

Annual Report  
December 31, 2023



**THE BEEHIVE FUND**

Managed by Spears Abacus Advisors LLC

**BEEHX**



---

## TABLE OF CONTENTS

---

A Message to Our Shareholders (Unaudited) .....	1
Performance Chart and Analysis (Unaudited) .....	2
Schedule of Investments .....	3
Statement of Assets and Liabilities .....	4
Statement of Operations.....	5
Statements of Changes in Net Assets.....	6
Financial Highlights.....	7
Notes to Financial Statements.....	8
Report of Independent Registered Public Accounting Firm.....	12
Additional Information (Unaudited).....	13

The views expressed in this report are those of the investment advisor of The BeeHive Fund (the “Fund”) as of December 31, 2023 and may not reflect its views on the date this report is first published or any time thereafter. These views are intended to assist shareholders of the Fund in understanding their investments in the Fund and do not constitute investment advice.

**The Fund is subject to various forms of risk, including the possible loss of principal. Investing in foreign securities entails risks not associated with domestic equities, including economic and political instability and currency fluctuations. Investing in fixed income securities includes the risk that rising interest rates will cause a decline in values. Focused investments in particular industries or market sectors can entail increased volatility and greater market risk than is the case with more broadly diversified investments. Investments in securities of small and mid-capitalization companies involve the possibility of greater volatility than investments in larger capitalization companies. Investments in American Depositary Receipts involve many of the same risks as investing in foreign securities.**

---

## THE BEEHIVE FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

DECEMBER 31, 2023

---

Dear Shareholders:

In past letters and market commentaries we have discussed the pointlessness of the myriad stock market prognostications upon which the news media seems to focus. The new year brings a fresh set of predictions, which are likely to prove as uninformed as the previous year's.

Stock market performance of fiscal year 2023 (the "period") seems to have caught many investors by surprise. A year ago, market participants were licking their wounds after the 2022 sell-off. The coordinated monetary tightening by global central banks had left many of the market's most beloved stocks battered at the start of the year. The consensus expectation was that rising interest rates would make a recession an inevitability and, in turn, prove a challenge to equities.

This pessimism proved to be entirely misplaced. The S&P 500<sup>1</sup> rose over the period in spite of regional bank collapses, war breaking out in the Middle East and continuing in Ukraine, and the Federal Reserve remaining hawkish. By year's end, what started as a narrow rally in mega-cap tech stocks such as Meta, Apple, Amazon, Alphabet, Microsoft, Nvidia and Tesla (the "Magnificent Seven"), broadened somewhat to include other sectors in the S&P 500.

While a greater number of stocks participated in the fourth quarter market runup, with many delivering what should be considered terrific annual returns, their performance paled in comparison to the performance of the Magnificent Seven. The concentration of the 2023 market is best exemplified by the performance of the three widely followed indexes: the NASDAQ Composite<sup>2</sup> rising 43%; the S&P 500 gaining 24%; and the Equal Weight S&P 500<sup>3</sup> advancing 14%. The latter index captures the average return of each stock in the benchmark as opposed to emphasizing the very largest. The holdings of many, if not most investors are diversified beyond just five or ten of the largest capitalization stocks. The exceptional returns that the NASDAQ Composite delivered may leave an investor with a more traditionally diversified portfolio disappointed.

We continue our cautious optimism as we concern ourselves with individual companies, as opposed to the market as a whole. We believe that there are certain identifiable excesses. For instance, it is astonishing that the Magnificent Seven make up a larger share of global markets (as measured by the MSCI All Country World Index<sup>4</sup>) than all the stocks from the U.K., China, France, and Japan combined. With inflation cooling significantly and the economy slowing reasonably, we expect our companies will continue to deliver solid earnings.

Fiscal year 2023 was an exceptionally strong one for the S&P 500 (the "benchmark"). The BeeHive Fund (the "Fund") produced an above historical average absolute return of 20.75% but still trailed the benchmark by 600 basis points<sup>5</sup>. Most of that (550 basis points) came in the fourth quarter. Holdings such as Microsoft, Apple, Alphabet, Adobe and Take Two Interactive were significant contributors to returns. Performance was negatively impacted by approximately 2% by a larger than normal cash position. Our cash holding does not reflect a market-timing decision, rather, it was a result of our sell discipline. We sell stocks when they reach our estimate of full valuation, whether or not we have identified an attractive replacement. Shorter term underperformance of long-term winners such as Thermo Fisher Scientific, Chubb and Aon also negatively impacted relative returns.

Taxable shareholders should note that the Fund's low-turnover approach once again resulted in minimal long-term capital gains distributions (\$0.47 or approximately 2%) and no short-term capital gains distribution.

Regards,

*Cannell & Spears*

***Past performance does not guarantee future results.*** Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security. Current and future holdings are subject to risk. Please refer to the Schedule of Investments for complete fund holdings. Indexes are unmanaged and it is not possible to invest directly in an index.

<sup>1</sup>The S&P 500 Index is a market-capitalization-weighted index of 500 publicly traded, large U.S. companies.

<sup>2</sup>NASDAQ Composite Index is a market-capitalization-weighted index of more than 2,500 stocks listed on the Nasdaq stock exchange.

<sup>3</sup>The Equal Weight S&P 500 is the equal-weight version of the S&P 500. It includes the same constituents as the capitalization weighted S&P 500, but each company in the Equal Weight S&P 500 is allocated a fixed weight.

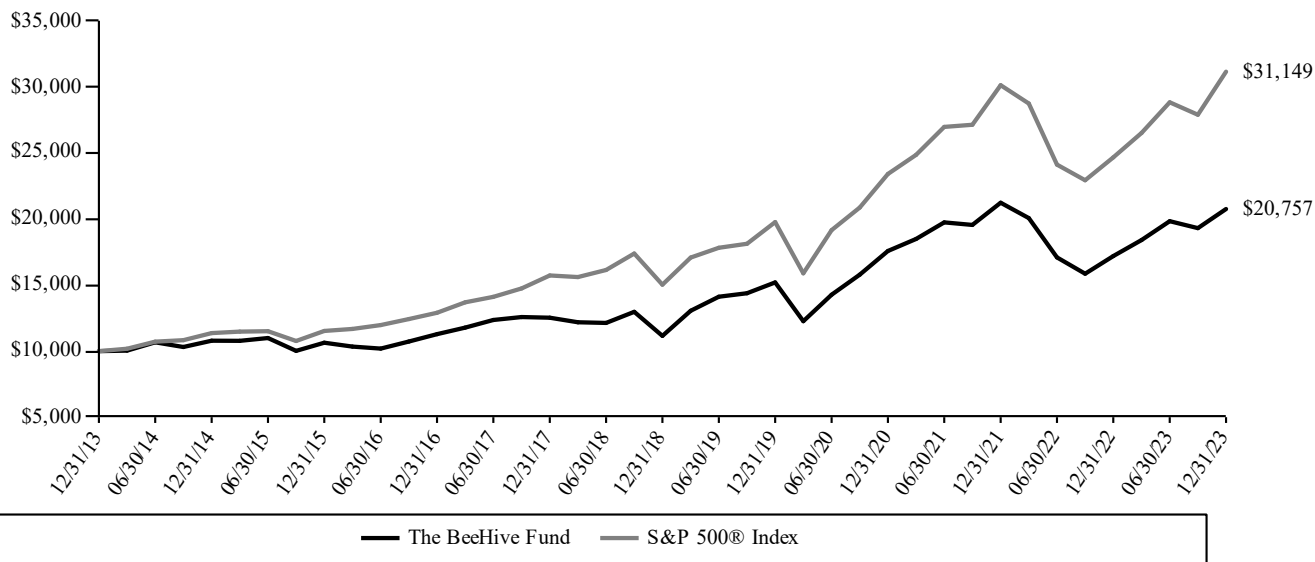
<sup>4</sup>The MSCI All Country World Index is a stock index designed to track broad global equity-market performance and is made up of over 2,900 constituents from across 23 countries.

