



Payson Total Return Fund

ANNUAL REPORT // March 31, 2024

PAYSON TOTAL RETURN FUND

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MARCH 31, 2024

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IMPORTANT INFORMATION

An investment in the Fund is subject to risk, including the possible loss of principal. Other Fund risks include equity risk, sector risk, convertible securities risk, debt securities risk, technology sector risk, exchange-traded funds risk, interest rate risk, credit risk, inflation indexed security risk, U.S. government securities risk, value investment risk, mortgage-related and other asset-backed securities risk, and foreign investments risk. Foreign investing involves certain risks and increased volatility not associated with investing solely in the U.S., including currency fluctuations, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. Mortgage-related and other asset-backed securities risks include extension risk and prepayment risk. In addition, the Fund invests in midcap companies, which pose greater risks than those associated with larger, more established companies. There is no assurance that the Fund will achieve its investment objective.

PAYSON TOTAL RETURN FUND

A MESSAGE TO OUR SHAREHOLDERS (UNAUDITED)

MARCH 31, 2024

Dear Payson Total Return Fund Shareholder,

Better-than-expected economic conditions, led by moderating inflation and continued GDP growth, combined with a rapid rise in the value of stocks related to “Artificial Intelligence” (AI) led to a strong year for the Payson Total Return Fund (the “Fund”) and the S&P 500 Index, the Fund’s benchmark. For the past fiscal year ending in March 31, 2024, the Fund generated a total return of 33.2%, outperforming the 29.9% return posted by the S&P 500 Index.

The US economy remained resilient, propped up by strong consumer spending and industrial demand, despite the dampening effects of higher interest rates. More surprisingly, however, inflation continued to moderate, despite increased spending and tight labor markets. Expectations of an economic “soft landing” or “no landing” increased as inflation remained well contained, and as US economic growth remained stable. These better-than-expected economic conditions, combined with the aforementioned advance in AI stocks, led to the meaningful gains registered by the Index.

While the headline return of the S&P 500 Index is impressive, it obscures what was a bifurcated market over the last year. A substantial amount of the Index’s gain was due to a handful of very large cap stocks, largely in the technology sector. The common theme among these winners was their perceived relevance to the AI theme. Towards the end of the year, however, the market advance began to broaden, providing a lift to medium and smaller-sized companies.

With respect to relative performance, the Fund’s higher-than-benchmark exposure to information technology stocks continued to add positively to performance. Specifically, both Broadcom and Lam Research ranked in the top five for positive contributors and the Fund continues to hold these two stocks. This was partially offset by the Fund’s holdings in the Healthcare and Financials sectors which, in the aggregate, detracted from results.

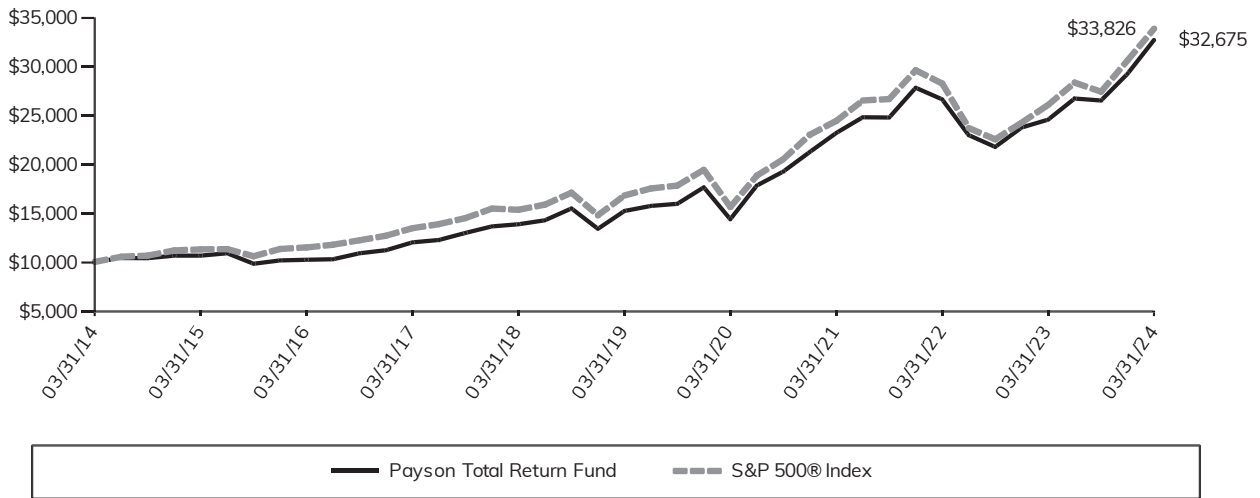
As a practice, the Fund managers spend very little time speculating on what may happen with inflation, interest rates and economic growth – variables which are out of their control. Instead, the Fund’s managers remain committed to constructing and maintaining a portfolio of what they believe are attractively-valued companies that, collectively, have superior characteristics to the Index. The managers seek to invest in high quality companies, with “quality” defined as high and sustainable margins, strong and growing cash flows, and shareholder-friendly uses of cash--such as share buybacks and dividend payments.

