Beck, Mack & Oliver Partners Fund

Annual Report

March 31, 2019

Beck, Mack & Oliver LLC

Dear Fellow Shareholder:

The Beck, Mack & Oliver Partners Fund (the "Partners Fund") returned -2.77% net of fees and expenses for the fiscal year ended March 31, 2019 (the "Fiscal Year"), resulting in a net asset value of $11.24. By comparison, during the Fiscal Year, the S&P 500® Index, which is the Partners Fund's principal benchmark, returned +9.50%.

Performance Update

We are extremely disappointed with the investment performance during the Fiscal Year. As we discuss below, the disappointing performance was highly concentrated in the three-month period ended December 31, 2018 ("Calendar Q4 2018"). In general, we believe that the share price declines experienced during Calendar Q4 2018 will prove temporary, do not reflect an erosion in the intrinsic value of the underlying businesses, and hence do not represent a permanent loss of your capital.

Below is an updated version of a performance comparison table that was introduced in the letter for the fiscal year ended March 31, 2017, and that has been included in each of our subsequent shareholder letters.[1]

	Cumulative Total Returns		
	12/1/09 – 3/31/14	**3/31/14 – 3/31/16**	**3/31/16 – 3/31/19**
Partners Fund	+90.28%	-21.46%	+26.59%
S&P 500 Index	+85.01%	+14.74%	+46.25%

The table below demonstrates that a large majority of the underperformance relative to the S&P 500 Index and all of the underperformance relative to the S&P 500 Value Index over the last three years are attributable to performance during Calendar Q4 2018.

	Cumulative Returns			
	3/31/16 – 9/30/18	**9/30/18 – 12/31/18**	**12/31/18 – 3/31/19**	**3/31/16 – 3/31/19**
Partners Fund	+45.28%	-23.18%	+13.42%	+26.59%
S&P 500 Index	+48.81%	-13.52%	+13.65%	+46.25%
S&P 500 Value Index	+37.15%	-12.06%	+12.19%	+35.32%

(Performance data quoted represent past performance and are 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 an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, please call (800) 943-6786.)

[1]This table shows investment performance from the December 1, 2009, inception of the Partners Fund through the end the Fiscal Year. We have disaggregated performance into three time periods in order to isolate the underperformance during the two years ended March 31, 2016, in response to which changes were made to the management of the Partners Fund. For more details on those management changes, please see the letter for the fiscal year ended March 31, 2017, and the letter for the six-month semi-annual period ended September 30, 2017, which are available at the following link: https://www.beckmack.com/USStrategy.aspx?category=shareholderReports.

In our two most recent shareholder letters, we have discussed two important themes that have characterized the performance of the broader equity market in recent years: (i) equity market returns have significantly exceeded their long-term averages[2]; and (ii) "growth" equity returns have significantly outperformed "value" equity returns.[3]

In light of these two themes, we had been generally pleased but not completely satisfied with the recent performance of the Partners Fund prior to Calendar Q4 2018. From March 31, 2016, to September 30, 2018, the Partners Fund generated a cumulative total return of +45.28%, which moderately lagged the S&P 500 Index but which meaningfully outperformed the S&P 500 Value Index. In Calendar Q4 2018, however, the Partners Fund underperformed both the S&P 500 Index and the S&P 500 Value Index by a sizeable margin. In the three months ended March 31, 2019 ("Calendar Q1 2019"), the Partners Fund slightly lagged the S&P 500 Index while outperforming the S&P 500 Value Index.

So what happened during Calendar Q4 2018? It was the second-worst quarter for the S&P 500 Index since the global financial crisis of 2008, it was the worst December for the S&P 500 Index since 1931, and nearly 150 companies in the S&P 500 Index were down more than 20% during the quarter. Much of this market action occurred in response to fears that economic growth was slowing, which were aggravated by the perception that the U.S. Federal Reserve, which raised interest rates in late September 2018 and then again in December 2018, was not sufficiently responsive to changing economic conditions. In this environment, so-called "risk assets"—i.e., financial assets that are more sensitive to economic growth and investors' risk tolerance, such as equities and high-yield corporate bonds—generally declined in value, while so-called "safe assets"—such as U.S. Treasury bonds and gold—generally rose in value.

As investors shifted capital *between* asset classes—e.g., from equities to U.S. Treasury bonds—they also shifted capital *within* asset classes. For instance, within the S&P 500 Index, the three sectors with the highest total returns during Calendar Q4 2018 were utilities, real estate, and consumer staples, while the three sectors with the lowest total returns were energy, information technology, and industrials.[4] In addition, companies with higher financial leverage tended to underperform companies with lower financial leverage. We believe that the underperformance of the Partners Fund during Calendar Q4 2018 was primarily a consequence of these trends.

In response to the extremely disappointing performance during Calendar Q4 2018, we conducted an extensive review of the portfolio. With minor exceptions[5], we concluded that our investment theses remained intact and, given the broad-based repricing of equities in Calendar Q4 2018, that the corresponding valuations had become even more compelling. Furthermore, our confidence in this conclusion tended to be strongest for the positions that generated the greatest losses during Calendar Q4 2018. There were nine positions that each contributed negative 1% (or more) to investment performance

[2]For instance, the +46.25% cumulative total return of the S&P 500 Index since March 31, 2016, corresponds to an annualized total return of +13.51%, while the annualized total return of the S&P 500 Index during the 30 years ended March 31, 2019, was +10.43%.

[3]For instance, since March 31, 2016, the S&P Growth Index has generated a cumulative total return of +55.71%, while the S&P Value Index has generated a cumulative total return of +35.32%. While any distinction between "growth" and "value" is not absolute, we believe that the investment strategy of the Partners Fund—which emphasizes long-term fundamentals and seeks to purchase securities at discounts to their intrinsic value—is generally more comparable to "value"-oriented investment strategies.

[4]These sectors correspond to Global Industry Classification Standard Level 1.

