources: ALPS Fund Services, Inc., Bloomberg, Seafarer.

The table above presents indicative values only; Seafarer does not warrant the data's accuracy and disclaims any responsibility for its use for investment purposes.

Portfolio Composition

Region/Country	% Net Assets
East & South Asia	**61**
China / Hong Kong	13
India	7
Indonesia	4
Japan	5
Malaysia	4
Singapore	11
South Korea	8
Taiwan	4
Vietnam	6
Eastern Europe	**14**
Poland	6
Turkey	8
Latin America	**21**
Brazil	14
Chile	2
Mexico	5
Middle East & Africa	**2**
South Africa	2
Cash and Other Assets, Less Liabilities	**2**
Total	**100**

Asset Class	% Net Assets
Common Stock	81
ADR	6
Preferred Stock	5
Foreign Currency Government Bond	4
USD Convertible Bond	1
Cash and Other Assets, Less Liabilities	2
Total	**100**

Market Capitalization of Issuer	% Net Assets
Large Cap (over $10 billion)	37
Mid Cap ($1 - $10 billion)	38
Small Cap (under $1 billion)	19
Not Applicable	4
Cash and Other Assets, Less Liabilities	2
Total	**100**

Percentage values may not sum to 100% due to rounding.

Sector	% Net Assets
Consumer Discretionary	9
Consumer Staples	11
Energy	1
Financials*	19
Government	4
Health Care	9
Industrials	16
Information Technology	15
Materials	5
Telecommunication Services	7
Utilities	2
Cash and Other Assets, Less Liabilities	2
Total	**100**

* *The Fund's concentration in the Financials sector includes holdings in property-related stocks, which are classified within the "Financials sector" according to the Global Industry Classification Standard (GICS) methodology utilized herein. Property-related holdings comprised 7% of the Fund's net assets as of April 30, 2014.*

Greatest Performance Contributors and Detractors
For the twelve months ended April 30, 2014

Contributors	% Net Assets[1]
Samsung Fire & Marine Insurance Co., Ltd., Pfd.[2]	–
Kingdee International Software Group Co. Ltd.[2]	–
Bank Pekao SA	2.2
PGE Polska Grupa Energetyczna SA	2.1
Valid Solucoes	3.3

Detractors	% Net Assets[1]
Sociedad Quimica y Minera de Chile SA ADR[2]	–
Netas Telekomunikasyon AS[2]	–
Digital China Holdings, Ltd.	1.8
Thai Reinsurance PCL[2]	–
Aliansce Shopping Centers SA	1.5

[1] *As of end of period.*
[2] *As of April 30, 2014, the Fund had no economic interest in this security.*

Source: Bloomberg.

The table above presents estimated values only; Seafarer does not warrant the data's accuracy and disclaims any responsibility for its use for investment purposes.

As a shareholder of the Fund you will incur two types of costs: (1) transaction costs, including applicable redemption fees; and (2) 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 Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The examples are based on an investment of $1,000 invested on November 1, 2013 and held until April 30, 2014.

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

Hypothetical Example for Comparison Purposes. The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other mutual funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The expenses shown in the table are meant to highlight ongoing Fund costs only and do not reflect transaction fees, such as redemption fees or exchange fees. Therefore, the second line of each table below is useful in comparing ongoing costs only, and may not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value 11/01/13	Ending Account Value 04/30/14	Expense Ratio[(a)]	Expenses Paid During Period 11/01/13 - 04/30/14[(b)]
Investor Class				
Actual	$ 1,000.00	$ 1,010.20	1.40%	$ 6.98
Hypothetical (5% return before expenses)	$ 1,000.00	$ 1,017.85	1.40%	$ 7.00
Institutional Class				
Actual	$ 1,000.00	$ 1,011.10	1.25%	$ 6.23
Hypothetical (5% return before expenses)	$ 1,000.00	$ 1,018.60	1.25%	$ 6.26

(a) *Annualized, based on the Fund's most recent fiscal half year expenses.*

(b) *Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year (181)/365 (to reflect the half-year period).*

	Currency	Shares	Value
COMMON STOCKS (84.9%)			
Brazil (7.5%)			
Valid Solucoes e Servicos de Seguranca em Meios de Pagamento e Identificacao SA	BRL	160,000	$ 2,466,286
Odontoprev SA	BRL	475,000	1,917,255
Aliansce Shopping Centers SA	BRL	136,000	1,107,030
Total Brazil			5,490,571
Chile (2.1%)			
Corpbanca SA	CLP	136,535,716	1,572,839
Total Chile			1,572,839
China / Hong Kong (13.3%)			
Hang Lung Properties, Ltd.	HKD	860,000	2,565,079
Dongfang Electric Corp., Ltd.	HKD	1,260,000	1,970,642
Beijing Enterprises Holdings, Ltd.	HKD	175,000	1,523,995
SinoMedia Holding, Ltd.	HKD	1,729,000	1,520,439
Digital China Holdings, Ltd.	HKD	1,470,000	1,361,522
Shandong Weigao Group Medical Polymer Co., Ltd., Class H	HKD	877,222	888,792
Total China / Hong Kong			9,830,469
India (6.8%)			
Sun Pharma Advanced Research Co., Ltd.[(a)]	INR	770,000	2,185,110
Infosys, Ltd. ADR	USD	35,000	1,879,850
Navneet Education, Ltd.	INR	968,880	964,623
Total India			5,029,583
Indonesia (2.6%)			
Astra International Tbk PT	IDR	3,000,000	1,932,877
Total Indonesia			1,932,877
Japan (4.8%)			
NTT DOCOMO, Inc.	JPY	140,000	2,233,076
Ajinomoto Co., Inc.	JPY	90,000	1,324,607
Total Japan			3,557,683

	Currency	Shares	Value
Malaysia (3.7%)			
Hartalega Holdings Bhd	MYR	759,960	$ 1,475,470
AMMB Holdings Bhd	MYR	550,000	1,210,513
Total Malaysia			2,685,983
Mexico (4.8%)			
Grupo Herdez SAB de CV	MXN	630,470	1,884,748
Grupo Financiero Banorte SAB de CV	MXN	250,000	1,660,392
Total Mexico			3,545,140
Poland (5.8%)			
Bank Pekao SA	PLN	25,000	1,604,511
PGE SA	PLN	225,000	1,563,481
Asseco Poland SA	PLN	75,000	1,116,774
Total Poland			4,284,766
Singapore (9.3%)			
Singapore Telecommunications, Ltd.	SGD	900,000	2,756,807
Keppel Corp., Ltd.	SGD	270,000	2,271,789
SIA Engineering Co., Ltd.	SGD	477,000	1,824,073
Total Singapore			6,852,669
South Africa (1.5%)			
EOH Holdings, Ltd.	ZAR	140,000	1,117,818
Total South Africa			1,117,818
South Korea (5.8%)			
Sindoh Co., Ltd.	KRW	35,000	2,297,343
Dongsuh Co., Inc.	KRW	130,000	1,992,953
Total South Korea			4,290,296
Taiwan (4.4%)			
Taiwan Hon Chuan Enterprise Co., Ltd.	TWD	650,000	1,340,833
Taiwan Semiconductor Manufacturing Co., Ltd.	TWD	325,000	1,277,041