Looking ahead, it is important to note that market expectations around inflation and interest rates have changed meaningfully since the turn of the year. Recently, the rate of the decline in inflation has been below what the market has anticipated, pushing investors to expect interest rates to stay elevated longer. The prospect of higher rates has also increased investors’ concerns over a potential moderation in US economic growth. At the same time, valuations in the stock market are generally above long-term averages, providing less of a cushion to stocks should economic conditions weaken. As such, the Fund managers are, at the margin, cautious, but remain, as always, committed to the disciplined, company-by-company approach that has produced long-term competitive returns for its investors.

PAYSON TOTAL RETURN FUND
PERFORMANCE CHART AND ANALYSIS (UNAUDITED)
MARCH 31, 2024

The following chart reflects the change in the value of a hypothetical \$10,000 investment, including reinvested dividends and distributions, in Payson Total Return 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 index 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 index does not include expenses. The Fund is professionally managed, while the index is unmanaged and is not available for investment.

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



Average Annual Total Returns Periods Ended March 31, 2024	One Year	Five Year	Ten Year
Payson Total Return Fund	33.16%	16.54%	12.57%
S&P 500® Index	29.88%	15.05%	12.96%

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 (800) 805-8258. As stated in the Fund's prospectus, the annual operating expense ratio (gross) is 0.82%. 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 an average annual.

PAYSON TOTAL RETURN FUND
SCHEDULE OF INVESTMENTS
MARCH 31, 2024

<u>Shares</u>	<u>Security Description</u>	<u>Value</u>	<u>Shares</u>	<u>Security Description</u>	<u>Value</u>
Common Stock - 98.5%			Information Technology - 53.7% (continued)		
Consumer Discretionary - 6.6%			12,114	Broadcom, Inc.	\$ 16,056,017
2,664	AutoZone, Inc. (a)	\$ 8,395,996	38,293	CDW Corp.	9,794,584
21,617	Lowe's Cos., Inc.	5,506,498	251,960	HP, Inc.	7,614,231
10,900	The Home Depot, Inc.	4,181,240	9,632	Lam Research Corp.	9,358,162
		<u>18,083,734</u>	24,945	Meta Platforms, Inc., Class A	12,112,793
Consumer Staples - 2.2%			24,820	Microsoft Corp.	10,442,270
10,325	Thermo Fisher Scientific, Inc.	<u>6,000,993</u>	16,857	NVIDIA Corp.	15,231,311
Energy - 3.5%			32,785	NXP Semiconductors NV	8,123,139
34,202	Chevron Corp.	5,395,024	15,590	Texas Instruments, Inc.	2,715,934
20,680	Marathon Petroleum Corp.	4,167,020	38,688	WEX, Inc. (a)	9,189,561
		<u>9,562,044</u>			<u>146,682,161</u>
Financials - 12.2%			Total Common Stock (Cost \$158,327,389)		
8,328	Aon PLC, Class A	2,779,220			<u>269,331,593</u>
12,630	Berkshire Hathaway, Inc., Class B (a)	5,311,168	<u>Shares</u>	<u>Security Description</u>	<u>Value</u>
26,630	LPL Financial Holdings, Inc.	7,035,646	Exchange Traded Fund - 0.9%		
18,403	Mastercard, Inc., Class A	8,862,333	40,000	SPDR Portfolio S&P 500 ETF	
33,616	Visa, Inc., Class A	9,381,553		(Cost \$2,319,652)	<u>2,461,200</u>
		<u>33,369,920</u>	Investments, at value - 99.4% (Cost \$160,647,041)		
Health Care - 10.9%			Other Assets & Liabilities, Net - 0.6%		
43,035	AbbVie, Inc.	7,836,673	Net Assets - 100.0%		
30,477	Amgen, Inc.	8,665,221			<u>\$ 271,792,793</u>
80,660	CVS Health Corp.	6,433,441	ETF	Exchange Traded Fund	
25,730	Johnson & Johnson	4,070,229	PLC	Public Limited Company	
5,830	UnitedHealth Group, Inc.	2,884,101	(a)	Non-income producing security.	
		<u>29,889,665</u>			
Industrials - 9.4%			The following is a summary of the inputs used to value the Fund's investments as of March 31, 2024.		
47,863	AMETEK, Inc.	8,754,143	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.		
33,698	L3Harris Technologies, Inc.	7,181,044			
10,700	Norfolk Southern Corp.	2,727,109			
109,950	Terex Corp.	7,080,780			
		<u>25,743,076</u>			
Information Technology - 53.7%					
18,233	Accenture PLC, Class A	6,319,740			
15,333	Adobe, Inc. (a)	7,737,032			
122,580	Alphabet, Inc., Class A (a)	18,500,999			
78,647	Apple, Inc.	13,486,388			