[5]Please see the "New and Exited Positions" section on page 6.

during Calendar Q4 2018: Apollo Global Management, LLC; BlackBerry Limited; The Blackstone Group LP; CenturyLink, Inc.; Enstar Group, Ltd.; Laboratory Corp. of America Holdings; Matador Resources Co.; Teva Pharmaceutical Industries, Ltd.; and Wabtec Corp.. These positions had been—and, after the thorough portfolio review mentioned above, they remain—among our highest-conviction investment ideas. In many cases, we took advantage of the market sell-off during Calendar Q4 2018 to opportunistically increase the size of these positions. During Calendar Q1 2019, the median total return of these nine positions was +17.31%, which compares to +13.42% for the Partners Fund overall and +13.65% for the S&P 500 Index.

As we have stated before, we are steadfastly focused on preserving your capital and on outperforming the broader equity market—for which the S&P 500 Index is an appropriate proxy—over long periods of time. Although we are encouraged by the performance of the Partners Fund over the last few months, we recognize that we have not yet recovered all of the losses suffered during Calendar Q4 2018. We have a high degree of conviction in the current portfolio and do not believe that the underperformance sustained during Calendar Q4 2018 represents a permanent loss of capital. Our interests are aligned with yours, as every investment professional at Beck, Mack & Oliver LLC, which is the investment adviser to the Partners Fund, personally owns shares of the Partners Fund.

Largest Positive & Negative Contributors

The table below indicates the largest positive and negative single-security contributors to investment performance as well as the total returns of the underlying securities during the Fiscal Year.[6]

Largest Positive Contributors			Largest Negative Contributors		
Position	**Contribution**	**Total Return**	**Position**	**Contribution**	**Total Return**
Armstrong World Industries, Inc.	+1.59%	+41.76%	Matador Resources Co.	-2.20%	-35.37%
Microsoft Corp.	+1.49%	+31.42%	HomeFed Corp.	-1.43%	-33.64%
Credit Acceptance Corp.	+1.45%	+36.78%	CenturyLink, Inc.	-1.11%	-18.99%

Largest Positive Contributors

Armstrong World Industries, Inc. ("Armstrong") designs and manufactures ceiling systems and acoustical solutions mainly for commercial buildings. The company has a leading market share in the U.S. and enjoys a reasonable amount of pricing power. The Partners Fund began purchasing shares of Armstrong in February 2017, which followed the company's spin-off of its less attractive flooring business in 2016. Since we have owned the stock, Armstrong has sold its underperforming international operations and expanded into the architectural specialties segment, which is growing at a faster rate than the company's core mineral fiber segment. We have been pleased with the performance of Armstrong's business and remain constructive on the fundamental outlook.

[6]Total return refers to the security's total return during the Fiscal Year. Contribution refers to the total return of the Partners Fund's ownership within the Fiscal Year multiplied by the percentage of the Partners Fund's net assets that the security represents.

Both Microsoft Corp. and Credit Acceptance Corp. were among the three largest positive contributors for the second consecutive fiscal year and we have discussed these companies in recent shareholder letters.

For each of the three largest positive contributors during the Fiscal Year, their total return was a function of both strong earnings growth and multiple expansion. Although we have sold some shares of each company as part of ongoing portfolio management and rebalancing, we believe that all three businesses continue to benefit from fundamental tailwinds and they all remain core positions for the Partners Fund.

Matador Resources Co.

After being among the three largest positive contributors during the fiscal years ended March 31, 2017, and March 31, 2018, Matador Resources Co. ("Matador") was the largest negative contributor during the Fiscal Year. All of this negative contribution occurred during Calendar Q4 2018, when the price of oil declined by more than 38%.[7] While there were many factors that weighed on the oil market during Calendar Q4 2018, including the aforementioned fears of slowing economic growth, Matador's management team has continued to demonstrate impressive execution of their business plan. They are successfully growing oil production, building out their midstream business, and enhancing their acreage position in the coveted Permian Basin. Nevertheless, at the end of Calendar Q4 2018, Matador was trading at the largest discount to our conservative estimate of net asset value since the company became public in 2012.

Not least because of the adverse impact that oil market volatility had on the Partners Fund's investment performance when it was under prior management, we have a clear-eyed view of the inherent risks of investing in carbon-based energy companies. Indeed, over the last few years, we have substantially reduced the Partners Fund's energy exposure and the Partners Fund held only two energy positions as of the end of the Fiscal Year: (i) Matador; and (ii) Enterprise Products Partners LP, which, like Matador's midstream business, is inherently less sensitive than companies involved in exploration and production to the underlying oil price.[8]

We continue to own Matador not so much because we have a high-conviction view on the future price of oil, but because the management team—which is led by co-founder, Chairman, and CEO Joe Foran—continues to significantly enhance the value of the underlying assets largely irrespective of the broader oil price environment, which is reflected in consistent double-digit growth in net asset value per share over time. We have resolved to be highly disciplined in how we ultimately sell down the Matador position, which will be based primarily on its discount to net asset value and secondarily on the underlying oil price. In the meantime, we were encouraged to see Matador insiders purchase nearly $1.7 million worth of stock during the Fiscal Year, including nearly $1.1 million during Calendar Q4 2018, and not sell a single share.

HomeFed Corp.

We discussed HomeFed Corp. ("HomeFed") in our most recent shareholder letter, in which we mentioned the low trading liquidity in the stock. We believe that HomeFed's relative illiquidity likely contributed to its negative performance during Calendar Q4 2018. In February 2019, Jefferies Financial Group Inc. ("Jefferies"), which owns approximately 70% of

[7]West Texas Intermediate spot price.

[8]Please see the letter for the six-month semi-annual period ended September 30, 2017, for more detail on Enterprise Product Partners LP.

HomeFed, announced a proposal to acquire the remaining 30% of the company, pursuant to which each share of HomeFed would be exchanged for two shares of Jefferies. As of the end of the Fiscal Year, this transaction had not been completed. Subject to the completion of this transaction, the Partners Fund's position in HomeFed is under review and we plan to provide an update in our next shareholder letter.

CenturyLink, Inc.