	Currency	Shares	Value
Taiwan (continued)			
Taiwan Semiconductor Manufacturing Co., Ltd. ADR	USD	30,000	$ 603,000
Total Taiwan			3,220,874
Turkey (7.0%)			
Ulker Biskuvi Sanayi AS	TRY	250,000	1,915,832
Arcelik AS	TRY	300,000	1,854,362
Aselsan Elektronik Sanayi Ve Ticaret AS	TRY	305,000	1,358,068
Total Turkey			5,128,262
Vietnam (5.5%)			
Nam Long Investment Corp.	VND	1,508,990	1,402,879
Bao Viet Holdings	VND	550,000	957,429
PetroVietnam Drilling and Well Services JSC	VND	205,739	829,917
Vietnam National Reinsurance Corp.	VND	325,800	455,881
Dry Cell & Storage Battery JSC	VND	400,000	438,278
Total Vietnam			4,084,384
TOTAL COMMON STOCKS (Cost $59,651,728)			62,624,214
PREFERRED STOCKS (7.7%)			
Brazil (5.4%)			
Vale SA	BRL	185,000	2,197,018
Banco Bradesco SA, ADR	USD	120,000	1,784,400
Total Brazil			3,981,418
South Korea (2.3%)			
Samsung Electronics Co., Ltd.	KRW	1,700	1,709,485
Total South Korea			1,709,485
TOTAL PREFERRED STOCKS (Cost $5,645,586)			5,690,903

	Currency	Rate	Maturity Date	Principal Amount	Value
FOREIGN CURRENCY GOVERNMENT BONDS (3.6%)					
Brazil (1.3%)					
Brazilian Government International Bond	BRL	10.25%	01/10/28	2,000,000	$ 959,749
Total Brazil					959,749
Indonesia (1.1%)					
Indonesia Treasury Bond, Series FR70	IDR	8.38%	03/15/24	9,000,000,000	798,101
Total Indonesia					798,101
Turkey (1.2%)					
Turkey Government Bond	TRY	8.80%	09/27/23	2,000,000	924,818
Total Turkey					924,818
TOTAL FOREIGN CURRENCY GOVERNMENT BONDS (Cost $2,391,632)					2,682,668
USD CONVERTIBLE BONDS (1.5%)					
Singapore (1.5%)					
Olam International, Ltd.	USD	6.00%	10/15/16	$ 1,000,000	1,076,250
Total Singapore					1,076,250
TOTAL USD CONVERTIBLE BONDS (Cost $1,042,555)					1,076,250
TOTAL INVESTMENTS (Cost $68,731,501) (97.7%)					$ 72,074,035
Cash and Other Assets, Less Liabilities (2.3%)					1,730,636
NET ASSETS (100.0%)					$ 73,804,671

(a) *Non-income producing security.*

Certain securities were fair valued in good faith through consideration of other factors in accordance with procedures established by and under the general supervision of the Board of Trustees (Note 2).

Currency Abbreviations

BRL	-	*Brazil Real*
CLP	-	*Chile Peso*
HKD	-	*Hong Kong Dollar*
IDR	-	*Indonesia Rupiah*
INR	-	*India Rupee*
JPY	-	*Japan Yen*
KRW	-	*South Korea Won*
MXN	-	*Mexico Peso*
MYR	-	*Malaysia Ringgit*
PLN	-	*Poland Zloty*
SGD	-	*Singapore Dollar*
TRY	-	*Turkey Lira*
TWD	-	*Taiwan New Dollar*
USD	-	*United States Dollar*
VND	-	*Vietnam Dong*
ZAR	-	*South Africa Rand*

Common Abbreviations:

ADR	-	*American Depositary Receipt.*
AS	-	*Andonim Sirketi, Joint Stock Company in Turkey.*
Bhd	-	*Berhad, Public Limited Company in Malaysia.*
JSC	-	*Joint Stock Company.*
Ltd.	-	*Limited.*
SA	-	*Generally designates corporations in various countries, mostly those employing the civil law. This translates literally in all languages mentioned as anonymous company.*
SAB de CV	-	*A variable capital company.*
Tbk PT	-	*Terbuka is the Indonesian term for limited liability company.*

Holdings are subject to change.

For Fund compliance purposes, the Fund's geographical classifications refer to any one or more of the sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine sub-classifications for reporting ease. Geographical regions are shown as a percentage of net assets.

See Accompanying Notes to Financial Statements.

ASSETS:		
Investments, at value	$	72,074,035
Cash		948,828
Foreign currency, at value (Cost $186,991)		188,982
Receivable for investments sold		971,531
Receivable for shares sold		394,373
Interest and dividends receivable		324,043
Prepaid expenses and other assets		15,000
Total Assets		74,916,792
LIABILITIES:		
Payable for investments purchased		918,866
Foreign capital gains tax		73,114
Administrative fees payable		14,456
Shareholder service plan fees payable		16,449
Payable for shares redeemed		4,602
Investment advisory fees payable		35,660
Trustee fees and expenses payable		492
Audit and tax fees payable		16,489
Accrued expenses and other liabilities		31,993
Total Liabilities		1,112,121
NET ASSETS	$	73,804,671
NET ASSETS CONSIST OF:		
Paid-in capital (Note 5)	$	70,566,085
Accumulated net investment loss		(233,636)
Accumulated net realized gain on investments and foreign currency transactions		200,019
Net unrealized appreciation on investments and translation of assets and liabilities in foreign currencies		3,272,203
NET ASSETS	$	73,804,671
INVESTMENTS, AT COST	$	68,731,501
PRICING OF SHARES		
Investor Class:		
Net Asset Value, offering and redemption price per share	$	11.58
Net Assets	$	27,180,720
Shares of beneficial interest outstanding		2,347,204
Institutional Class:		
Net Asset Value, offering and redemption price per share	$	11.59
Net Assets	$	46,623,951
Shares of beneficial interest outstanding		4,022,993

See Accompanying Notes to Financial Statements.

For the Year Ended April 30, 2014

INVESTMENT INCOME:	
Dividends	$ 1,446,249
Foreign taxes withheld on dividends	(123,162)
Interest and other income	70,570
Foreign taxes withheld on interest	(5,121)
Total investment income	1,388,536
EXPENSES:	
Investment advisory fees (Note 6)	380,980
Administrative and transfer agency fees	201,230
Co-administrative and shareholder servicing fees	
Investor Class	8,054
Institutional Class	2,043
Trustee fees and expenses	1,730
Registration/filing fees	36,531
Shareholder service plan fees	
Investor Class	34,654
Institutional Class	8,779
Legal fees	2,902
Audit fees	17,493
Reports to shareholders and printing fees	6,977
Custody fees	49,860
Miscellaneous	14,453
Total expenses	765,686
Less fees waived/reimbursed by investment advisor (Note 6)	
Investor Class	(95,961)
Institutional Class	(71,701)
Total net expenses	598,024
NET INVESTMENT INCOME:	790,512
Net realized gain on investments	583,856
Net realized loss on foreign currency transactions	(111,089)
Net change in unrealized appreciation on investments (net of foreign capital gains tax of $13,032)	471,616
Net change in unrealized appreciation on translation of assets and liabilities in foreign currency transactions	2,720
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY TRANSLATIONS	947,103
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ 1,737,615

See Accompanying Notes to Financial Statements.