See Notes to Financial Statements.

PAYSON TOTAL RETURN FUND
SCHEDULE OF INVESTMENTS
MARCH 31, 2024

<u>Valuation Inputs</u>	<u>Investments in Securities</u>
Level 1 - Quoted Prices	\$ 271,792,793
Level 2 - Other Significant Observable Inputs	-
Level 3 - Significant Unobservable Inputs	-
Total	<u>\$ 271,792,793</u>

The Level 1 value displayed in this table is Common Stock and an Exchange Traded Fund. Refer to this Schedule of Investments for a further breakout of each security by industry.

PORTFOLIO HOLDINGS (Unaudited)

% of Total Investments

Consumer Discretionary	6.6%
Consumer Staples	2.2%
Energy	3.5%
Financials	12.3%
Health Care	11.0%
Industrials	9.5%
Information Technology	54.0%
Exchange Traded Fund	0.9%
	<u>100.0%</u>

PAYSON TOTAL RETURN FUND
STATEMENT OF ASSETS AND LIABILITIES
MARCH 31, 2024

ASSETS

Investments, at value (Cost \$160,647,041)	\$ 271,792,793
Cash	2,305,120
Receivables:	
Fund shares sold	91,840
Dividends and interest	147,112
Prepaid expenses	11,591
Total Assets	<u>274,348,456</u>

LIABILITIES

Payables:	
Fund shares redeemed	485,341
Distributions payable	121,463
Accrued Liabilities:	
Investment adviser fees	136,903
Fund services fees	27,877
Other expenses	63,517
Total Liabilities	<u>835,101</u>

NET ASSETS \$ 273,513,355

COMPONENTS OF NET ASSETS

Paid-in capital	\$ 145,613,852
Distributable Earnings	<u>127,899,503</u>
NET ASSETS	<u>\$ 273,513,355</u>

SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED) 8,518,271

NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE \$ 32.11

PAYSON TOTAL RETURN FUND

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2024

INVESTMENT INCOME

Dividend income (Net of foreign withholding taxes of \$19,888)	\$	3,423,865
Interest income		224,302
Total Investment Income		<u>3,648,167</u>

EXPENSES

Investment adviser fees		1,524,202
Fund services fees		334,528
Custodian fees		27,488
Registration fees		25,025
Professional fees		60,327
Trustees' fees and expenses		12,543
Other expenses		<u>83,155</u>
Total Expenses		2,067,268

NET INVESTMENT INCOME1,580,899**NET REALIZED AND UNREALIZED GAIN (LOSS)**

Net realized gain on investments		21,540,319
Net change in unrealized appreciation (depreciation) on investments		48,081,775

NET REALIZED AND UNREALIZED GAIN69,622,094**INCREASE IN NET ASSETS RESULTING FROM OPERATIONS**\$ 71,202,993

PAYSON TOTAL RETURN FUND
STATEMENTS OF CHANGES IN NET ASSETS

	For the Years Ended March 31,	
	2024	2023
OPERATIONS		
Net investment income	\$ 1,580,899	\$ 2,863,256
Net realized gain	21,540,319	1,585,856
Net change in unrealized appreciation (depreciation)	48,081,775	(21,276,307)
Increase (Decrease) in Net Assets Resulting from Operations	<u>71,202,993</u>	<u>(16,827,195)</u>
DISTRIBUTIONS TO SHAREHOLDERS		
Total Distributions Paid	<u>(6,169,607)</u>	<u>(6,059,082)</u>
CAPITAL SHARE TRANSACTIONS		
Sale of shares	42,235,533	79,389,467
Reinvestment of distributions	5,574,275	4,924,970
Redemption of shares	<u>(77,745,174)</u>	<u>(45,357,046)</u>
Increase (Decrease) in Net Assets from Capital Share Transactions	<u>(29,935,366)</u>	<u>38,957,391</u>
Increase in Net Assets	<u>35,098,020</u>	<u>16,071,114</u>
NET ASSETS		
Beginning of Year	<u>238,415,335</u>	<u>222,344,221</u>
End of Year	<u>\$ 273,513,355</u>	<u>\$ 238,415,335</u>
SHARE TRANSACTIONS		
Sale of shares	1,494,450	3,211,535
Reinvestment of distributions	198,090	199,667
Redemption of shares	<u>(2,806,667)</u>	<u>(1,865,222)</u>
Increase (Decrease) in Shares	<u>(1,114,127)</u>	<u>1,545,980</u>