<sup>5</sup>A basis point is equivalent to one hundredth of one percent.

**THE BEEHIVE FUND**  
**PERFORMANCE CHART AND ANALYSIS (Unaudited)**  
**DECEMBER 31, 2023**

The following chart reflects the change in the value of a hypothetical \$10,000 investment, including reinvested dividends and distributions, in the Fund (the “Fund”) compared with the performance of the benchmark, S&P 500® Index (the “S&P 500”), over the past ten fiscal years. The S&P 500 is a broad-based measurement of the U.S. stock market based on the performance of 500 widely held large capitalization common stocks. The total return of the S&P 500 includes the reinvestment of dividends and income. The total return of the Fund includes operating expenses that reduce returns, while the total return of the S&P 500 does not include expenses. The Fund is professionally managed, while the S&P 500 is unmanaged and is not available for investment.

**Comparison of Change in Value of a \$10,000 Investment  
in The BeeHive Fund vs. S&P 500® Index**



**Average Annual Total Returns**  
**Periods Ended December 31, 2023**

	<b>One Year</b>	<b>Five Year</b>	<b>Ten Year</b>
The BeeHive Fund	20.75%	13.22%	7.58%
S&P 500® Index	26.29%	15.69%	12.03%

*Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, please call (866) 684-4915. As stated in the Fund’s prospectus, the annual operating expense ratio (gross) is 0.98%. However, the Fund’s advisor has contractually agreed to waive its fee and/or reimburse Fund expenses to limit Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement (excluding taxes, interest, portfolio transaction expenses and extraordinary expenses) to 0.99% of the Fund’s average daily net assets through April 30, 2024 (the “Expense Cap”). The Expense Cap may be raised or eliminated only with the consent of the Board of Trustees. The advisor may recoup from the Fund fees waived and expenses reimbursed by the advisor pursuant to the Expense Cap if such recoupment is made within three years of the fee waiver or expense reimbursement and does not cause the Total Annual Fund Operating Expenses (after the recoupment has been taken into account) to exceed the lesser of (i) the then-current Expense Cap and (ii) the Expense Cap in place at the time the fees/expenses were waived/reimbursed. Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement will increase if exclusions from the Expense Cap apply. The performance table and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns greater than one year are annualized.*

**THE BEEHIVE FUND**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2023**

Shares	Security Description	Value	Shares	Security Description	Value
<b>Common Stock - 89.0%</b>			<b>Money Market Fund - 2.4%</b>		
<b>Communication Services - 13.3%</b>			3,874,067	First American Treasury Obligations Fund, Class X, 5.29% <sup>(c)</sup>	
49,235	Alphabet, Inc., Class A <sup>(a)</sup>	\$ 6,877,637		(Cost \$3,874,067)	\$ 3,874,067
45,020	Alphabet, Inc., Class C <sup>(a)</sup>	6,344,668	<b>Investments, at value - 100.1% (Cost \$71,217,275)</b>		
98,520	Comcast Corp., Class A	4,320,102	<b>Other Assets &amp; Liabilities, Net - (0.1)%</b>		
23,184	Take-Two Interactive Software, Inc. <sup>(a)</sup>	3,731,465	<b>Net Assets - 100.0%</b>		
		<u>21,273,872</u>			<u>\$ 159,953,698</u>
<b>Consumer Discretionary - 3.5%</b>			ADR	American Depositary Receipt	
13,518	Aptiv PLC <sup>(a)</sup>	1,212,835	PLC	Public Limited Company	
56,513	Restaurant Brands International, Inc.	4,415,361	REIT	Real Estate Investment Trust	
		<u>5,628,196</u>	<sup>(a)</sup>	Non-income producing security.	
<b>Consumer Staples - 7.3%</b>			<sup>(b)</sup>	Zero coupon bond. Interest rate presented is yield to maturity.	
81,940	Mondelez International, Inc., Class A	5,934,914	<sup>(c)</sup>	Dividend yield changes daily to reflect current market conditions. Rate was the quoted yield as of December 31, 2023.	
49,750	Nestle SA, ADR	5,752,593			
		<u>11,687,507</u>			
<b>Financials - 20.9%</b>					
15,320	Aon PLC, Class A	4,458,426			
11,720	Berkshire Hathaway, Inc., Class B <sup>(a)</sup>	4,180,055			
28,802	Chubb, Ltd.	6,509,252			
55,653	Fidelity National Information Services, Inc.	3,343,076			
30,613	Fiserv, Inc. <sup>(a)</sup>	4,066,631			
42,950	Intercontinental Exchange, Inc.	5,516,069			
31,610	JPMorgan Chase & Co.	5,376,861			
		<u>33,450,370</u>			
<b>Health Care - 9.9%</b>					
15,000	Danaher Corp.	3,470,100			
10,352	Elevance Health, Inc.	4,881,589			
14,100	Thermo Fisher Scientific, Inc.	7,484,139			
		<u>15,835,828</u>			
<b>Industrials - 0.3%</b>					
5,000	Veralto Corp.	411,300			
<b>Information Technology - 25.1%</b>					
8,204	Adobe, Inc. <sup>(a)</sup>	4,894,506			
8,500	Analog Devices, Inc.	1,687,760			
46,920	Apple, Inc.	9,033,508			
48,576	Microsoft Corp.	18,266,519			
59,860	Oracle Corp.	6,311,040			
		<u>40,193,333</u>			
<b>Materials - 6.3%</b>					
61,030	Berry Global Group, Inc.	4,112,811			
37,223	Crown Holdings, Inc.	3,427,866			
22,217	Franco-Nevada Corp.	2,461,866			
		<u>10,002,543</u>			
<b>Real Estate - 2.4%</b>					
28,530	Prologis, Inc. REIT	3,803,049			
<b>Total Common Stock (Cost \$53,419,683)</b>					
		<u><b>142,285,998</b></u>			

Principal	Security Description	Rate	Maturity	Value
<b>U.S. Government &amp; Agency Obligations - 8.7%</b>				
<b>U.S. Treasury Securities - 8.7%</b>				
\$ 14,000,000	U.S. Treasury Bill <sup>(b)</sup>			
	(Cost \$13,923,525)	5.24%	02/08/24	13,924,251

Valuation Inputs		Investments in Securities
Level 1 - Quoted Prices		\$ 146,160,065
Level 2 - Other Significant Observable Inputs		13,924,251
Level 3 - Significant Unobservable Inputs		-
<b>Total</b>		<u><b>\$ 160,084,316</b></u>

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2023.