We have discussed CenturyLink, Inc. ("CenturyLink") in each of our three most recent shareholder letters. In the letter for the six-month semi-annual period ended September 30, 2018, we discussed CenturyLink because it was the largest positive contributor to investment performance during that period. That we are now discussing CenturyLink on account of it being among the three largest negative contributors during the Fiscal Year indicates just how dramatically the market's view of the company changed during the latter six months of the Fiscal Year.

As a reminder, in November 2017, CenturyLink completed the acquisition of Level 3 Communications, Inc., which the Partners Fund owned. Jeff Storey, who created significant shareholder value as CEO of Level 3 Communications, Inc., then became CEO of CenturyLink. Consistent with our underwriting of the investment, Storey and his management team successfully integrated the two companies, realized substantial synergies, and began to reposition the combined enterprise for profitable growth.

We believe that there were a few important factors contributing to CenturyLink's underperformance during Calendar Q4 2018. First, the CFO, who was highly regarded, left to take a senior financial role (and become CFO heir apparent) at T-Mobile US, Inc., which is a much larger company. Second, the market reacted negatively to CenturyLink's third quarter earnings, which were announced in November 2018, due to revenue trends and a reduction in full-year capital expenditure guidance. Finally, we believe that CenturyLink's financial leverage was a major factor in its underperformance during Calendar Q4 2018.

Unlike many of our other positions that meaningfully underperformed during Calendar Q4 2018, CenturyLink continued to underperform during Calendar Q1 2019. We believe that the principal reason for CenturyLink's underperformance during Calendar Q1 2019 was the decision, announced in conjunction with fourth quarter earnings in February 2019, to reduce the dividend from $2.16 per share to $1.00 per share on an annual basis.

Dividend reductions almost always result in a sizeable and immediate negative market reaction and this instance was no different. Storey explained that the decision was motivated primarily by a desire to accelerate deleveraging and not at all by the outlook for free cash flow, which remained more than sufficient to cover the dividend under the prior policy.[9] Whether the market did not believe this explanation or just could not tolerate any more bad news after a difficult Calendar Q4 2018, the stock materially underperformed in the wake of the announcement.

[9]In conjunction with the fourth quarter earnings release and dividend reduction announcement, CenturyLink introduced financial guidance for calendar 2019, which included projected free cash flow of $3.1-3.4 billion, which compares to a dividend of approximately $2.3 billion under the prior dividend policy and approximately $1.1 billion under the new dividend policy.

With respect to the new dividend policy, we believe that the accelerated deleveraging plan will in fact enhance shareholder value over time, but we acknowledge that Storey's credibility has been temporarily impaired, the antidote for which is likely to be consistent execution of the business plan, which has been Storey's hallmark as an operator historically. As to some of the factors cited above for CenturyLink's underperformance during Calendar Q4 2018, in short, we believe that in the aggregate they are not material. We were sad to see the prior CFO leave the company, but we are comfortable with his replacement, who had worked directly with Storey for many years and had been a key member of the senior management team. With respect to third quarter earnings, the revenue weakness occurred mainly in those business lines that the management team has deliberately deemphasized due to their relative unprofitability and the capital expenditure reduction was largely a function of correcting poor capital allocation under prior management as well as a timing issue. Finally, as indicated above, the new dividend policy will facilitate faster deleveraging of the balance sheet, which should remove a major overhang on the stock.

As of the end of the Fiscal Year, CenturyLink was trading at less than four times the midpoint of its implied free cash flow per share guidance for 2019. For a company that is actually growing free cash flow, that is an extraordinarily cheap valuation, in our opinion. Insiders seem to agree, as they bought nearly $1.7 million of stock in the weeks following the dividend reduction announcement. We continue to have a lot of confidence in Storey and his management team and we believe that basic execution of the business plan, set against extremely low expectations and negative sentiment, is likely to provide the foundation for future outperformance.

New & Exited Positions

The table below indicates the three new positions that were initiated and the six positions that were exited during the Fiscal Year:

New Positions	Exited Positions
Advanced Drainage Systems, Inc.	Chicago Bridge & Iron Co. NV
The Sherwin-Williams Co.	Crimson Wine Group, Ltd.
Teva Pharmaceutical Industries, Ltd.	Liberty Global PLC
	Merck & Co., Inc.
	San Juan Basin Royalty Trust
	Schlumberger, Ltd.

<u>Advanced Drainage Systems, Inc.</u>

We initiated a position in Advanced Drainage Systems, Inc. ("ADS") towards the end of the Fiscal Year. ADS is a leading manufacturer of corrugated plastic used predominantly in storm water drainage and other water management products. The company has an approximately 90% market share in its core corrugated plastic pipe business. Over the last few decades, plastic pipe has consistently been taking market share from concrete pipe given the former's lower total installed costs and more favorable environmental profile. This ongoing, long-term industry trend has provided a significant tailwind to ADS's business, which has achieved national scale, allowing it to economize on the purchase of raw materials, which are an important input cost. In addition, we have a favorable opinion of CEO Scott Barbour, who joined the company in 2017 from Emerson Electric Co., and of the board of directors, which includes Chairman Bob Kidder, the former CEO of Duracell Inc., and Ross Jones, a managing director at Berkshire Partners.[10] Barbour is a an operations- focused CEO who has identified opportunities to expand margins and to consolidate the "allied products" category, which includes products such as storm retention/detention and septic chambers, drainage structures, fittings, and water quality filters and separators. Our average cost in ADS is $25.66 and we believe that the company's earnings power can exceed $2 per share over the next few years, based on continued market share gains for plastic pipe and on management's plans for margin expansion.

The Sherwin-Williams Co.

The Sherwin-Williams Co. ("Sherwin") is a company that we have followed and admired for a long time. The company—which includes the well-known paint stores as well as an industrial coatings business—has attractive pricing power, a great brand, and a talented management team that allocates capital effectively. It also tends to perform relatively well during most economic downturns as raw material costs decline while pricing tends to remain fairly stable. In addition, the management team has a track record of repurchasing stock in such environments, which further enhances per-share value creation. Because of these characteristics, Sherwin has historically traded at a premium valuation. However, the market sell-off during Calendar Q4 2018 provided an opportunity to purchase Sherwin at a meaningful discount to its typical valuation. Our average purchase price in Sherwin is $379.54; the share price as of the end of the Fiscal Year was $430.71; and the company has made two dividend payments totaling $1.99 per share during our ownership thus far.