PAYSON TOTAL RETURN FUND
FINANCIAL HIGHLIGHTS

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

	For the Years Ended March 31,				
	2024	2023	2022	2021	2020
NET ASSET VALUE, Beginning of Year	\$ 24.75	\$ 27.50	\$ 27.20	\$ 18.17	\$ 19.37
INVESTMENT OPERATIONS					
Net investment income (a)	0.17	0.29	0.14	0.17	0.15
Net realized and unrealized gain (loss)	7.93	(2.45)	3.92	10.75	(1.20)
Total from Investment Operations	8.10	(2.16)	4.06	10.92	(1.05)
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	(0.18)	(0.28)	(0.14)	(0.17)	(0.15)
Net realized gain	(0.56)	(0.31)	(3.62)	(1.72)	-
Total Distributions to Shareholders	(0.74)	(0.59)	(3.76)	(1.89)	(0.15)
NET ASSET VALUE, End of Year	\$ 32.11	\$ 24.75	\$ 27.50	\$ 27.20	\$ 18.17
TOTAL RETURN	33.16%	(7.81)%	14.82%	61.37%	(5.48)%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of Year (000s omitted)	\$ 273,513	\$ 238,415	\$ 222,344	\$ 170,824	\$ 104,475
Ratios to Average Net Assets:					
Net investment income	0.62%	1.17%	0.50%	0.72%	0.74%
Net expenses	0.81%	0.82%	0.82%	0.85%	0.86%
PORTFOLIO TURNOVER RATE	65%	51%	87%	64%	25%

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

Note 1. Organization

The Payson Total Return 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 November 25, 1991. The Fund seeks a combination of high current income and 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.

Pursuant to Rule 2a-5 under the Investment Company Act, the Trust’s Board of Trustees (the “Board”) has designated the Adviser, as defined in Note 4, as the Fund’s valuation designee to perform any fair value determinations for securities and other assets held by the Fund. The Adviser 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 Adviser’s fair value determinations. The Adviser 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 Adviser 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 Adviser’s fair valuation procedures as a part of the Fund’s compliance program and will review any changes made to the procedures.

The Adviser 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. Adviser inputs may include an income-based approach in which the anticipated future cash flows of the investment are discounted in determining fair

PAYSON TOTAL RETURN FUND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

value. Discounts may also be applied based on the nature or duration of any restrictions on the disposition of the investments. The Adviser 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 net asset value ("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 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 of 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 March 31, 2024, 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.

PAYSON TOTAL RETURN FUND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

Distributions to Shareholders – Distributions to shareholders of net investment income, if any, are declared and paid quarterly. Distributions to shareholders of net capital gains and net foreign currency gains, if any, are declared and paid 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 fiscal years after they are filed. As of March 31, 2024, 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 counterparty to the contract. The Fund’s maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, based on experience, the risk of loss from such claims is considered remote. The Fund has determined that none of these arrangements requires disclosure on the Fund’s statement of assets and liabilities.

Note 3. Cash – Concentration in Uninsured Account

For cash management purposes, the Fund may concentrate cash with the Fund’s custodian. This typically results in cash balances exceeding the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. As of March 31, 2024, the Fund had \$2,055,120 at U.S. BANK, N.A. that exceeded the FDIC insurance limit.

Note 4. Fees and Expenses

Investment Adviser – H.M. Payson & Co. (the “Adviser”) is the investment adviser to the Fund. Pursuant to an investment advisory agreement, the Adviser receives an advisory fee, payable monthly, from the Fund at an annual rate of 0.60% 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 Fund does not have a distribution (12b-1) plan; accordingly, the Distributor does not receive compensation from the Fund for its distribution services. The Adviser compensates the Distributor directly for its services. The Distributor is not affiliated with the Adviser or Atlantic Fund Administration, LLC, a wholly owned subsidiary of Apex US Holdings LLC (d/b/a Apex Fund Services) (“Apex”) or their affiliates.