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

The Level 1 value displayed in this table is Common Stock and a Money Market Fund. The Level 2 value displayed in this table includes U.S. Treasury Securities. Refer to this Schedule of Investments for a further breakout of each security by industry.

---

**THE BEEHIVE FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**DECEMBER 31, 2023**

---

**ASSETS**

Investments, at value (Cost \$71,217,275)	\$ 160,084,316
Receivables:	
Dividends	132,787
Prepaid expenses	5,313
Total Assets	<u>160,222,416</u>

**LIABILITIES**

Payables:	
Distributions payable	115,667
Accrued Liabilities:	
Investment advisor fees	93,714
Fund services fees	19,138
Other expenses	40,199
Total Liabilities	<u>268,718</u>

<b>NET ASSETS</b>	<u>\$ 159,953,698</u>
-------------------	-----------------------

**COMPONENTS OF NET ASSETS**

Paid-in capital	\$ 71,050,840
Distributable Earnings	<u>88,902,858</u>

<b>NET ASSETS</b>	<u>\$ 159,953,698</u>
-------------------	-----------------------

<b>SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)</b>	<u>7,780,566</u>
--	------------------

<b>NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE</b>	<u>\$ 20.56</u>
---	-----------------

---

**THE BEEHIVE FUND**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

---

<b>INVESTMENT INCOME</b>	
Dividend income (Net of foreign withholding taxes of \$80,289)	\$ 1,780,048
Interest income	642,063
Total Investment Income	<u>2,422,111</u>
<b>EXPENSES</b>	
Investment advisor fees	1,131,106
Fund services fees	219,418
Custodian fees	15,280
Registration fees	7,270
Professional fees	58,919
Trustees' fees and expenses	8,833
Other expenses	<u>53,893</u>
Total Expenses	1,494,719
Fees waived and expenses reimbursed	<u>(10,342)</u>
Net Expenses	<u>1,484,377</u>
<b>NET INVESTMENT INCOME</b>	<u>937,734</u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS)</b>	
Net realized gain on investments	3,826,151
Net change in unrealized appreciation (depreciation) on investments	<u>23,290,556</u>
<b>NET REALIZED AND UNREALIZED GAIN</b>	<u>27,116,707</u>
<b>INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<u>\$ 28,054,441</u>



**THE BEEHIVE FUND**  
**STATEMENTS OF CHANGES IN NET ASSETS**

	<u>For the Years Ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<b>OPERATIONS</b>		
Net investment income	\$ 937,734	\$ 178,054
Net realized gain	3,826,151	2,894,304
Net change in unrealized appreciation (depreciation)	23,290,556	(35,850,629)
Increase (Decrease) in Net Assets Resulting from Operations	<u>28,054,441</u>	<u>(32,778,271)</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
Total Distributions Paid	<u>(4,469,001)</u>	<u>(2,894,843)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Sale of shares	965,291	1,643,851
Reinvestment of distributions	3,908,031	2,532,217
Redemption of shares	(4,557,308)	(8,045,891)
Increase (Decrease) in Net Assets from Capital Share Transactions	<u>316,014</u>	<u>(3,869,823)</u>
Increase (Decrease) in Net Assets	<u>23,901,454</u>	<u>(39,542,937)</u>
<b>NET ASSETS</b>		
Beginning of Year	<u>136,052,244</u>	<u>175,595,181</u>
End of Year	<u>\$ 159,953,698</u>	<u>\$ 136,052,244</u>
<b>SHARE TRANSACTIONS</b>		
Sale of shares	50,733	83,365
Reinvestment of distributions	192,003	140,053
Redemption of shares	(229,734)	(403,858)
Increase (Decrease) in Shares	<u>13,002</u>	<u>(180,440)</u>

**THE BEEHIVE FUND**  
**FINANCIAL HIGHLIGHTS**  
**DECEMBER 31, 2023**

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

	<b>For the Years Ended December 31,</b>				
	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>NET ASSET VALUE, Beginning of Year</b>	\$ 17.52	\$ 22.09	\$ 19.32	\$ 17.00	\$ 13.10
<b>INVESTMENT OPERATIONS</b>					
Net investment income (a)	0.12	0.02	0.02	0.04	0.24
Net realized and unrealized gain (loss)	3.51	(4.21)	3.97	2.61	4.50
Total from Investment Operations	3.63	(4.19)	3.99	2.65	4.74
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>					
Net investment income	(0.12)	(0.02)	(0.02)	(0.04)	(0.24)
Net realized gain	(0.47)	(0.36)	(1.20)	(0.29)	(0.60)
Total Distributions to Shareholders	(0.59)	(0.38)	(1.22)	(0.33)	(0.84)
<b>NET ASSET VALUE, End of Year</b>	\$ 20.56	\$ 17.52	\$ 22.09	\$ 19.32	\$ 17.00
<b>TOTAL RETURN</b>	20.75%	(19.02)%	20.79%	15.59%	36.28%
<b>RATIOS/SUPPLEMENTARY DATA</b>					
Net Assets at End of Year (000s omitted)	\$ 159,954	\$ 136,052	\$ 175,595	\$ 149,688	\$ 134,415
Ratios to Average Net Assets: (b)					
Net investment income	0.62%	0.12%	0.08%	0.23%	1.49%
Net expenses	0.98%	0.98%	0.97%(c)	0.98%	0.98%
Gross expenses	0.99%(d)	0.98%	0.97%	0.99%(d)	0.98%(d)
<b>PORTFOLIO TURNOVER RATE</b>	6%	14%	14%	22%	10%

(a) Calculated based on average shares outstanding during each year.

(b) The ratios of expenses and net investment income to average net assets do not reflect the Fund's proportionate share of income and expenses of underlying investment companies in which the Fund invests.

(c) Ratio includes waivers and previously waived investment advisory fees recovered. The impact of the recovered fees may cause a higher net expense ratio.

(d) Reflects the expense ratio excluding any waivers and/or reimbursements.