	Year Ended April 30, 2014	Year Ended April 30, 2013
OPERATIONS:		
Net investment income	$ 790,512	$ 193,701
Net realized gain on investments and foreign currency transactions	472,767	691,065
Net change in unrealized appreciation on investments and foreign currency translations	474,336	2,787,668
Net increase in net assets resulting from operations	1,737,615	3,672,434
DISTRIBUTIONS TO SHAREHOLDERS (NOTE 3):		
From net investment income		
Investor Class	$ (585,611)	$ (112,900)
Institutional Class	(308,771)	(49,868)
From net realized gains on investments		
Investor Class	(654,807)	(867)
Institutional Class	(316,013)	(254)
Net decrease in net assets from distributions	(1,865,202)	(163,889)
BENEFICIAL INTEREST TRANSACTIONS (NOTE 5):		
Shares sold		
Investor	$ 18,789,915	$ 28,091,620
Institutional	41,977,026	9,669,354
Dividends reinvested		
Investor	1,190,349	110,846
Institutional	611,803	46,662
Shares Redeemed, net of redemption fees		
Investor	(18,143,918)	(5,803,722)
Institutional	(8,326,537)	(579,535)
Net increase in net assets derived from beneficial interest transactions	36,098,638	31,535,225
Net increase in net assets	$ 35,971,051	$ 35,043,770
NET ASSETS:		
Beginning of period	$ 37,833,620	$ 2,789,850
End of period (including accumulated net investment income/(loss) of $(233,636) and $60,497, respectively)	$ 73,804,671	$ 37,833,620

	Year Ended April 30, 2014	Year Ended April 30, 2013
Other Information:		
SHARE TRANSACTIONS:		
Investor Class		
Sold	1,651,517	2,566,567
Distributions reinvested	105,435	10,140
Redeemed	(1,622,659)	(505,665)
Net increase in shares outstanding	134,293	2,071,042
Institutional Class		
Sold	3,748,511	878,414
Distributions reinvested	54,211	4,298
Redeemed	(743,914)	(50,808)
Net increase in shares outstanding	3,058,808	831,904

See Accompanying Notes to Financial Statements.

For a share outstanding through the periods presented

Investor Class	Year Ended April 30, 2014	Year Ended April 30, 2013	For the Period February 15, 2012 (Inception) to April 30, 2012
NET ASSET VALUE, BEGINNING OF PERIOD	$ 11.91	$ 10.18	$ 10.00
INCOME FROM OPERATIONS:			
Net investment income[(a)]	0.19	0.10	0.05
Net realized and unrealized gain on investments	0.02	1.74	0.13
Total from investment operations	0.21	1.84	0.18
LESS DISTRIBUTIONS:			
From net investment income	(0.26)	(0.11)	–
From net realized gains on investments	(0.28)	(0.00)[(b)]	–
Total distributions	(0.54)	(0.11)	–
REDEMPTION FEES ADDED TO PAID IN CAPITAL	0.00[(c)]	0.00[(c)]	–
NET INCREASE/(DECREASE) IN NET ASSET VALUE	(0.33)	1.73	0.18
NET ASSET VALUE, END OF PERIOD	$ 11.58	$ 11.91	$ 10.18
TOTAL RETURN[(d)]	1.93%	18.24%	1.80%
SUPPLEMENTAL DATA:			
Net assets, end of period (in 000s)	$ 27,181	$ 26,348	$ 1,443
RATIOS TO AVERAGE NET ASSETS:			
Operating expenses excluding reimbursement/waiver	1.78%	2.82%	18.96%[(e)]
Operating expenses including reimbursement/waiver	1.40%	1.49%	1.60%[(e)]
Net investment income including reimbursement/waiver	1.66%	0.90%	2.61%[(e)]
PORTFOLIO TURNOVER RATE[(f)]	51%	39%	5%

(a) *Calculated using the average shares method.*
(b) *Less than $(0.005) per share.*
(c) *Less than $0.005 per share.*
(d) *Total returns are for the period indicated and have not been annualized. Total returns would have been lower had certain expenses not been waived during the period. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.*
(e) *Annualized.*
(f) *Portfolio turnover rate for periods less than one full year have not been annualized.*

See Accompanying Notes to Financial Statements.

For a share outstanding through the periods presented

Institutional Class	Year Ended April 30, 2014	Year Ended April 30, 2013	For the Period February 15, 2012 (Inception) to April 30, 2012
NET ASSET VALUE, BEGINNING OF PERIOD	$ 11.91	$ 10.18	$ 10.00
INCOME FROM OPERATIONS:			
Net investment income[a]	0.21	0.14	0.04
Net realized and unrealized gain on investments	0.02	1.71	0.14
Total from investment operations	0.23	1.85	0.18
LESS DISTRIBUTIONS:			
From net investment income	(0.27)	(0.12)	–
From net realized gains on investments	(0.28)	(0.00) [b]	–
Total distributions	(0.55)	(0.12)	–
REDEMPTION FEES ADDED TO PAID IN CAPITAL	0.00 [c]	0.00 [c]	–
NET INCREASE/(DECREASE) IN NET ASSET VALUE	(0.32)	1.73	0.18
NET ASSET VALUE, END OF PERIOD	$ 11.59	$ 11.91	$ 10.18
TOTAL RETURN[d]	2.12%	18.33%	1.80%
SUPPLEMENTAL DATA:			
Net assets, end of period (in 000s)	$ 46,624	$ 11,486	$ 1,346
RATIOS TO AVERAGE NET ASSETS:			
Operating expenses excluding reimbursement/waiver	1.61%	2.88%	21.65% [e]
Operating expenses including reimbursement/waiver	1.25%	1.35%	1.45% [e]
Net investment income including reimbursement/waiver	1.89%	1.28%	2.00% [e]
PORTFOLIO TURNOVER RATE[f]	51%	39%	5%

(a) *Calculated using the average shares method.*
(b) *Less than $(0.005) per share.*
(c) *Less than $0.005 per share.*
(d) *Total returns are for the period indicated and have not been annualized. Total returns would have been lower had certain expenses not been waived during the period. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.*
(e) *Annualized.*
(f) *Portfolio turnover rate for periods less than one full year have not been annualized.*

See Accompanying Notes to Financial Statements.

1. ORGANIZATION

Financial Investors Trust (the "Trust"), a Delaware statutory trust, is an open-end management investment company registered under the Investment Company Act of 1940, as amended ("1940 Act"). As of April 30, 2014, the Trust had 30 registered funds. This annual report describes the Seafarer Overseas Growth and Income Fund (the "Fund"). The Fund seeks to provide long-term capital appreciation along with some current income; it also seeks to mitigate adverse volatility in returns. The Fund offers Investor Class and Institutional Class shares. All classes of shares have identical rights to earnings, assets and voting privileges, except for class specific expenses and exclusive rights to vote on matters affecting only individual classes.

2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund in preparation of its financial statements.

Investment Valuation: The Fund generally values its securities based on market prices determined at the close of regular trading on the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern Time, on each day the NYSE is open for trading.

For equity securities and mutual funds that are traded on an exchange, the market price is usually the closing sale or official closing price on that exchange. In the case of equity securities not traded on an exchange, or if such closing prices are not otherwise available, the securities are valued at the mean of the most recent bid and ask prices on such day. Redeemable securities issued by open-end registered investment companies are valued at the investment company's applicable net asset value, with the exception of exchange-traded open-end investment companies, which are priced as equity securities.