Teva Pharmaceutical Industries, Ltd.

We discussed our investment in Teva Pharmaceutical Industries, Ltd. ("Teva") in our most recent shareholder letter. As noted above, Teva was a major negative contributor to investment performance during Calendar Q4 2018. We would attribute much of this underperformance to Teva's financial leverage, which, as mentioned in our prior letter, is trending lower as CEO Kare Schultz reduces costs and applies free cash flow to paying down debt. In Calendar Q1 2019, Teva generated a modest positive total return but underperformed the broader equity market, which we believe was driven by conservative financial guidance for calendar 2019, which was introduced in conjunction with fourth quarter earnings in February 2019, and ongoing litigation regarding opioid liabilities, which has generated voluminous press in recent months. We have conducted extensive research with respect to Teva's potential opioid-related liabilities and continue to closely follow the situation. Based on the amount of Teva's branded opioid revenue and prior settlements, including the recent settlement between Purdue Pharma LP and the state of Oklahoma, we believe that Teva's ultimate opioid-related liability is unlikely to be materially higher than $2 billion, which we originally assumed in our underwriting of the investment. While this issue is likely to continue to produce headlines that could weigh on the stock in the short term, we believe that the investment thesis remains firmly intact and that we have essentially been given an opportunity to purchase additional shares of Teva at even more attractive valuations. To wit, during the first six months of the Fiscal Year, we purchased 60,000 shares of Teva at an average price $22.74. During the last six months of the Fiscal Year, we purchased an additional 30,000 shares at an average price of $16.70.

[10]Berkshire Partners is a private investment firm that was a minority shareholder in ADS, which was a private company at the time, from 1988 to 2010. ADS became public in 2014 and Berkshire Partners became a shareholder again in 2017. Berkshire currently has a substantial minority stake in the company.

Chicago Bridge & Iron Co. NV/McDermott International, Inc.

We discussed Chicago Bridge & Iron Co. NV and/or McDermott International, Inc. in each of our prior five shareholder letters. In our most recent letter, we acknowledged that we did not have "endless patience" for this position. Suffice it to say that our patience ran out during the Fiscal Year and we fully exited this position.

Liberty Global PLC

We initiated a position in Liberty Global PLC during the fiscal year ended March 31, 2016. During our ownership, the management team and board of directors deserve some credit for unlocking value via asset sales and share repurchases, but we were repeatedly disappointed in the underlying fundamental performance of the business and we lost confidence in the management team's ability to materially improve performance, in part because of how competitive the company's markets are. As we identified compelling new investment ideas and as the market sell-off during Calendar Q4 2018 created actionable dislocations among other investments in the portfolio, we decided to exit the Liberty Global plc position and recycle the capital into more attractive opportunities.

Schlumberger, Ltd.

Like virtually every other oil-related company, Schlumberger, Ltd. ("Schlumberger") substantially underperformed during Calendar Q4 2018. As a general rule, we are highly averse to "selling at the bottom," but in this case we elected to exit the Schlumberger position and recycle much of the proceeds into the Matador position. We believe that this capital reallocation was accretive to the portfolio, as Matador had sold off to a greater degree than Schlumberger, Matador was (and remains) more attractively valued than Schlumberger, and over time our confidence in the Matador management team has only grown whereas we became somewhat jaundiced by the Schlumberger team's tendency to over-promise and under-deliver. Moreover, our exit from Schlumberger resulted in the Partners Fund now owning only two energy names, in each of which we retain a high degree of conviction.

Other Exited Positions

In our most recent shareholder letter, we discussed our exits from positions in Crimson Wine Group, Ltd.; Merck & Co., Inc.; and San Juan Basin Royalty Trust.

Other Portfolio Observations

As of the end of the Fiscal Year, the Partners Fund held 28 equity positions, with the 10 largest positions representing 51.6% of net assets. This compares to 31 equity positions, with the 10 largest positions representing 50.7% of net assets, as of March 31, 2018.

As of the end of the Fiscal Year, the largest sector exposures were financials (27.8% of net assets), health care (20.3%), and communication services (14.2%) and cash represented approximately 1% of net assets.

As of the end of the Fiscal Year, the Partners Fund had an estimated net capital loss per share of $5.27, which includes approximately $5.1 million of available short-term capital loss carryforwards and approximately $12.2 million of available long-term capital loss carryforwards.

Outlook & Conclusion

In our shareholder letter for the six-month semi-annual period ended September 30, 2018, we noted that it was rather easy at the time to marshal observations about the financial markets and the broader economy that could make one feel sanguine about one's invested capital, and we then went on to discuss the dangers of complacency and the importance of remaining vigilant. Sure enough, in the first few days of October 2018, the aforementioned sell-off in risk assets commenced, which culminated in an historically turbulent quarter for the market.

We acknowledge that our vigilance in the face of the market's complacency did not prevent the Partners Fund from materially underperforming during Calendar Q4 2018. And we would also emphasize the dramatic abruptness with which the equity market subsequently recovered from its late December 2018 lows. What can we conclude from such observations?

First, over relatively short periods of time, financial markets, especially the equity market, tend to exhibit significantly greater volatility than underlying economic or business trends that are the ultimate source of financial market returns. Second, in the short run, individual stocks can trade virtually *anywhere* and their valuations can become temporarily but utterly disconnected from underlying fundamentals.

We have articulated the following idea in our two most recent shareholder letters and it is worth reiterating here: "As long-term fundamental investors, we believe that our core competence is not to predict market or macroeconomic inflection points, but to find and to own high-quality companies that are trading at discounts to their intrinsic value." We strongly believe that owning good businesses run by solid management teams and trading at attractive valuations provides the best opportunity to pursue attractive risk-adjusted investment returns over time. As Calendar Q4 2018 demonstrated, this investment philosophy does *not* prevent underperformance over relatively short periods of time, when various temporal factors—such as investor psychology and market technicals—can overwhelm underlying economic and business fundamentals. But it remains, in our opinion, the best approach to compounding capital over time while appropriately managing risk.