**Note 1. Organization**

The BeeHive Fund (the “Fund”) is a diversified portfolio of Forum Funds (the “Trust”). The Trust is a Delaware statutory trust that is registered as an open-end, management investment company under the Investment Company Act of 1940, as amended (the “Act”). Under its Trust Instrument, the Trust is authorized to issue an unlimited number of the Fund’s shares of beneficial interest without par value. The Fund commenced operations on September 2, 2008. The Fund seeks capital appreciation.

**Note 2. Summary of Significant Accounting Policies**

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification Topic 946, “Financial Services – Investment Companies.” These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of increases and decreases in net assets from operations during the fiscal year. Actual amounts could differ from those estimates. The following summarizes the significant accounting policies of the Fund:

**Security Valuation** – Securities are valued at market prices using the last quoted trade or official closing price from the principal exchange where the security is traded, as provided by independent pricing services on each Fund business day. In the absence of a last trade, securities are valued at the mean of the last bid and ask price provided by the pricing service. Shares of non-exchange traded open-end mutual funds are valued at net asset value (“NAV”). Short-term investments that mature in sixty days or less may be valued at amortized cost.

Pursuant to Rule 2a-5 under the Investment Company Act, the Trust’s Board of Trustees (the “Board”) has designated the Advisor, as defined in Note 3, as the Fund’s valuation designee to perform any fair value determinations for securities and other assets held by the Fund. The Advisor is subject to the oversight of the Board and certain reporting and other requirements intended to provide the Board the information needed to oversee the Advisor’s fair value determinations. The Advisor is responsible for determining the fair value of investments for which market quotations are not readily available in accordance with policies and procedures that have been approved by the Board. Under these procedures, the Advisor convenes on a regular and ad hoc basis to review such investments and considers a number of factors, including valuation methodologies and significant unobservable inputs, when arriving at fair value. The Board has approved the Advisor’s fair valuation procedures as a part of the Fund’s compliance program and will review any changes made to the procedures.

The Advisor provides fair valuation inputs. In determining fair valuations, inputs may include market-based analytics that may consider related or comparable assets or liabilities, recent transactions, market multiples, book values and other relevant investment information. Advisor inputs may include an income-based approach in which the anticipated future cash flows of the investment are discounted in determining fair value. Discounts may also be applied based on the nature or duration of any restrictions on the disposition of the investments. The Advisor performs regular reviews of valuation methodologies, key inputs and assumptions, disposition analysis and market activity.

Fair valuation is based on subjective factors and, as a result, the fair value price of an investment may differ from the security’s market price and may not be the price at which the asset may be sold. Fair valuation could result in a different NAV than a NAV determined by using market quotes.

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

Level 1 - Quoted prices in active markets for identical assets and liabilities.

Level 2 - Prices determined using significant other observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Short-term securities with maturities of sixty days or less are valued at amortized cost, which approximates market value, and are categorized as Level 2 in the hierarchy. Municipal securities, long-term U.S. government obligations and corporate debt securities are valued in accordance with the evaluated price supplied by a pricing service and generally categorized as Level 2 in the hierarchy. Other securities that are categorized as Level 2 in the hierarchy include, but are not

---

**THE BEEHIVE FUND**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

---

limited to, warrants that do not trade on an exchange, securities valued at the mean between the last reported bid and ask quotation and international equity securities valued by an independent third party with adjustments for changes in value between the time that the securities' respective local market closes and the close of the U.S. market.

Level 3 - Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The aggregate value by input level, as of December 31, 2023, for the Fund's investments is included at the end of the Fund's Schedule of Investments.

**Security Transactions, Investment Income and Realized Gain and Loss** – Investment transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Non-cash dividend income is recorded at the fair market value of the securities received. Foreign dividend income is recorded on the ex-dividend date or as soon as possible after determining the existence of a dividend declaration after exercising reasonable due diligence. Income and capital gains on some foreign securities may be subject to foreign withholding taxes, which are accrued as applicable. Interest income is recorded on an accrual basis. Premium is amortized to the next call date above par, and discount is accreted to maturity using the effective interest method. Identified cost of investments sold is used to determine the gain and loss for both financial statement and federal income tax purposes.

**Distributions to Shareholders** – The Fund declares any dividends from net investment income and pays them annually. Any net capital gains and net foreign currency gains realized by the Fund are distributed at least annually. Distributions to shareholders are recorded on the ex-dividend date. Distributions are based on amounts calculated in accordance with applicable federal income tax regulations, which may differ from GAAP. These differences are due primarily to differing treatments of income and gain on various investment securities held by the Fund, timing differences and differing characterizations of distributions made by the Fund.

**Federal Taxes** – The Fund intends to continue to qualify each year as a regulated investment company under Subchapter M of Chapter 1, Subtitle A, of the Internal Revenue Code of 1986, as amended (“Code”), and to distribute all of its taxable income to shareholders. In addition, by distributing in each calendar year substantially all of its net investment income and capital gains, if any, the Fund will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the year, the Fund did not incur any interest or penalties. The Fund files a U.S. federal income and excise tax return as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service for a period of three years after they are filed. As of December 31, 2023, there are no uncertain tax positions that would require financial statement recognition, de-recognition or disclosure.

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

**Commitments and Contingencies** – In the normal course of business, the Fund enters into contracts that provide general indemnifications by the Fund to the counterparties to the contracts. The Fund's maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, based on experience, the risk of loss from such claims is considered remote. The Fund has determined that none of these arrangements requires disclosure on the Fund's statement of assets and liabilities.

### **Note 3. Fees and Expenses**

**Investment Advisor** – Spears Abacus Advisors LLC (the “Advisor”) is the investment advisor to the Fund. Pursuant to an investment advisory agreement, the Advisor receives an advisory fee, payable monthly, from the Fund at an annual rate of 0.75% of the Fund's average daily net assets.

**Distribution** – Foreside Fund Services, LLC, a wholly owned subsidiary of Foreside Financial Group, LLC (d/b/a ACA Group) (the “Distributor”), acts as the agent of the Trust in connection with the continuous offering of shares of the Fund. The Distributor is not affiliated with the Advisor or Atlantic Fund Administration, LLC, a wholly owned subsidiary of Apex US Holdings LLC (d/b/a Apex Fund Services) (“Apex”) or their affiliates. The Fund has adopted a distribution plan in accordance with Rule 12b-1 of the Act.

**THE BEEHIVE FUND**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

The Fund may pay the Distributor and/or any other entity as authorized by the Board a fee up to 0.25% of the Fund’s average daily net assets. The Fund has suspended payments under its Rule 12b-1 plan until further notice and has not paid any distribution fees to date. The Fund may remove the suspension and make payments under the Rule 12b-1 plan at any time, subject to Board approval.

**Other Service Providers** – Apex provides fund accounting, fund administration, compliance and transfer agency services to the Fund. The fees related to these services are included in Fund services fees within the Statement of Operations. Apex also provides certain shareholder report production and EDGAR conversion and filing services. Pursuant to an Apex Services Agreement, the Fund pays Apex customary fees for its services. Apex provides a Principal Executive Officer, a Principal Financial Officer, a Chief Compliance Officer and an Anti-Money Laundering Officer to the Fund, as well as certain additional compliance support functions.