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 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 March 31, 2024 were \$162,913,533 and \$198,186,320, respectively.

PAYSON TOTAL RETURN FUND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

Note 6. Federal Income Tax

As of March 31, 2024, the cost of investments for federal income tax purposes is \$160,647,041 and the components of net unrealized appreciation were as follows:

Gross Unrealized Appreciation	\$	111,307,040
Gross Unrealized Depreciation		(161,288)
Net Unrealized Appreciation	\$	<u>111,145,752</u>

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

	<u>2024</u>	<u>2023</u>
Ordinary Income	\$ 1,777,855	\$ 2,742,855
Long-Term Capital Gain	4,560,823	3,195,763
	<u>\$ 6,338,678</u>	<u>\$ 5,938,618</u>

As of March 31, 2024, distributable earnings (accumulated loss) on a tax basis were as follows:

Undistributed Ordinary Income	\$	781,612
Undistributed Long-Term Gain		16,093,602
Net Unrealized Appreciation		111,145,752
Other Temporary Differences		(121,463)
Total	\$	<u>127,899,503</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 treatment of distributions payable.

Note 7. Technology Sector Risk

The Fund invests a significant portion of its assets in the information technology sector. Investments in information technology companies are vulnerable to factors affecting the technology sector, such as dependency on consumer and business acceptance as new technology evolves, large and rapid price movements resulting from competition, rapid obsolescence of products and services and short product cycles. Many information technology companies are small and at an earlier stage of development and, therefore, may be subject to risks such as those arising out of limited product lines, markets and financial and managerial resources.

Note 8. Subsequent Events

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

**To the Shareholders of Payson Total Return 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 Payson Total Return Fund (the “Fund”), a series of Forum Funds, as of March 31, 2024, the related statement of operations for the year then ended, the statements of changes in net assets and financial highlights for each of the two years in the period then ended, and the related notes (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 March 31, 2024, the results of its operations for the year then ended, and the changes in net assets and financial highlights for each of the two years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

The Fund’s financial highlights for the years ended March 31, 2022, and prior, were audited by other auditors whose report dated May 25, 2022, expressed an unqualified opinion on those 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 audits. 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 audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our audits 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 March 31, 2024, by correspondence with the custodian. Our audits 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 audits provide a reasonable basis for our opinion.

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

Cohen & Company Ltd.

COHEN & COMPANY, LTD.

Philadelphia, Pennsylvania

May 28, 2024

PAYSON TOTAL RETURN FUND

ADDITIONAL INFORMATION (UNAUDITED)

MARCH 31, 2024

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 (800) 805-8258 and on the SEC website at www.sec.gov. The Fund's proxy voting record for the most recent twelve-month period ended June 30 is available, without charge and upon request, by calling (800) 805-8258 and on the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedules

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

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 October 1, 2023 through March 31, 2024.

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.

PAYSON TOTAL RETURN FUND

ADDITIONAL INFORMATION (UNAUDITED)

MARCH 31, 2024

	<u>Beginning Account Value October 1, 2023</u>	<u>Ending Account Value March 31, 2024</u>	<u>Expenses Paid During Period*</u>	<u>Annualized Expense Ratio*</u>
Actual	\$ 1,000.00	\$ 1,233.47	\$ 4.58	0.82%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,020.90	\$ 4.14	0.82%

* 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 (183) divided by 366 to reflect the half-year period.

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 7.36% as qualified interest income exempt from U.S. tax for foreign shareholders (QII). The Fund paid long-term capital gain dividends of \$4,560,823.

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 (800) 805-8258.

PAYSON TOTAL RETURN FUND

ADDITIONAL INFORMATION (UNAUDITED)

MARCH 31, 2024

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
Independent Trustees					
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; Chairman of the Audit Committee	Since 2018	Independent consultant providing interim CFO services, principally to non-profit organizations, 2011-2017, and since 2023; 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
Interested Trustees⁽¹⁾					
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

⁽¹⁾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.

PAYSON TOTAL RETURN FUND

ADDITIONAL INFORMATION (UNAUDITED)

MARCH 31, 2024

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years
Officers			
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.

FOR MORE INFORMATION

Payson Total Return Fund
P.O. Box 588
Portland, Maine 04112
(800) 805-8258 (toll free)
www.hmpayson.com

Transfer Agent

Apex Fund Services
P.O. Box 588
Portland, Maine 04112
www.apexgroup.com

Distributor

Foreside Fund Services, LLC
Three Canal Plaza, Suite 100
Portland, Maine 04101
www.foreside.com

Investment Company Act File No. 811-03023

This 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.