Equity securities that are primarily traded on foreign securities exchanges are valued at the closing values of such securities on their respective foreign exchanges, except when an event occurs subsequent to the close of the foreign exchange but before the close of the NYSE, such that the securities' value would likely change. In such an event, the fair values of those securities are determined in good faith through consideration of other factors in accordance with procedures established by and under the general supervision of the Board of Trustees (the "Board"). The Fund will use a fair valuation model provided by an independent pricing service, which is intended to reflect fair value when a security's value or a meaningful portion of the Fund's portfolio is believed to have been materially affected by a valuation event that has occurred between the close of the exchange or market on which the security is traded and the close of the regular trading day on the NYSE. The Fund's valuation procedures set forth certain triggers that inform the Fund when to use the fair valuation model.

The market price for debt obligations is generally the price supplied by an independent third-party pricing service approved by the Board which may use a matrix, formula or other objective method that takes into consideration quotations from dealers, market transactions in comparable investments, market indices and yield curves. If vendors are unable to supply a price, or if the price supplied is deemed to be unreliable, the market price may be determined using quotations received from one or more broker–dealers that make a market in the security. Short–term debt obligations that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value.

Forward currency exchange contracts have a market value determined by the prevailing foreign currency exchange daily rates and current foreign currency exchange forward rates. The foreign currency exchange forward rates are calculated using an automated system that estimates rates on the basis of the current day foreign currency exchange rates and forward foreign currency exchange rates supplied by a pricing service.

When such prices or quotations are not available, or when the Fair Value Committee appointed by the Board believes that they are unreliable, securities may be priced using fair value procedures approved by the Board.

Certain foreign countries impose a tax on capital gains which is accrued by the Fund based on unrealized appreciation, if any, on affected securities. The tax is paid when the gain is realized.

Fair Value Measurements: The Fund discloses the classification of its fair value measurements following a three-tier hierarchy based on the inputs used to measure fair value. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Such inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability, which are developed based on the information available and the reporting entity's best efforts to interpret such information.

Various inputs are used in determining the value of the Fund's investments as of the end of the reporting period. When inputs used fall into different levels of the fair value hierarchy, the level in the hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The designated input levels are not necessarily an indication of the risk or liquidity associated with these investments. These inputs are categorized in the following hierarchy under applicable financial accounting standards:

Level 1 – Unadjusted quoted prices in active markets for identical investments, unrestricted assets or liabilities that a Fund has the ability to access at the measurement date;

Level 2 – Quoted prices which are not active, quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and

Level 3 – Significant unobservable prices or inputs (including the Fund's own assumptions in determining the fair value of investments) where there is little or no market activity for the asset or liability at the measurement date.

The following is a summary of each input used to value the Fund as of April 30, 2014:

Investments in Securities at Value[a]	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Common Stocks				
Brazil	$ 5,490,571	$ –	$ –	$ 5,490,571
Chile	1,572,839	–	–	1,572,839
China / Hong Kong	–	9,830,469	–	9,830,469
India	2,844,473	2,185,110	–	5,029,583
Indonesia	–	1,932,877	–	1,932,877
Japan	–	3,557,683	–	3,557,683
Malaysia	1,475,470	1,210,513	–	2,685,983
Mexico	3,545,140	–	–	3,545,140
Poland	–	4,284,766	–	4,284,766
Singapore	–	6,852,669	–	6,852,669
South Africa	1,117,818	–	–	1,117,818
South Korea	–	4,290,296	–	4,290,296
Taiwan	603,000	2,617,874	–	3,220,874
Turkey	–	5,128,262	–	5,128,262
Vietnam	4,084,384	–	–	4,084,384
Preferred Stocks	3,981,418	1,709,485	–	5,690,903
Foreign Currency				
Government Bonds	–	2,682,668	–	2,682,668
USD Convertible Bonds	–	1,076,250	–	1,076,250
Total	$ 24,715,113	$ 47,358,922	$ –	$ 72,074,035

[a] *For detailed descriptions of countries, see the accompanying Portfolio of Investments.*

The Fund recognizes transfers between levels as of the end of the period. For the year ended April 30, 2014, the Fund did not have any securities that used significant unobservable inputs (Level 3) in determining fair value.

Security amounts the Fund transferred between Levels 1 and 2 at April 30, 2014 were as follows:

	Level 1 - Quoted Prices		Level 2 - Other Significant Observable Inputs	
	Transfers In	Transfers (Out)	Transfers In	Transfers (Out)
Common Stocks	$ –	$ (3,507,856)	$ 3,507,856	$ –
Total	$ –	$ (3,507,856)	$ 3,507,856	$ –

The above transfers were due to the Fund utilizing a fair value evaluation service with respect to international securities with an earlier market closing than the Fund's net asset value computation cutoff. When events trigger the use of the fair value evaluation service on a reporting date, it results in certain securities transferring from a Level 1 to a Level 2.

Investment Transactions and Investment Income: Investment transactions are accounted for on the date the investments are purchased or sold (trade date). Realized gains and losses from investment transactions are reported on an identified cost basis. Interest income, which includes accretion of discounts and amortization of premiums, is accrued and recorded as earned. Dividend income is recognized on the ex-dividend date or for certain foreign securities, as soon as information is available to the Fund. All of the realized and unrealized gains and losses and net investment income are allocated daily to each class in proportion to its average daily net assets.

Foreign Securities: The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible reevaluation of currencies, the inability to repatriate foreign currency, less complete financial information about companies and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. issuers.

Foreign Currency Translation: The books and records of the Fund are maintained in U.S. dollars. Investment valuations and other assets and liabilities initially expressed in foreign currencies are converted each business day into U.S. dollars based upon current exchange rates. Prevailing foreign exchange rates may generally be obtained at the close of the NYSE (normally, 4:00 p.m. Eastern time). The portion of realized and unrealized gains or losses on investments due to fluctuations in foreign currency exchange rates is not separately disclosed and is included in realized and unrealized gains or losses on investments, when applicable.

Foreign Currency Spot Contracts: The Fund may enter into foreign currency spot contracts to facilitate transactions in foreign securities or to convert foreign currency receipts into U.S. dollars. A foreign currency spot contract is an agreement between two parties to buy and sell currencies at the current market rate, for settlement generally within two business days. The U.S. dollar value of the contracts is determined using current currency exchange rates supplied by a pricing service. The contract is marked-to-market daily for settlements beyond one day and any change in market value is recorded as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value on the open and close date. Losses may arise from changes in the value of the foreign currency, or if the counterparties do not perform under the contract's terms. The maximum potential loss from such contracts is the aggregate face value in U.S. dollars at the time the contract was opened.

Trust Expenses: Some expenses of the Trust can be directly attributed to the Fund. Expenses which cannot be directly attributed to the Fund are apportioned among all funds in the Trust based on average net assets of each fund.

Fund and Class Expenses: Expenses that are specific to the Fund or class of shares of the Fund are charged directly to the Fund or share class. All expenses of the Fund, other than class specific expenses, are allocated daily to each class in proportion to its average daily net assets. Fees provided under the shareholder service plans for a particular class of the Fund are charged to the operations of such class.

Federal Income Taxes: The Fund complies with the requirements under Subchapter M of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and intends to distribute substantially all of its net taxable income and net capital gains, if any, each year so that it will not be subject to excise tax on undistributed income and gains. The Fund is not subject to income taxes to the extent such distributions are made.