**Trustees and Officers** – Each Independent Trustee’s annual retainer is \$45,000 (\$55,000 for the Chairman), and the Audit Committee Chairman receives an additional \$2,000 annually. The Trustees and the Chairman may receive additional fees for special Board meetings. Each Trustee is also reimbursed for all reasonable out-of-pocket expenses incurred in connection with his or her duties as a Trustee, including travel and related expenses incurred in attending Board meetings. The amount of Trustees’ fees attributable to the Fund is disclosed in the Statement of Operations. Certain officers of the Trust are also officers or employees of the above named service providers, and during their terms of office received no compensation from the Fund.

**Note 4. Expense Reimbursement and Fees Waived**

The Advisor has contractually agreed to waive its fee and/or reimburse Fund expenses to limit Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement (excluding taxes, interest, portfolio transaction expenses and extraordinary expenses) to 0.99% of the Fund’s average daily net assets through April 30, 2024 (the “Expense Cap”).

The Advisor may recoup from the Fund fees waived and expenses reimbursed by the Advisor pursuant to the Expense Cap if the recoupment is made within three years of the fee waiver or expense reimbursement and does not cause the Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement (i.e., after the recoupment has been taken into account) to exceed the lesser of (i) the then-current Expense Cap and (ii) the Expense Cap in place at the time the fees/expenses were waived/reimbursed. As of December 31, 2023, \$10,342 is subject to recapture by the Advisor. Refer to the Statement of Operations to see what was recouped during the year.

**Note 5. Security Transactions**

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments during the year ended December 31, 2023 totaled \$7,681,605 and \$12,589,910, respectively.

**Note 6. Federal Income Tax**

As of December 31, 2023, the cost of investments for federal income tax purposes is \$71,237,254, and the components of net unrealized appreciation were as follows:

Gross Unrealized Appreciation	\$	88,870,002
Gross Unrealized Depreciation		(22,940)
Net Unrealized Appreciation	\$	<u>88,847,062</u>

Distributions paid during the fiscal years ended as noted were characterized for tax purposes as follows:

	<u>2023</u>	<u>2022</u>
Ordinary Income	\$ 934,337	\$ 182,044
Long-Term Capital Gain	3,534,664	2,712,799
	<u>\$ 4,469,001</u>	<u>\$ 2,894,843</u>

As of December 31, 2023, distributable earnings on a tax basis were as follows:

Undistributed Long-Term Gain	\$ 55,796
Net Unrealized Appreciation	88,847,062
Total	<u>\$ 88,902,858</u>

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

**Note 7. Subsequent Events**

At a meeting of the Board held on December 14, 2023, in anticipation of a merger transaction (“Transaction”) between the Advisor and Cannell & Co. (“Cannell”), whereby owners of the Advisor and Cannell would become owners of a combined entity, Cannell & Spears LLC (“Cannell & Spears”), the Board appointed Cannell & Spears as the Fund’s investment adviser pursuant to an interim advisory agreement between the Trust, on behalf of the Fund, and Cannell & Spears (the “Interim Agreement”), effective upon the close of the Transaction. The Interim Agreement allows Cannell & Spears to serve as the investment advisor to the Fund under terms identical to those provided under the original investment agreement in place with the Advisor, except for the termination provisions. The Interim Agreement will remain in effect until the earlier of (i) 150 days from January 1, 2024 and (ii) the date that the Fund’s shareholders approve a new investment advisory agreement for the Fund.

At the December 14, 2023 meeting, the Board also approved a new investment advisory agreement between the Trust, on behalf of the Fund, and Cannell & Spears (the “New Agreement”) and determined to submit the New Agreement to the Fund’s shareholders for their approval. The New Agreement will replace the Interim Agreement if the shareholders approve the New Agreement at the special meeting of shareholders scheduled to take place on or about March 1, 2024.

**To the Shareholders of The BeeHive Fund and  
Board of Trustees of Forum Funds**

**Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of The BeeHive Fund (the “Fund”), a series of Forum Funds, as of December 31, 2023, the related statements of operations and changes in net assets for the year then ended, the related notes, and the financial highlights for the year then ended (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2023, the results of its operations, changes in net assets, and the financial highlights for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Fund’s financial statement and financial highlights for the years ended December 31, 2022, and prior, were audited by other auditors whose report dated February 24, 2023, expressed an unqualified opinion on those financial statement and financial highlights.

**Basis for Opinion**

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2023, by correspondence with the custodian. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2023.



**COHEN & COMPANY, LTD.**  
**Philadelphia, Pennsylvania**  
**February 28, 2024**

---

**THE BEEHIVE FUND**

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2023

---

**September Investment Advisory Agreement Approval**

At the September 14, 2023 Board meeting, the Board, including the Independent Trustees, considered the approval of the continuance of the investment advisory agreement between Spears Abacus Advisors LLC (the “Adviser”) and the Trust pertaining to the Fund (the “Advisory Agreement”). In preparation for its deliberations, the Board requested and reviewed written responses from the Adviser to a due diligence questionnaire circulated on the Board’s behalf concerning the services provided by the Adviser. The Board also discussed the materials with Fund counsel and, as necessary, with the Trust’s administrator. During its deliberations, the Board received an oral presentation from the Adviser and was assisted by the advice of independent Trustee counsel.

At the meeting, the Board reviewed, among other matters: (i) the nature, extent and quality of the services provided to the Fund by the Adviser, including information on the investment performance of the Fund; (ii) the costs of the services provided and profitability to the Adviser with respect to its relationship with the Fund; (iii) the advisory fee and total expense ratio of the Fund compared to those of a relevant peer group of funds; (iv) the extent to which economies of scale may be realized as the Fund grows and whether the advisory fee enables the Fund’s investors to share in the benefits of economies of scale; and (v) other benefits received by the Adviser from its relationship with the Fund. The Board recognized that the evaluation process with respect to the Adviser was an ongoing one and, in this regard, the Board considered information provided by the Adviser at regularly scheduled meetings during the past year.

*Nature, Extent and Quality of Services*

Based on written materials received, a presentation from senior representatives of the Adviser and a discussion with the Adviser about the Adviser’s personnel, operations and financial condition, the Board considered the quality of services provided by the Adviser under the Advisory Agreement. In this regard, the Board considered information regarding the experience, qualifications and professional background of the portfolio managers and other personnel at the Adviser with principal responsibility for the Fund’s investments, as well as the investment philosophy and decision-making process of the Adviser and the capability and integrity of the Adviser’s senior management and staff.