In the last three years since current management has assumed responsibility for the day-to-day operation of the Partners Fund, we believe that we have high-graded the portfolio where appropriate, such that each position satisfies our central criteria of: (i) good business; (ii) solid management team; and (iii) attractive valuation. Over the last three years, with the exception of Calendar Q4 2018, we believe that we have done a reasonable job of nearly keeping up with the S&P 500 Index while meaningfully outperforming the S&P 500 Value Index. As discussed above, we firmly believe that the underperformance during Calendar Q4 2018 does not represent a permanent loss of your capital and that the portfolio today therefore has significant embedded upside potential.

Thank you for your continued support.

Yours sincerely,

Robert C. Beck

Richard C. Fitzgerald

Appendix: Historical Performance

Total returns for the Partners Fund and the S&P 500 Indices for the periods ended March 31, 2019, were as follows:

		Annualized Returns			
				Since 12/01/2009	
Returns as of 03/31/19	**One Year**	**Three Years**	**Five Years**	**Reorg***	**Ten Years**
Beck Mack & Oliver Partners Fund	-2.77%	+8.18%	-0.12%	+7.07%	+10.14%
S&P 500 Index	+9.50%	+13.51%	+10.91%	+12.91%	+15.92%
S&P 500 Value Index	+5.92%	+10.61%	+8.03%	+11.20%	+14.47%
S&P Growth Index	+12.76%	+15.91%	+13.35%	+14.39%	+17.16%

(Performance data quoted represent past performance and are 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 an investor's shares, when redeemed, may be worth more or less than original cost. Shares redeemed or exchanged within 60 days of purchase will be charged a 2.00% redemption fee. As stated in the current prospectus, the Partners Fund's annual operating expense ratio (gross) is 1.76%. However, the Partners Fund's adviser has agreed to contractually waive its fees and/or reimburse expenses to limit total operating expenses to 1.00% through at least July 31, 2019; otherwise performance shown would have been lower. For the most recent month-end performance, please call (800) 943-6786. Returns greater than one year are annualized.)

*Excludes performance prior to the Partners Fund's reorganization from a limited partnership.

IMPORTANT RISKS AND DISCLOSURE:

There is no assurance that the Partners Fund will achieve its investment objective. An investment in the Partners Fund is subject to risk, including the possible loss of principal amount invested. The risks associated with the Partners Fund include, among others: equity and convertible securities risk, foreign investments risk, management risk, fixed-income securities risk, non-investment grade securities risk, liquidity risk and non-diversification risk. The Partners Fund may invest in small and mid-sized capitalization companies meaning that these companies carry greater risk than is customarily associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock.

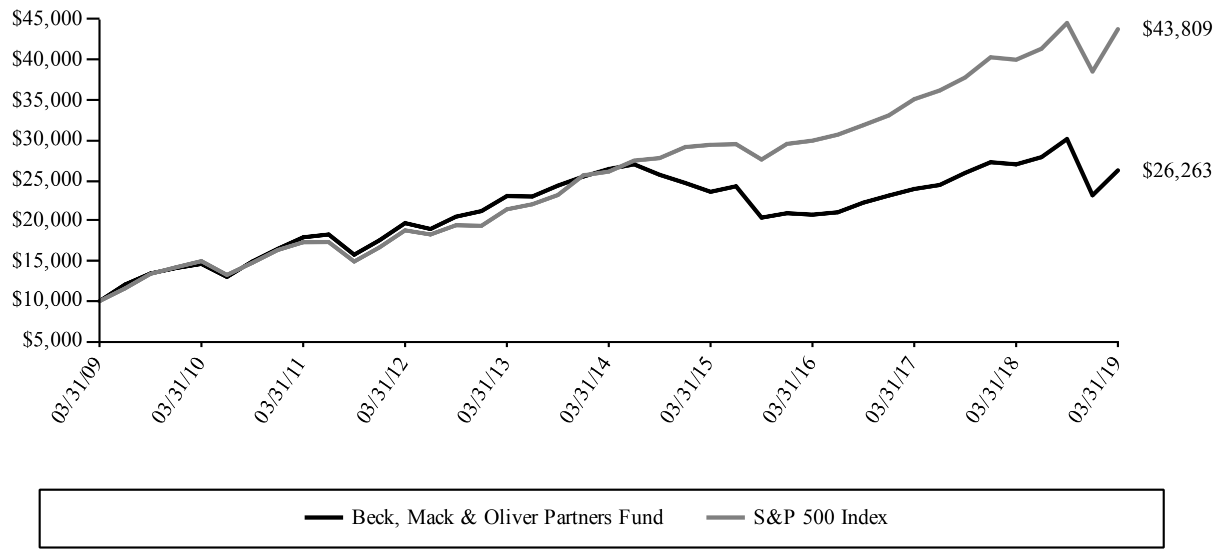
The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The total return of the S&P 500 Index and of the Partners Fund includes the reinvestment of dividends and income. The total return of the Partners Fund includes operating expenses that reduce returns, while the total return of the S&P 500 Index does not include expenses. The Partners Fund is professionally managed while the S&P 500 Index is unmanaged and is not available for investment. It is not possible to invest directly in an index.

This letter may contain discussions about certain investments both held and not held in the portfolio. All current and future holdings are subject to risk and to change. The views in this report were those of the Partners Fund managers as of March 31, 2019, and may not reflect their views on the date this report is first published or any time thereafter. These views are intended to assist shareholders in understanding their investment in the Partners Fund and do not constitute investment advice.