As of and during the year ended April 30, 2014, the Fund did not have a liability for any unrecognized tax benefits. The Fund files U.S. federal, state, and local tax returns as required. The Fund's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return for federal purposes and four years for most state returns. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Distributions to Shareholders: The Fund normally pays dividends from net investment income, if any, on a semi-annual basis. The Fund normally distributes capital gains, if any, on an annual basis. Income dividend distributions are derived from interest and other income the Fund receives from its investments, including short term capital gains. Long term capital gain distributions are derived from gains realized when the Fund sells a security it has owned for more than one year. The Fund may make additional distributions and dividends at other times if the adviser believes doing so may be necessary for the Fund to avoid or reduce taxes.

3. TAX BASIS INFORMATION

Reclassifications: As of April 30, 2014, permanent differences in book and tax accounting were reclassified. These differences had no effect on net assets and were primarily attributed to redemption distributions, PFICs and foreign currency. The reclassifications were as follows:

	Paid-in Capital	Accumulated Net Investment Loss	Accumulated Net Realized Gain on Investments
Seafarer Overseas Growth and Income Fund	$ 197,663	$ (190,263)	$ (7,400)

Tax Basis of Investments: As of April 30, 2014, the aggregate cost of investments, gross unrealized appreciation/ (depreciation) and net unrealized appreciation for Federal tax purposes were as follows:

	Cost of Investments	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Depreciation on Foreign Currencies	Net Unrealized Appreciation
Seafarer Overseas Growth and Income Fund	$ 69,280,319	$ 5,134,674	$ (2,340,958)	$ (70,331)	$ 2,723,385

Components of Earnings: As of April 30, 2014, components of distributable earnings were as follows:

Undistributed ordinary income	$ 144,172
Accumulated capital gains	371,029
Net unrealized appreciation on investments	2,723,385
Total distributable earnings	$ 3,238,586

Capital Losses: As of April 30, 2014, the Fund has no accumulative capital loss carryforwards.

Tax Basis of Distributions to Shareholders: The character of distributions made during the year from net investment income or net realized gains may differ from its ultimate characterization for federal income tax purposes. Also, due to the timing of dividend distributions, the fiscal year in which amounts are distributed may differ from the fiscal year in which the income or realized gain is recorded by the Fund.

The tax character of distributions paid by the Fund for the fiscal year ended April 30, 2014, were as follows:

	Ordinary Income	Long-Term Capital Gain
Seafarer Overseas Growth and Income Fund	$ 1,543,197	$ 322,005

The tax character of distributions paid by the Fund for the fiscal year ended April 30, 2013, were as follows:

	Ordinary Income	Long-Term Capital Gain
Seafarer Overseas Growth and Income Fund	$ 163,889	$ –

4. SECURITIES TRANSACTIONS

The cost of purchases and proceeds from sales of securities excluding short term securities during the year ended April 30, 2014, were as follows:

	Purchases of Securities	Proceeds From Sales of Securities
Seafarer Overseas Growth and Income Fund	$ 56,471,972	$ 22,689,192

5. SHARES OF BENEFICIAL INTEREST

The capitalization of the Trust consists of an unlimited number of shares of beneficial interest with no par value per share. Holders of the shares of the Fund of the Trust have one vote for each share held and a proportionate fraction of a vote for each fractional share. All shares issued and outstanding are fully paid and are non-assessable, transferable and redeemable at the option of the shareholder. Shares have no pre-emptive rights.

Shares redeemed within 90 days of purchase may incur a 2% short-term redemption fee deducted from the redemption amount. The redemption fee is reflected in the "Shares redeemed, net of redemption fees" in the Statements of Changes in Net Assets. During the year ended April 30, 2014 and the year ended April 30, 2013, the Fund retained the following redemption fees:

Fund	For the Year Ended April 30, 2014	For the Year Ended April 30, 2013
Seafarer Overseas Growth and Income Fund - Investor	$ 9,035	$ 5,490
Seafarer Overseas Growth and Income Fund - Institutional	$ 3,790	$ 928

6. MANAGEMENT AND RELATED-PARTY TRANSACTIONS

Seafarer Capital Partners, LLC (the "Adviser"), subject to the authority of the Board, is responsible for the overall management and administration of the Fund's business affairs. The Adviser manages the investments of the Fund in accordance with the Fund's investment objective, policies, limitations and investment guidelines established jointly by the Adviser and the Trustees. Pursuant to the Advisory Agreement, (the "Advisory Agreement"), the Fund pays the Adviser an annual management fee of 0.85%, based on the Fund's average daily net assets. The management fee is paid on a monthly basis. Effective January 15, 2013, the Adviser voluntarily agreed to waive a portion of its management fee payable by the Fund so that such fee was reduced to 0.75% of the Fund's average daily net assets. This voluntary arrangement expired on August 31, 2013. Effective September 1, 2014, the Adviser has agreed to reduce its management fee to 0.75% annually, based on the Fund's average daily net assets.

From the inception of the Fund through August 31, 2013, the Adviser contractually agreed to limit certain Fund expenses (exclusive of acquired fund fees and expenses, brokerage expenses, interest expenses, taxes and extraordinary expenses) to 1.60% and 1.45% of the Fund's average daily net assets in the Investor and Institutional share classes, respectively. Effective January 15, 2013, the Adviser voluntarily agreed to further limit such Fund expenses to 1.40% and 1.25% of the Fund's average daily net assets in the Investor and Institutional share classes, respectively. Effective September 1, 2013, the Adviser contractually agreed to limit certain Fund expenses (exclusive of brokerage expenses, interest expenses, taxes and extraordinary expenses) to 1.40% and 1.25% of the Fund's average daily net assets in the Investor and Institutional share classes, respectively, through August 31, 2014. Effective September 1, 2014, the Adviser has contractually agreed to limit such Fund expenses to 1.25% and 1.05% of the Fund's average daily net assets in the Investor and Institutional share classes, respectively, through August 31, 2015, at which point this agreement may be extended further. The Fund may have to repay some of these waivers and reimbursements to the Adviser in the following three years. Pursuant to the expense limitation agreement between the Adviser and the Trust, the Fund will reimburse the Adviser for any contractual fee waivers and expense reimbursements made by the Adviser, provided that any such reimbursements made by the Fund to the Adviser will not cause the Fund's expense limitation to exceed expense limitations in existence at the time the expense was incurred, or at the time of the reimbursement, whichever is lower, and the reimbursement is made within three years after the end of the fiscal year in which fees or expenses were incurred.

For the year ended April 30, 2014, the fee waivers and/or reimbursements were as follows:

Fund	Fees Waived/ Reimbursed By Adviser	Total
Seafarer Overseas Growth and Income Fund		
Investor Class	$ 95,961	$ 95,961
Institutional Class	71,701	71,701

As of April 30, 2014, the balances of recoupable expenses for each class were as follows:

Fund	Expires 2015	Expires 2016	Expires 2017	Total
Seafarer Overseas Growth and Income Fund				
Investor Class	$ 22,136	$ 177,710	$ 89,143	$ 288,989
Institutional Class	51,869	78,354	66,379	196,602

Fund Administrator Fees and Expenses

ALPS Fund Services, Inc. ("ALPS" and the "Administrator") (an affiliate of ALPS Distributors, Inc.) provides administrative, fund accounting and other services to the Fund under the Administration, Bookkeeping and Pricing Services Agreement with the Trust. Under this Agreement, ALPS is paid fees by the Fund, accrued on a daily basis and paid on a monthly basis following the end of the month, based on the greater of (a) an annual total fee of $143,000 (subject to an annual cost of living increase), or (b) the following fee schedule:

Average Total Net Assets	Contractual Fee
Between $0-$500M	0.05%
$500M-$1B	0.03%
Above $1B	0.02%

The Administrator is also reimbursed by the Fund for certain out-of-pocket expenses.