The Board also considered the adequacy of the Adviser’s resources. The Board noted the Adviser’s representation that the firm is in stable financial condition and that the firm has the operational capability, the staffing and experience and the financial strength necessary to continue providing high quality investment advisory services to the Fund. Based on the presentation and the materials provided by the Adviser in connection with the Board’s consideration of the renewal of the Advisory Agreement, the Board concluded that, overall, it was satisfied with the nature, extent and quality of services to be provided to the Fund under the Advisory Agreement.

*Performance*

In connection with a presentation by the Adviser regarding its approach to managing the Fund, the Board reviewed the performance of the Fund compared to its primary benchmark index. The Board observed that the Fund underperformed its primary benchmark, the S&P 500 Index, for the one-, three-, five-, and 10-year periods ended June 30, 2023, and for the period since the Fund’s inception on September 2, 2008. The Board also considered the Fund’s performance relative to an independent peer group of funds identified by Strategic Insight, Inc. (“Strategic Insight”) as having characteristics similar to the Fund, noting that, based on the information provided by Strategic Insight, the Fund underperformed the average of its Strategic Insight peer group for the one-, three-, five-, and 10-year periods ended June 30, 2023.

The Board noted the Adviser’s representation that the Fund’s relative underperformance could be attributed, at least in part, to underweight exposure relative to the benchmark and peers during the most recent one-year period to the energy sector, which outperformed during the period. The Board also noted the Adviser’s representation that the investment process for the Fund is focused on identifying high quality businesses with durable profit growth and that, in periods of strong economic growth and exuberant investor sentiment, such as the market environment of the last several years, these attributes tend to be out of favor in the market. The Board considered the Adviser’s explanation that, in 2019, when there were concerns about economic growth and the U.S. Federal Reserve cut interest rates, the Fund outperformed its benchmark for the one-year period ended December 31, 2019. Finally, the Board noted the Adviser’s representation that, based on the Adviser’s communications with Fund shareholders and the predominantly taxable shareholder base, the Adviser remained sensitive to the tax implications of portfolio turnover, which, in certain cases, has led to holding investments with unrealized capital gains that current market sentiment indicates were overvalued



---

**THE BEEHIVE FUND**

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2023

---

relative to alternatives in the market. The Board observed that the Fund's tax sensitivity could, and had, resulted in differences in the performance of the Fund compared to its peers and benchmark. The Board noted the Adviser's representation that the Fund's shareholders with whom the Adviser had communicated consistently and repeatedly expressed comfort with and confidence in the investment approach for the Fund.

Based on the foregoing, including the Adviser's representations regarding the Fund's performance and other applicable considerations, the Board determined that the Fund and its shareholders could benefit from the Adviser's continued management of the Fund.

*Compensation*

The Board evaluated the Adviser's compensation for providing advisory services to the Fund and analyzed comparative information on net advisory fee rates and actual total expense ratios of the Fund compared to its Strategic Insight peer group. The Board observed that, although the net advisory fee for the Fund was higher than the median of the Strategic Insight peer group, it was within a reasonable range. The Board also observed that the Fund's total expense ratio was lower than the median of the Strategic Insight peer group. In addition, the Board noted that the Adviser had contractually agreed to waive its fees or reimburse Fund expenses to the extent necessary to keep the total expenses of the Fund (subject to certain exceptions) at or below 0.99%. Based on the foregoing and other applicable considerations, the Board concluded that the advisory fee rate charged to the Fund was reasonable.

*Cost of Services and Profitability*

The Board considered information provided by the Adviser regarding the costs of services and its profitability with respect to the Fund. In this regard, the Board considered the Adviser's resources devoted to the Fund, as well as the Adviser's discussion of costs and profitability of its Fund activities. The Board noted the Adviser's representation that it did not maintain separately identifiable profit and loss information for the Fund. Based on other applicable considerations, however, including financial statements from the Adviser indicating its profitability and expenses from overall operations and the Adviser's representation that the Fund required significantly more attention and resources than the other accounts managed by the Adviser, the Board concluded that the Adviser's costs of services and profits attributable to management of the Fund were reasonable.

*Economies of Scale*

The Board evaluated whether the Fund would benefit from any economies of scale. In this regard, the Board considered the Fund's fee structure, asset size, and net expense ratio. The Board noted the Adviser's representation that the Fund could potentially benefit from economies of scale if Fund assets were to increase but that, in light of the Fund's relatively low asset level and because the Adviser was already waiving a portion of its contractual advisory fee in order to keep the Fund's expenses at or below the agreed-upon expense cap, the Adviser was not proposing breakpoints in the advisory fee at this time. Based on the foregoing and other applicable considerations, including the size of the Fund, the Board concluded that any existing economies of scale were addressed in the Fund's expense cap structure and that the information presented was consistent with the renewal of the Advisory Agreement at current fee levels.

*Other Benefits*

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

*Conclusion*

The Board did not identify any single factor as being of paramount importance, and different Trustees may have given different weight to different factors. The Board reviewed a memorandum from Fund counsel discussing the legal standards applicable to its consideration of the Advisory Agreement. Based on its review, including consideration of each of the factors referenced above, the Board determined, in the exercise of its reasonable business judgment, that the advisory arrangement, as outlined in the Advisory Agreement, was fair and reasonable in light of the services performed or to be performed, expenses incurred or to be incurred and such other matters as the Board considered relevant.

---

**THE BEEHIVE FUND**

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2023

---

**December Investment Advisory Agreement Approval**

At a meeting held on December 14, 2023, the Board of Forum Funds, including the Independent Trustees, considered the approval of an interim investment advisory agreement (“Interim Agreement”) and a new investment advisory agreement (“New Agreement,” and together, the “Agreements”) between Cannell & Spears LLC (the “Advisor”) and the Trust, on behalf of the Fund. The Agreements were being considered in anticipation of the termination of the original agreement between Spears Abacus Advisors LLC (“Spears”) and the Trust, on behalf of the Fund (the “Original Agreement”), due to a prospective change in control of Spears in connection with a strategic merger (the “Transaction”) with Cannell & Co., resulting in the renaming of the Advisor.

In preparation for its deliberations in considering the Agreements, the Board requested and reviewed a memorandum from the Advisor with respect to the Transaction. In addition, the Board considered information provided by Spears, as the Fund’s predecessor investment adviser, at regularly scheduled meetings during the past year. The Board noted that the Original Agreement was most recently renewed for another annual term at a meeting of the Board held on September 14, 2023 (the “September meeting”) and that the Advisor represented that the information provided by Spears in support of the renewal of the Original Agreement concerning personnel, operations, financial condition and services to be provided to the Fund remains unchanged. The Board discussed the materials with Fund counsel and, as necessary, with the Fund’s administrator. The Board also reviewed a memorandum from Fund counsel discussing the legal standards applicable to its consideration of the Agreements. During its deliberations, the Board received an oral presentation from senior representatives of the Advisor and was assisted by the advice of independent Trustee counsel.