On December 1, 2009, a limited partnership managed by the adviser reorganized into the Partners Fund. The predecessor limited partnership maintained an investment objective and investment policies that were, in all material respects, equivalent to those of the Partners Fund. The Partners Fund's performance for the periods before December 1, 2009 is that of the limited partnership and includes the expenses of the limited partnership, which were lower than the Partners Fund's current expenses, except for 2008 where the expenses of the limited partnership were higher. The performance prior to December 1, 2009 is based on calculations that are different from the standardized method of calculations by the SEC. If the limited partnership's performance had been readjusted to reflect the estimated expenses of the Partners Fund for its first Fiscal Year, the performance would have been lower. The limited partnership was not registered under the Investment Company Act of 1940 ("1940 Act") and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code of 1986, which, if applicable, may have adversely affected its performance.

The following chart reflects the change in the value of a hypothetical $10,000 investment, including reinvested dividends and distributions, in Beck, Mack & Oliver Partners Fund (the "Fund") compared with the performance of the benchmark, S&P 500® Index (the "S&P 500"), over the past 10 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.

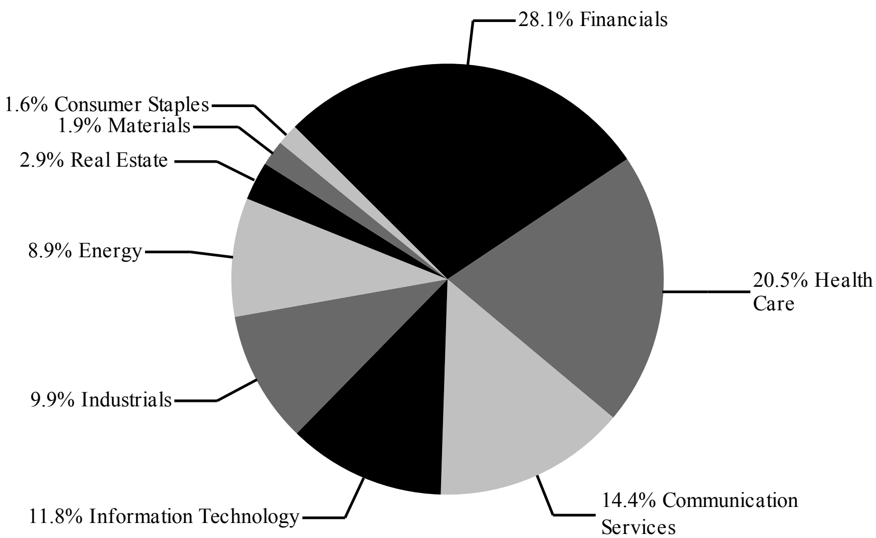
Comparison of a $10,000 Investment
Beck, Mack & Oliver Partners Fund vs. S&P 500 Index



Average Annual Total Returns Periods Ended March 31, 2019	One Year	Five Year	Ten Year
Beck, Mack & Oliver Partners Fund	-2.77%	-0.12%	10.14%
S&P 500 Index	9.50%	10.91%	15.92%

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. As stated in the Fund's prospectus, the annual operating expense ratio (gross) is 1.76%. However, the Fund's adviser 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 all taxes, interest, portfolio transaction expenses, acquired fund fees and expenses and extraordinary expenses) to 1.00%, through July 31, 2019 (the "Expense Cap"). The Expense Cap may be raised or eliminated only with the consent of the Board of Trustees. During the period, certain fees were waived and/or expenses reimbursed; otherwise, returns would have been lower. Shares redeemed or exchanged within 60 days of purchase will be charged a 2.00% redemption fee. 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. For the most recent month-end performance, please call (800) 943-6786.*

PORTFOLIO HOLDINGS
% of Total Investments



Shares	Security Description		Value
Common Stock - 99.0%			
Communication Services - 14.2%			
1,650	Alphabet, Inc., Class C [(a)]	$	1,935,961
142,000	CenturyLink, Inc.		1,702,580
63,000	Discovery Communications, Inc., Class C [(a)]		1,601,460
			5,240,001
Consumer Staples - 1.6%			
7,000	Anheuser-Busch InBev SA/NV, ADR		587,790
Energy - 8.8%			
45,000	Enterprise Products Partners LP		1,309,500
100,000	Matador Resources Co. [(a)]		1,933,000
			3,242,500
Financials - 27.8%			
70,000	Apollo Global Management, LLC		1,977,500
4,400	Credit Acceptance Corp. [(a)]		1,988,492
11,500	Enstar Group, Ltd. [(a)]		2,001,000
16,000	JPMorgan Chase & Co.		1,619,680
8,400	Oaktree Capital Group, LLC		417,060
63,000	The Blackstone Group LP		2,203,110
			10,206,842
Health Care - 20.3%			
9,500	Abbott Laboratories		759,430
23,000	Gilead Sciences, Inc.		1,495,230
44,000	Grifols SA, ADR		884,840
9,400	Laboratory Corp. of America Holdings [(a)]		1,438,012
40,000	RadNet, Inc. [(a)]		495,600
90,000	Teva Pharmaceutical Industries, Ltd., ADR [(a)]		1,411,200
3,900	Waters Corp. [(a)]		981,669
			7,465,981
Industrials - 9.8%			
25,000	Advanced Drainage Systems, Inc.		644,250
19,500	Armstrong World Industries, Inc.		1,548,690
19,000	Wabtec Corp.		1,400,680
			3,593,620
Information Technology - 11.7%			
160,000	BlackBerry, Ltd. [(a)]		1,614,400
17,000	Microsoft Corp.		2,004,980
12,000	QUALCOMM, Inc.		684,360
			4,303,740
Materials - 1.9%			
1,600	The Sherwin-Williams Co.		689,136
Real Estate - 2.9%			
28,080	HomeFed Corp. [(a)]		1,067,040
Total Common Stock (Cost $29,379,497)			**36,396,650**

Shares	Security Description	Exercise Price	Exp. Date		Value
Warrant - 0.0%					
75,675	AgroFresh Solutions, Inc. [(a)] (Cost $171,744)	$ 11.50	07/31/20	$	6,811

Investments, at value - 99.0% (Cost $29,551,241)	**$**	**36,403,461**
Other Assets & Liabilities, Net - 1.0%		**356,047**
Net Assets - 100.0%	**$**	**36,759,508**

ADR	American Depositary Receipt
LLC	Limited Liability Company
LP	Limited Partnership
(a)	Non-income producing security.