Administrative and Shareholder Services

From the inception of the Fund through August 31, 2013, the Adviser provided administrative and shareholder services to the Fund under the Co-Administration and Shareholder Services Agreement with the Trust. Under this Agreement, the Adviser was entitled to fees, accrued on a daily basis and paid on a monthly basis following the end of the month, of 0.10% of the average daily net assets of the Investor Class and 0.05% of the average daily net assets of the Institutional Class, and was reimbursed for certain out-of-pocket expenses. Effective September 1, 2013, the Co-Administration and Shareholder Services Agreement with the Trust was terminated with the approval of the Board of Trustees. The Adviser continues to provide the administrative and shareholder services to the Fund that were described under the Agreement, but the Adviser does not receive an Administrative and Shareholder Servicing Fee for doing so.

Transfer Agent

ALPS serves as transfer, dividend paying and shareholder servicing agent for the Fund ("Transfer Agent"). ALPS is compensated based upon a $25,000 annual base fee for the Fund, and annually $9 per direct open account and $7 per open account through NSCC. The Transfer Agent is also reimbursed by the Fund for certain out-of-pocket expenses.

Compliance Services

ALPS provides services that assist the Trust's Chief Compliance Officer in monitoring and testing the policies and procedures of the Trust in conjunction with requirements under Rule 38a-1 under the 1940 Act under the Chief Compliance Officer Services Agreement with the Trust. Under this Agreement, the Adviser pays ALPS an annual base fee of $30,000 and reimburses ALPS for certain out-of-pocket expenses.

Principal Financial Officer

ALPS provides principal financial officer services to the Fund under the Principal Financial Officer Services Agreement with the Trust. Under this Agreement, the Adviser pays ALPS an annual base fee of $10,000 and reimburses ALPS for certain out-of-pocket expenses.

Distributor

ALPS Distributors, Inc. ("ADI" or the "Distributor") (an affiliate of ALPS) acts as the distributor of the Fund's shares pursuant to the Distribution Agreement with the Trust. Under this agreement, the Adviser pays ADI an annual base fee of $12,000 and reimburses ADI for certain out-of-pocket expenses. Shares are sold on a continuous basis by ADI as agent for the Fund, and ADI has agreed to use its best efforts to solicit orders for the sale of the Fund's shares, although it is not obliged to sell any particular amount of shares. ADI is registered as a broker-dealer with the Securities and Exchange Commission.

Shareholder Service Plan for Investor Class and Institutional Class Shares

The Fund has adopted a shareholder service plan (a "Service Plan") for each of its share classes. Under the Service Plan, the Fund is authorized to enter into shareholder service agreements with investment advisors, financial institutions and other service providers ("Participating Organizations") to maintain and provide certain administrative and servicing functions in relation to the accounts of shareholders. The Service Plan will cause the Fund to pay an aggregate fee, not to exceed on an annual basis 0.15% and 0.05% of the average daily net asset value of the Investor and Institutional share classes, respectively. Such payment will be made on assets attributable to or held in the name of a Participating Organization, on behalf of its clients as compensation for providing service activities pursuant to an agreement with a Participating Organization. Any amount of such payment not paid during the Fund's fiscal year for such service activities shall be reimbursed to the Fund as soon as practicable after the end of the fiscal year.

7. INDEMNIFICATIONS

Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liability arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust enters into contracts with service providers that may contain general indemnification clauses, which may permit indemnification to the extent permissible under the applicable law. The Trust's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred.

8. NEW ACCOUNTING PRONOUNCEMENTS

In June 2013, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2013-08, Financial Services-Investment Companies (Topic 946): Amendments to the Scope, Measurement, and Disclosure Requirements. The FASB standard identifies characteristics a company must assess to determine whether it is considered an investment company for financial reporting purposes. This ASU is effective for fiscal years beginning after December 15, 2013. The Fund believes the adoption of this ASU will not have a material impact on its financial statements.

To the Shareholders and Board of Trustees of Financial Investors Trust:

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of Seafarer Overseas Growth and Income Fund (the “Fund”), one of the portfolios constituting Financial Investors Trust, as of April 30, 2014, 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 two years in the period then ended and for the period from February 15, 2012 (inception) to April 30, 2012. These financial statements and financial highlights are the responsibility of the Fund’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 Fund is not required to have, nor were we engaged to perform, an audit of its 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 Fund’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of April 30, 2014, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. 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 Seafarer Overseas Growth and Income Fund of Financial Investors Trust as of April 30, 2014, the results of its operations for the year then ended, and 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 two years in the period then ended and for the period from February 15, 2012 (inception) to April 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Denver, Colorado

June 26, 2014

On December 10, 2013, the Trustees met in person to discuss, among other things, the approval of the investment advisory agreement between the Trust and Seafarer Capital Partners, LLC ("Seafarer") (the "Investment Advisory Agreement"), in accordance with Section 15(c) of the 1940 Act. The Independent Trustees met with independent legal counsel during executive session and discussed the Investment Advisory Agreement and other related materials.

In renewing and approving the Investment Advisory Agreement with Seafarer, the Trustees, including the Independent Trustees, considered the following factors with respect to the Seafarer Overseas Growth and Income Fund (the "Seafarer Fund" or the "Fund"):

Investment Advisory Fee Rate: The Trustees reviewed and considered the contractual annual advisory fee to be paid by the Trust, on behalf of the Seafarer Fund, to Seafarer of 0.85% of the Seafarer Fund's daily average net assets, in light of the extent and quality of the advisory services to be provided by Seafarer to the Seafarer Fund. The Trustees noted that Seafarer had voluntarily lowered the total net expense ratio for each share class of the Seafarer Fund by revising its agreement to waive fees and/or reimburse expenses, and had also cancelled its Co-Administration and Shareholder Services Agreement in light of the growth of the Fund.

The Trustees considered the information they received comparing the Seafarer Fund's contractual annual advisory fee and overall net expenses with those of funds in the relevant expense peer group provided by an independent provider of investment company data.

Based on such information, the Trustees determined that the contractual annual advisory fee of 0.85% of the daily average net assets of the Seafarer Fund and the total net expense ratio, after fee waivers and/or expense reimbursements, of 1.40% and 1.25% for the Investor Class and Institutional Class, respectively, of the Seafarer Fund, compared favorably to the respective peer group median, and were reasonable in light of the generally favorable performance of the Fund compared to its peer universe.

Nature, Extent and Quality of the Services under the Advisory Agreement: The Trustees received and considered information regarding the nature, extent and quality of services provided to the Seafarer Fund under the Investment Advisory Agreement. The Trustees reviewed certain background materials supplied by Seafarer in its presentation, including its Form ADV, financial statements and Compliance Policies.

The Trustees reviewed and considered Seafarer's investment advisory personnel, its history as an asset manager, its performance and the amount of assets currently under management by Seafarer. The Trustees also reviewed the research and decision-making processes utilized by Seafarer, including the methods adopted to seek to achieve compliance with the investment objectives, policies and restrictions of the Seafarer Fund.