At the meeting, the Board discussed, among other things, the terms of the Transaction and the Agreements, and considered their possible effects on the Fund and its shareholders. In connection with the Board’s approval of the Agreements, the Board considered, among others, the following factors but did not identify any single factor as being of paramount importance:

- (1) Assurances from the Advisor that the way that the Fund is managed will not change; that the personnel who currently manage the Fund will continue to do so after the Transaction; and that there is not expected to be any diminution in the nature, quality, and extent of services provided to the Fund;
- (2) The advisory fee rate under the Interim Agreement and New Agreement will be identical to the advisory fee rate under the Original Agreement, and the Advisor had contractually agreed and would continue to contractually agree to waive its fees or to reimburse Fund expenses to the extent necessary to keep the total expenses of the Fund at or below their current level for at least two years following the Transaction;
- (3) That the shareholders of the Fund will not bear any costs relating to the Transaction;
- (4) Information and representations provided by Advisor regarding the Transaction; and
- (5) Other factors described in greater detail below.

*Nature, Extent and Quality of Services*

The Board recalled that the Original Agreement was most recently renewed for another one-year term at the September meeting, at which time the Board evaluated the nature, extent and quality of services provided to the Fund. The Board considered information regarding the experience, qualifications and professional background of the portfolio managers and other personnel at the Advisor who, under the Original Agreement had, and under the Agreements would continue to have, principal responsibility for the Fund’s investments. The Board also considered the investment philosophy and decision-making process of those individuals and the capability and integrity of the Advisor’s senior management and staff.

The Board also considered the adequacy of the Advisor’s resources. The Board noted Spears’ representations that the Transaction is expected to advance the firm’s strategic growth initiatives and to have no adverse impact on Spears’ stable financial condition. The Board also acknowledged the Advisor’s representation that it has the operational capability and the necessary staffing and experience to continue providing high-quality investment advisory services to the Fund. In this regard, among other considerations, the Board also noted that certain key members of Spears, including those responsible for the overall direction and day-to-day management of the firm, will remain employees of the Advisor and that the Fund will be managed in exactly the same manner following the Transaction. Based on the presentation and the materials provided by the Advisor in connection with the Board’s consideration of

---

**THE BEEHIVE FUND**

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2023

---

the approval of the Agreements, the Board concluded that, overall, it was satisfied with the nature, extent and quality of services to be provided to the Fund under the Interim Agreement and New Agreement.

*Performance*

The Board referenced the information provided by the Advisor regarding the Fund's performance, including information as presented by Spears at the September meeting, and noted that the same portfolio managers that managed the Fund at Spears would continue to manage the Fund at the Advisor. The Board reviewed the performance of the Fund over the one-, three-, five-, and 10-year periods ended June 30, 2023, and for the period since the Fund's inception through June 30, 2023 compared to its benchmark index, the S&P 500 Index. The Board also considered the Fund's performance over the one-, three-, and five-year periods ended June 30, 2023 relative to an independent peer group of funds identified by Strategic Insight, Inc. ("Strategic Insight") as having characteristics similar to the Fund. The Board considered the Advisor's explanation that the Fund's relative underperformance to the benchmark index and the Strategic Insight peer group could be attributed, at least in part, to the Fund's underweight exposure to certain outperforming companies and sectors, relative to each of the benchmark and Strategic Insight peers, during the most recent one-year period ended June 30, 2023. The Board also noted Spears' representation that its tax-sensitive management of the Fund was believed to have resulted in differences in the performance of the Fund over longer time periods compared to its peers and benchmark. Based on the foregoing, including the Advisor's representations regarding the Fund's performance and other applicable considerations, the Board determined that the Fund and its shareholders could benefit from the Advisor's continued management of the Fund under the Interim Agreement and New Agreement.

*Compensation*

The Board reviewed the Advisor's proposed compensation under the Agreements for providing advisory services to the Fund and considered the comparative information presented at the September meeting, which compared the net advisory fee rate and actual total expense ratio of the Fund compared to those of its Strategic Insight peer group. At the September meeting, the Board observed that, although the net advisory fee rate for the Fund was higher than the median of the Strategic Insight peer group, it was believed to be within a reasonable range. At the September meeting, the Board also observed that the Fund's actual total expense ratio was lower than the median of the Strategic Insight peer group. At the December meeting, the Board observed that the advisory fee rate under the Interim Agreement and New Agreement would be identical to the advisory fee rate under the Original Agreement and that the Advisor had contractually agreed to waive its fees or to reimburse Fund expenses to the extent necessary to keep the total expenses of the Fund at or below their current level for at least two years following the Transaction. Based on the foregoing and other applicable considerations, the Board concluded that the Advisor's advisory fee rate to be charged to the Fund under the Interim Agreement and New Agreement would be reasonable.

*Cost of Services and Profitability*

The Board considered information regarding the costs of services and the Advisor's anticipated profitability with respect to the Fund, including, in particular, the information presented by Spears at the September meeting. In this regard, the Board considered the Advisor's representation that the resources devoted to the Fund, as well as the costs and profitability of the Fund remain the same as presented by Spears in connection with the September 2023 renewal. Based on applicable considerations, the Board concluded that the Advisor's costs of services and anticipated profits attributable to management of the Fund under the Interim Agreement and New Agreement would be reasonable.

*Economies of Scale*

The Board evaluated whether the Fund would benefit from any economies of scale under the Agreements. In this regard, the Board considered the Fund's fee structure, asset size and net expense ratio. The Board noted the Advisor's representation that the Fund could potentially benefit from economies of scale if its assets were to increase but that the Fund has a relatively low asset level and that the Advisor will continue to waive a portion of its contractual advisory fee in order to keep the Fund's expenses at or below the agreed-upon expense cap. Based on the foregoing and other applicable considerations, the Board concluded that any existing economies of scale were addressed in the Fund's expense cap structure and that the information presented was consistent with the approval of the Agreements at current fee levels.

---

**THE BEEHIVE FUND**

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2023

---

*Other Benefits*

The Board noted the Advisor's representation that, aside from its contractual advisory fees, it will not benefit in a material way from its relationship with the Fund. Based on the foregoing representation, the Board concluded that other benefits received by the Advisor from its relationship with the Fund were not a material factor to consider in approving the Agreements.

*Conclusion*

The Board did not identify any single factor as being of paramount importance, and different Trustees may have given different weight to different factors. The Board reviewed a memorandum from Fund counsel discussing the legal standards applicable to its consideration of the Agreements. Based on its review, including consideration of each of the factors referenced above, the Board determined, in the exercise of its reasonable business judgment, that the advisory arrangement, as outlined in the Interim Agreement and New Agreement, was fair and reasonable in light of the services to be performed, the expenses to be incurred and such other matters as the Board considered relevant.