The following is a summary of the inputs used to value the Fund's investments as of March 31, 2019.

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.

Valuation Inputs		Investments in Securities
Level 1 - Quoted Prices	$	36,403,461
Level 2 - Other Significant Observable Inputs		–
Level 3 - Significant Unobservable Inputs		–
Total	**$**	**36,403,461**

The Level 1 value displayed in this table includes Common Stock and a Warrant. Refer to this Schedule of Investments for a further breakout of each security by industry.

BECK, MACK & OLIVER PARTNERS FUND
STATEMENT OF ASSETS AND LIABILITIES
MARCH 31, 2019

ASSETS		
Investments, at value (Cost $29,551,241)	$	36,403,461
Cash		296,490
Receivables:		
Investment securities sold		128,744
Dividends and interest		1,055
Prepaid expenses		8,207
Total Assets		36,837,957
LIABILITIES		
Payables:		
Investment securities purchased		31,280
Fund shares redeemed		60
Accrued Liabilities:		
Investment adviser fees		6,141
Fund services fees		15,175
Other expenses		25,793
Total Liabilities		78,449
NET ASSETS	$	36,759,508
COMPONENTS OF NET ASSETS		
Paid-in capital	$	46,658,608
Distributable earnings		(9,899,100)
NET ASSETS	$	36,759,508
SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)		3,271,328
NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE*	$	11.24

* Shares redeemed or exchanged within 60 days of purchase are charged a 2.00% redemption fee.

BECK, MACK & OLIVER PARTNERS FUND
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2019

INVESTMENT INCOME		
Dividend income (Net of foreign withholding taxes of $10,371)	$	846,833
Interest income		1,609
Total Investment Income		848,442
EXPENSES		
Investment adviser fees		387,235
Fund services fees		182,453
Custodian fees		10,017
Registration fees		22,204
Professional fees		36,483
Trustees' fees and expenses		3,749
Other expenses		31,426
Total Expenses		673,567
Fees waived		(286,326)
Net Expenses		387,241
NET INVESTMENT INCOME		461,201
NET REALIZED AND UNREALIZED GAIN (LOSS)		
Net realized loss on investments		(1,584,013)
Net change in unrealized appreciation (depreciation) on investments		50,917
NET REALIZED AND UNREALIZED LOSS		(1,533,096)
DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	$	(1,071,895)

See Notes to Financial Statements.

BECK, MACK & OLIVER PARTNERS FUND
STATEMENTS OF CHANGES IN NET ASSETS

	For the Years Ended March 31, 2019	2018
OPERATIONS		
Net investment income	$ 461,201	$ 455,865
Net realized gain (loss)	(1,584,013)	1,268,937
Net change in unrealized appreciation (depreciation)	50,917	2,970,504
Increase (Decrease) in Net Assets Resulting from Operations	(1,071,895)	4,695,306
DISTRIBUTIONS TO SHAREHOLDERS		
Total Distributions Paid	–	(34,294)*
CAPITAL SHARE TRANSACTIONS		
Sale of shares	2,268,661	2,901,960
Reinvestment of distributions	–	30,422
Redemption of shares	(2,806,097)	(6,994,229)
Redemption fees	596	199
Decrease in Net Assets from Capital Share Transactions	(536,840)	(4,061,648)
Increase (Decrease) in Net Assets	(1,608,735)	599,364
NET ASSETS		
Beginning of Year	38,368,243	37,768,879
End of Year	$ 36,759,508	$ 38,368,243**
SHARE TRANSACTIONS		
Sale of shares	196,138	260,983
Reinvestment of distributions	–	2,607
Redemption of shares	(242,430)	(628,561)
Decrease in Shares	(46,292)	(364,971)

* Distribution for March 31, 2018 was the result of net investment income.
** Includes distributions in excess of net investment income of $(45,738) at March 31, 2018. The requirement to disclose the corresponding amount as of March 31, 2019 was eliminated.

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

	For the Years Ended March 31,				
	2019	**2018**	**2017**	**2016**	**2015**
NET ASSET VALUE, Beginning of Year	$ 11.56	$ 10.26	$ 8.98	$ 12.42	$ 14.82
INVESTMENT OPERATIONS					
Net investment income (a)	0.14	0.13	0.08	0.10	0.11
Net realized and unrealized gain (loss)	(0.46)	1.18	1.30	(1.57)	(1.70)
Total from Investment Operations	(0.32)	1.31	1.38	(1.47)	(1.59)
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	–	(0.01)	(0.10)	(0.07)	(0.09)
Net realized gain	–	–	–	(1.90)	(0.72)
Total Distributions to Shareholders	–	(0.01)	(0.10)	(1.97)	(0.81)
REDEMPTION FEES(a)	0.00(b)	0.00(b)	0.00(b)	0.00(b)	0.00(b)
NET ASSET VALUE, End of Year	$ 11.24	$ 11.56	$ 10.26	$ 8.98	$ 12.42
TOTAL RETURN	(2.77)%	12.77%	15.45%	(12.05)%	(10.70)%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of Year (000s omitted)	$ 36,760	$ 38,368	$ 37,769	$ 34,587	$ 124,102
Ratios to Average Net Assets:					
Net investment income	1.19%	1.17%	0.80%	0.87%	0.75%
Net expenses	1.00%	1.00%	1.00%	1.00%	1.00%
Gross expenses (c)	1.74%	1.76%	1.81%	1.44%	1.29%
PORTFOLIO TURNOVER RATE	17%	19%	26%	50%	41%

(a) Calculated based on average shares outstanding during each year.
(b) Less than $0.01 per share.
(c) Reflects the expense ratio excluding any waivers and/or reimbursements.

Note 1. Organization

The Beck, Mack & Oliver Partners Fund (the "Fund") is a non-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 December 1, 2009, after it acquired the net assets of BMO Partners Fund, L.P. (the "Partnership"), in exchange for Fund shares. The Partnership commenced operations in 1991. The Fund seeks long-term capital appreciation with the preservation of capital.