The Trustees considered the background and experience of Seafarer's management in connection with the Seafarer Fund including reviewing the qualifications, backgrounds and responsibilities of the management team primarily responsible for the day-to-day portfolio management of the Seafarer Fund and the extent of the resources devoted to research and analysis of actual and potential investments.

The Trustees also reviewed the accompanying Compliance-related materials and further noted that they have received reports on these services and Compliance issues at each regular Board meeting throughout the year related to the services rendered by Seafarer with respect to the Seafarer Fund.

Performance: The Trustees reviewed performance information for the Seafarer Fund for the three-month, 1-year and since inception periods ended September 30, 2013. That review included a comparison of the Seafarer Fund's performance to the performance of a universe of comparable funds selected by an independent provider of investment company data. The Trustees noted the generally favorable performance of the Seafarer Fund compared to funds identified by an independent provider of investment company data.

The Adviser's Profitability: The Trustees received a profitability analysis prepared by Seafarer based on the fees payable under the Advisory Agreement. Although the Fund is not yet profitable to Seafarer, the Trustees considered the statements made by Seafarer regarding its ongoing commitment to the Fund. The Board then reviewed Seafarer's financial statements in order to analyze the financial condition and stability and profitability of Seafarer.

Economies of Scale: The Trustees considered whether economies of scale in the provision of services to the Seafarer Fund will be passed along to the shareholders under the Investment Advisory Agreement. The Board noted that Seafarer had reduced the net total expenses applicable to the Seafarer Fund through its agreement to waive fees and/or reimburse expenses, and cancelled its Co-Administration and Shareholder Services Agreement pursuant to which it received a separate fee from the Fund.

Other Benefits to the Adviser: The Trustees reviewed and considered any other benefits derived or to be derived by Seafarer from its relationship with the Seafarer Fund, including soft dollar arrangements.

The Board summarized its deliberations with respect to the Investment Advisory Agreement with Seafarer. In selecting Seafarer and approving the Investment Advisory Agreement and fees under such agreement, the Trustees concluded that no single factor reviewed by the Trustees was identified by the Trustees to be determinative as the principal factor in whether to approve the investment advisory agreement. Further, the Independent Trustees were advised by separate independent legal counsel throughout the process. The Trustees, including all of the Independent Trustees, concluded that:

- the investment advisory fees received by Seafarer with respect to the Seafarer Fund, and the net total expenses after Seafarer's agreement to waive fees and/or reimburse expenses, were generally below that of the median of its peer group;
- the nature, extent and quality of services rendered by Seafarer under the Investment Advisory Agreement were adequate;
- the performance of the Seafarer Fund was generally favorable compared with the performance of the funds in the applicable peer universe provided by an independent provider of investment company data;
- the profit, if any, anticipated to be realized by Seafarer in connection with the operation of the Seafarer Fund is fair to the Trust, bearing in mind Seafarer's commitment to the Seafarer Fund despite any losses; and
- the benefits of any material economies of scale or other benefits accruing to Seafarer in connection with its relationship with the Seafarer Fund had been substantially passed through to shareholders.

Based on the Trustees' deliberations and their evaluation of the information described above, the Trustees, including all of the Independent Trustees, concluded that Seafarer's compensation for investment advisory services is consistent with the best interests of the Seafarer Fund and its shareholders.

1. FUND HOLDINGS

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form N-Q within 60 days after the end of the period. Copies of the Fund's Form N-Q are available without charge on the SEC website at http://www.sec.gov. You may also review and copy the Form N-Q at the SEC's Public Reference Room in Washington, D.C. For more information about the operation of the Public Reference Room, please call the SEC at 1-800-SEC-0330.

2. FUND PROXY VOTING POLICIES, PROCEDURES AND SUMMARIES

The Fund's policies and procedures used in determining how to vote proxies and information regarding how the Fund voted proxies relating to portfolio securities during the most recent prior 12-month period ending June 30 are available without charge, (1) upon request, by calling toll-free (855) 732-9220 and (2) on the SEC's website at http://www.sec.gov.

3. TAX DESIGNATIONS

The Fund designates the following as a percentage of taxable ordinary income distributions, or up to the maximum amount allowable, for the calendar year ended December 31, 2013:

Dividends Received Deduction	Qualified Dividend Income
0.00%	33.83%

The Fund designates foreign taxes paid in the amount of $121,921 and foreign source income in the amount of $1,333,489 for federal income tax purposes for the year ended April 30, 2014.

Pursuant to section 852(b)(3), the Fund designates $438,351 as a long-term capital gain distribution. This amount includes $116,346 of earnings and profits distributed to shareholders on redemptions.

In early 2014, if applicable, shareholders of record received this information for the distributions paid to them by the Fund during the calendar year 2013 via Form 1099. The Fund will notify shareholders in early 2015 of amounts paid to them by the Fund, if any, during the calendar year 2014.

Please consult a tax advisor if you have questions about federal or state income tax laws, or how to prepare your tax returns.

Additional information regarding the Fund's trustees is included in the Statement of Additional Information, which can be obtained without charge by calling 855-732-9220.

INDEPENDENT TRUSTEES

Name, Address* & Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years***	Number of Funds in Fund Complex Overseen by Trustee****	Other Directorships Held by Trustee
Mary K. Anstine, 1940	Trustee	Ms. Anstine was elected at a special meeting of shareholders held on March 21, 1997 and re-elected at a special meeting of shareholders held on August 7, 2009.	Ms. Anstine was President/Chief Executive Officer of HealthONE Alliance, Denver, Colorado, and former Executive Vice President of First Interstate Bank of Denver. Ms. Anstine is also Trustee/Director of AV Hunter Trust and Colorado Uplift Board. Ms. Anstine was formerly a Director of the Trust Bank of Colorado (later purchased and now known as Northern Trust Bank), HealthONE and Denver Area Council of the Boy Scouts of America, and a member of the American Bankers Association Trust Executive Committee.	30	Ms. Anstine is a Trustee of ALPS ETF Trust (21 funds); ALPS Variable Investment Trust (8 funds); Reaves Utility Income Fund (1 fund); and Westcore Trust (12 funds).

* *All communications to Trustees and Officers may be directed to Financial Investors Trust c/o 1290 Broadway, Suite 1100, Denver, CO 80203.*

** *This is the period for which the Trustee or Officer began serving the Trust. Each Trustee and/or Officer serves an indefinite term, until his successor is elected.*

*** *Except as otherwise indicated, each individual has held the office shown or other offices in the same company for the last five years.*

**** *The Fund Complex includes all series of the Trust (currently 30) and any other investment companies for which any Trustee serves as Trustee for and which Seafarer Capital Partners, LLC provides investment advisory services (currently none).*

April 30, 2014 (Unaudited)

INDEPENDENT TRUSTEES

Name, Address* & Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years***	Number of Funds in Fund Complex Overseen by Trustee****	Other Directorships Held by Trustee
John R. Moran, Jr., 1930	Trustee	Mr. Moran was elected at a special meeting of shareholders held on March 21, 1997 and re-elected at a special meeting of shareholders held on August 7, 2009.	Mr. Moran is formerly President and CEO of The Colorado Trust, a private foundation serving the health and hospital community in the state of Colorado. Currently, Mr. Moran is a member of the Treasurer's Investment Advisory Committee for the University of Colorado.	30	None.
Jeremy W. Deems, 1976	Trustee	Mr. Deems was appointed as a Trustee at the March 11, 2008 meeting of the Board of Trustees and elected at a special meeting of shareholders held on August 7, 2009.	Mr. Deems is the Co-Founder, Chief Operations Officer and Chief Financial Officer of Green Alpha Advisors, LLC. Mr. Deems is Co-Portfolio Manager of the Shelton Green Alpha Fund. Prior to joining Green Alpha Advisors, Mr. Deems was CFO and Treasurer of Forward Management, LLC, ReFlow Management Co., LLC, ReFlow Fund, LLC, a private investment fund, and Sutton Place Management, LLC, an administrative services company, from 2004 to June 2007.	30	Mr. Deems is a Trustee of ALPS ETF Trust (21 funds); ALPS Variable Investment Trust (8 funds) and Reaves Utility Income Fund (1 fund).