**Liquidity Risk Management Program**

The Fund has adopted and implemented a written liquidity risk management program, as required by Rule 22e-4 (the "Liquidity Rule") under the Investment Company Act of 1940, as amended. The liquidity risk management program is reasonably designed to assess and manage the Fund's liquidity risk, taking into consideration, among other factors, the Fund's investment strategy and the liquidity of the portfolio investments during normal and reasonably foreseeable stressed conditions, its short and long-term cash flow projections and its cash holdings and access to other funding sources.

The Board approved the designation of a Liquidity Committee as the administrator of the liquidity risk management program (the "Program Administrator"). The Program Administrator is responsible for the administration and oversight of the program and for reporting to the Board on at least an annual basis regarding, among other things, the program's operation, adequacy and effectiveness. The Program Administrator assessed the Fund's liquidity risk profile based on information gathered for the period July 1, 2022 through June 30, 2023 in order to prepare a written report to the Board for review at the September meeting.

The Program Administrator's written report stated that: (i) the Fund is able to meet redemptions in normal and reasonably foreseeable stressed conditions and without significant dilution of remaining shareholders' interests in the Fund; (ii) the Fund's strategy is appropriate for an open-end mutual fund; (iii) the liquidity classification determinations regarding the Fund's portfolio investments, which take into account a variety of factors and may incorporate analysis from one or more third-party data vendors, remained appropriate; (iv) the Fund did not approach the internal triggers set forth in the liquidity risk management program or the regulatory percentage limitation (15%) on holdings in illiquid investments; (v) it continues to be appropriate to not set a "highly liquid investment minimum" for the Fund because the Fund primarily holds "highly liquid investments"; and (vi) the liquidity risk management program remains reasonably designed and adequately implemented to prevent violations of the Liquidity Rule. No significant liquidity events impacting the Fund or proposed changes to the Program were noted in the report.

**Proxy Voting Information**

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling (866) 684-4915 and on the U.S. Securities and Exchange Commission's (the "SEC") website at [www.sec.gov](http://www.sec.gov). The Fund's proxy voting record for the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling (866) 684-4915 and on the SEC's website at [www.sec.gov](http://www.sec.gov).

**Availability of Quarterly Portfolio Schedules**

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Forms N-PORT are available free of charge on the SEC's website at [www.sec.gov](http://www.sec.gov).

---

**THE BEEHIVE FUND**

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2023

---

**Federal Tax Status of Dividends Declared during the Fiscal Year**

For federal income tax purposes, dividends from short-term capital gains are classified as ordinary income. The Fund designates 100.00% of its income dividend distributed as qualifying for the corporate dividends-received deduction (“DRD”) and 100.00% for the qualified dividend rate (“QDI”) as defined in Section 1(h)(11) of the Code. The Fund also designates 24.97% as qualified interest income exempt from U.S. tax for foreign shareholders (“QII”). The Fund paid long-term capital gain dividends of \$3,534,664.

**Shareholder Expense Example**

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

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from July 1, 2023 through December 31, 2023.

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

**Hypothetical Example for Comparison Purposes** – The second line 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 funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

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

	<b>Beginning Account Value July 1, 2023</b>	<b>Ending Account Value December 31, 2023</b>	<b>Expenses Paid During Period*</b>	<b>Annualized Expense Ratio*</b>
Actual	\$ 1,000.00	\$ 1,046.70	\$ 5.06	0.98%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,020.30	\$ 4.99	0.98%

\* Expenses are equal to the Fund’s net 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 (184) divided by 365 to reflect the half-year period.

**Trustees and Officers of the Trust**

The Board is responsible for oversight of the management of the Trust’s business affairs and of the exercise of all the Trust’s powers except those reserved for the shareholders. The following table provides information about each Trustee and certain officers of the Trust. Each Trustee and officer holds office until the person resigns, is removed or is replaced. Unless otherwise noted, the persons have held their principal occupations for more than five years. The address for all Trustees and officers is Three Canal Plaza, Suite 600, Portland, Maine 04101. The Fund’s Statement of Additional Information includes additional information about the Trustees and is available, without charge and upon request, by calling (866) 684-4915.

**THE BEEHIVE FUND**

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2023

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series in Fund Complex Overseen By Trustee	Other Directorships Held By Trustee During Past Five Years
<b>Independent Trustees</b>					
David Tucker Born: 1958	Trustee; Chairman of the Board	Since 2011 and Chairman since 2018	Director, Blue Sky Experience (a charitable endeavor) since 2008; Senior Vice President & General Counsel, American Century Companies (an investment management firm) 1998-2008.	1	Trustee, Forum Funds II and U.S. Global Investors Funds
Mark D. Moyer Born: 1959	Trustee	Since 2018	Independent consultant providing interim CFO services, principally to non-profit organizations, since 2021; Chief Financial Officer, Freedom House (a NGO advocating political freedom and democracy) 2017-2021.	1	Trustee, Forum Funds II and U.S. Global Investors Funds
Jennifer Brown-Strabley Born: 1964	Trustee	Since 2018	Principal, Portland Global Advisors (a registered investment adviser) 1996-2010.	1	Trustee, Forum Funds II and U.S. Global Investors Funds
<b>Interested Trustees<sup>(1)</sup></b>					
Karen Shaw Born: 1972	Trustee	Since 2023	Senior Vice President, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.	1	Trustee, Forum Funds II and U.S. Global Investors Funds

<sup>(1)</sup>Karen Shaw is currently an interested person of the Trust, as defined in the 1940 Act, due to her affiliation with Apex Fund Services and her role as Treasurer of the Trust. Apex Fund Services is a wholly owned subsidiary of Apex US Holdings LLC.

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years
<b>Officers</b>			
Zachary Tackett Born: 1988	President; Principal Executive Officer; Anti-Money Laundering Compliance Officer; Identity Theft Prevention Officer	President and Principal Executive Officer since 2023; Anti-Money Laundering Compliance Officer and Identity Theft Prevention Officer since 2014	Senior Counsel, Apex Fund Services since 2019; Counsel, Atlantic Fund Services 2014-2019.
Karen Shaw Born: 1972	Treasurer; Principal Financial Officer	Since 2008	Senior Vice President, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.
Carlyn Edgar Born: 1963	Chief Compliance Officer	Chief Compliance Officer 2008-2016 and 2021-current	Senior Vice President, Apex Fund Services since 2019; Senior Vice President, Atlantic Fund Services 2008-2019.
Lindsey Dorval Born: 1981	Vice President; Secretary	Since 2023	Counsel, Apex Fund Services since 2020.



THE BEEHIVE FUND  
P.O Box 588  
Portland, Maine 04112  
(866) 684-4915 (toll free)

The report is submitted for the general information of the shareholders of the Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus, which includes information regarding the Fund's risks, objectives, fees and expenses, experience of its management and other information.

**Distributor**  
**Foreside Fund Services, LLC**  
**Three Canal Plaza**  
**Suite 100**  
**Portland, Maine 04101**  
**[www.foreside.com](http://www.foreside.com)**