INDEPENDENT TRUSTEES

Name, Address* & Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years***	Number of Funds in Fund Complex Overseen by Trustee****	Other Directorships Held by Trustee
Jerry G. Rutledge, 1944	Trustee	Mr. Rutledge was elected at a special meeting of shareholders held on August 7, 2009.	Mr. Rutledge is the President and owner of Rutledge's Inc., a retail clothing business. He was from 1994 to 2007 a Regent of the University of Colorado.	30	Mr. Rutledge is a Trustee of Principal Real Estate Income Fund (1 fund), Clough Global Allocation Fund (1 fund), Clough Global Equity Fund (1 fund) and Clough Global Opportunities Fund (1 fund).
Michael "Ross" Shell, 1970	Trustee	Mr. Shell was elected at a special meeting of shareholders held on August 7, 2009.	Mr. Shell is Founder and CEO of Red Idea, LLC, a strategic consulting/early stage venture firm (since June 2008). From 1999 to 2009, he was a part-owner and Director of Tesser, Inc., a brand agency. From December 2005 to May 2008, he was Director, Marketing and Investor Relations, of Woodbourne, a REIT/real estate hedge fund and private equity firm. Prior to this, from May 2004 to November 2005, he worked as a business strategy consultant; from June 2003 to April 2004, he was on the Global Client Services team of IDEO, a product design/innovation firm; and from 1999 to 2003, he was President of Tesser, Inc. Mr. Shell graduated with honors from Stanford University with a degree in Political Science.	30	None.

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** *This is the period for which the Trustee or Officer began serving the Trust. Each Trustee and/or Officer serves an indefinite term, until his successor is elected.*

*** *Except as otherwise indicated, each individual has held the office shown or other offices in the same company for the last five years.*

**** *The Fund Complex includes all series of the Trust (currently 30) and any other investment companies for which any Trustee serves as Trustee for and which Seafarer Capital Partners, LLC provides investment advisory services (currently none).*

INTERESTED TRUSTEE

Name, Address* & Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years***	Number of Funds in Fund Complex Overseen by Trustee****	Other Directorships Held by Trustee
Edmund J. Burke, 1961	Trustee, Chairman and President	Mr. Burke was elected as Chairman at the August 28, 2009 meeting of the Board of Trustees. Mr. Burke was elected as Trustee at a special meeting of shareholders held on August 7, 2009. Mr. Burke was elected President of the Trust at the December 17, 2002 meeting of the Board of Trustees.	Mr. Burke is President and a Director of ALPS Holdings, Inc. ("AHI") (since 2005) and Director of Boston Financial Data Services, Inc. ("BFDS"), ALPS Advisors, Inc. ("AAI"), ALPS Distributors, Inc. ("ADI"), ALPS Fund Services, Inc. ("AFS") and ALPS Portfolio Solutions Distributor, Inc. ("APSD") and from 2001-2008, was President of AAI, ADI, AFS and APSD. Because of his positions with AHI, BFDS, AAI, ADI, AFS and APSD, Mr. Burke is deemed an affiliate of the Trust as defined under the 1940 Act. Mr. Burke is Trustee and President of the Clough Global Allocation Fund (Trustee since 2006; President since 2004); Trustee and President of the Clough Global Equity Fund (Trustee since 2006; President since 2005); Trustee and President of the Clough Global Opportunities Fund (since 2006); Trustee of the Liberty All-Star Equity Fund; and Director of the Liberty All-Star Growth Fund, Inc.	30	Mr. Burke is a Trustee of Clough Global Allocation Fund (1 fund); Clough Global Equity Fund (1 fund); Clough Global Opportunities Fund (1 fund); Trustee of the Liberty All-Star Equity Fund (1 fund); and Director of the Liberty All-Star Growth Fund, Inc. (1 fund).

* *All communications to Trustees and Officers may be directed to Financial Investors Trust c/o 1290 Broadway, Suite 1100, Denver, CO 80203.*

** *This is the period for which the Trustee or Officer began serving the Trust. Each Trustee and/or Officer serves an indefinite term, until his successor is elected.*

*** *Except as otherwise indicated, each individual has held the office shown or other offices in the same company for the last five years.*

**** *The Fund Complex includes all series of the Trust (currently 30) and any other investment companies for which any Trustee serves as Trustee for and which Seafarer Capital Partners, LLC provides investment advisory services (currently none).*

OFFICERS

Name, Address* & Year of Birth	Position(s) Held with Fund	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years***
Kimberly R. Storms, 1972	Treasurer	Ms. Storms was elected Treasurer of the Trust at the March 12, 2013 meeting of the Board of Trustees.	Ms. Storms is Senior Vice President - Director of Fund Administration of ALPS. Ms. Storms joined ALPS in 1998 as Assistant Controller. Because of her position with ALPS, Ms. Storms is deemed an affiliate of the Trust as defined under the 1940 Act. Ms. Storms is also Treasurer of BPV Family of Funds and ALPS Series Trust; Assistant Treasurer of Liberty All-Star Equity Fund and Liberty All-Star Growth Fund, Inc.; Assistant Treasurer of Tilson Funds; and Chief Financial Officer of The Arbitrage Funds.
David T. Buhler, 1971	Secretary	Mr. Buhler was elected Secretary of the Trust at the September 11, 2012 meeting of the Board of Trustees.	Mr. Buhler joined ALPS in June 2010. He is currently Vice President and Senior Associate Counsel of ALPS, AAI, ADI and APSD. Prior to joining ALPS, Mr. Buhler served as Associate General Counsel and Assistant Secretary of Founders Asset Management LLC from 2006 to 2009. Because of his position with ALPS, Mr. Buhler is deemed an affiliate of the Trust as defined under the 1940 Act. Mr. Buhler is also the Secretary ALPS Variable Investment Trust and Westcore Trust.
Ted Uhl, 1974	Chief Compliance Officer ("CCO")	Mr. Uhl was appointed CCO of the Trust at the June 8, 2010 meeting of the Board of Trustees.	Mr. Uhl joined ALPS in October 2006, and is currently Deputy Compliance Officer of ALPS. Prior to his current role, Mr. Uhl served as Senior Risk Manager for ALPS from October 2006 until June 2010. Before joining ALPS, Mr. Uhl served a Sr. Analyst with Enenbach and Associates (RIA), and a Sr. Financial Analyst at Sprint. Because of his position with ALPS, Mr. Uhl is deemed an affiliate of the Trust as defined under the 1940 Act. Mr. Uhl is also CCO of the Clough Global Funds, Reaves Utility Income Fund, Drexel Hamilton Funds and Transparent Value Trust.

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SEAFARER
FUNDS

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