Note 2. Summary of Significant Accounting Policies

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 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. Debt securities may be valued at prices supplied by a fund's pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics such as rating, interest rate and maturity. 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.

The Fund values its investments at fair value pursuant to procedures adopted by the Trust's Board of Trustees (the "Board") if (1) market quotations are not readily available or (2) the Adviser, as defined in Note 4, believes that the values available are unreliable. The Trust's Valuation Committee, as defined in the Fund's registration statement, performs certain functions as they relate to the administration and oversight of the Fund's valuation procedures. Under these procedures, the Valuation Committee 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 Valuation Committee may work with the Adviser to provide 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 value. Discounts may also be applied based on the nature or duration of any restrictions on the disposition of the investments. The Valuation Committee 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 the 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, 2019, 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. 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 and discount is accreted 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 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, 2019, 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.

Redemption Fees – A shareholder who redeems or exchanges shares within 60 days of purchase will incur a redemption fee of 2.00% of the current NAV of shares redeemed or exchanged, subject to certain limitations. The fee is charged for the benefit of the remaining shareholders and will be paid to the Fund to help offset transaction costs. The fee is accounted for as an addition to paid-in capital. The Fund reserves the right to modify the terms of or terminate the fee at any time. There are limited exceptions to the imposition of the redemption fee. Redemption fees incurred for the Fund, if any, are reflected on the Statements of Changes in Net Assets.

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 balance sheet.

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, 2019, the Fund had $46,490 at MUFG Union Bank, N.A. that exceeded the FDIC insurance limit.

Note 4. Fees and Expenses

Investment Adviser – Beck, Mack & Oliver LLC (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 1.00% of the Fund's average daily net assets.

Distribution – Foreside Fund Services, LLC serves as the Fund's distributor (the "Distributor"). 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 (d/b/a Atlantic Fund Services) ("Atlantic") or their affiliates.

Other Service Providers – Atlantic 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. Atlantic also provides certain shareholder report production and EDGAR conversion and filing services. Pursuant to an

Atlantic services agreement, the Fund pays Atlantic customary fees for its services. Atlantic 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 – The Trust pays each independent Trustee an annual retainer of $31,000 for services to the Trust ($41,000 for the Chairman). The Audit Committee Chairman receives an additional $2,000 annually. The Trustees and 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. Expense Reimbursement and Fees Waived

The Adviser 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 all taxes, interest, portfolio transaction expenses, acquired fund fees and expenses and extraordinary expenses) to 1.00%, through at least July 31, 2019. During the year ended March 31, 2019, fees waived were $286,326.

Note 6. 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, 2019 were $6,396,178 and $6,443,731 respectively.

Note 7. Federal Income Tax

As of March 31, 2019, the cost of investments for federal income tax purposes is $29,227,826 and the components of net appreciation were as follows:

Gross Unrealized Appreciation	$	9,400,945
Gross Unrealized Depreciation		(2,225,310)
Net Unrealized Appreciation	$	7,175,635

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

		Ordinary Income
2019	$	–
2018		34,294

As of March 31, 2019, distributable earnings (accumulated loss) on a tax basis were as follows:

Undistributed Ordinary Income	$	169,309
Capital and Other Losses		(17,244,044)
Net Unrealized Appreciation		7,175,635
Total	$	(9,899,100)

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 equity return of capital, partnerships and wash sales.

As of March 31, 2019, the Fund has $5,064,074 of available short-term capital loss carryforwards and $12,179,970 of available long-term capital loss carryforwards that have no expiration date.

On the Statement of Assets and Liabilities, as a result of permanent book to tax differences, certain amounts have been reclassified for the year ended March 31, 2019. The following reclassification was the result of investments in partnerships and grantor trusts and has no impact on the net assets of the Fund.

Distributable Earnings	$	(27)
Paid-in-Capital		27

Note 8. Recent Accounting Pronouncements

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2018-13 "Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement" ("ASU 2018-13") which includes amendments intended to improve the effectiveness of disclosures in the notes to financial statements. For example, ASU 2018-13 includes additional disclosures regarding the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and clarifications to the narrative description of measurement uncertainty disclosures. ASU 2018-13 is effective for interim and annual periods beginning after December 15, 2019. Early adoption is permitted and the Fund has adopted ASU 2018-13 within these financial statements.

In September 2018, the Securities and Exchange Commission released Final Rule 33-10532 captioned "Disclosure Update and Simplification," which includes: (i) an amendment to require presentation of the total, rather than the components, of distributable earnings on the Statement of Assets and Liabilities; and (ii) an amendment to require presentation of the total, rather than the components, of distributions to shareholders, except for tax return of capital distributions, on the Statement of Changes in Net Assets. The amendments also removed the requirement for parenthetical disclosure of undistributed net investment income on the Statement of Changes in Net Assets. These changes were effective November 5, 2018. These amendments are reflected in the Fund's financial statements for the year ended March 31, 2019.

Note 9. 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.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trustees of Forum Funds
and the Shareholders of Beck, Mack & Oliver Partners Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Beck, Mack & Oliver Partners Fund, a series of shares of beneficial interest in Forum Funds (the "Fund"), including the schedule of investments, as of March 31, 2019, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended and the financial highlights for each of the years in the five-year 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, 2019, and the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended and its financial highlights for each of the years in the five-year period then ended, in conformity with accounting principles generally accepted in the United States of America.

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 law 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. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risk of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include 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, 2019 by correspondence with the custodian and brokers. 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.

BBD, LLP

BBD, LLP

We have served as the auditor of one or more of the Funds in the Forum Funds since 2009.

Philadelphia, Pennsylvania
May 23, 2019

Investment Advisory Agreement Approval

At the March 27, 2019 Board meeting, the Board, including the Independent Trustees, considered the approval of the continuance of the investment advisory agreement between 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, Atlantic Fund Services. During its deliberations, the Board received an oral presentation from the Adviser, and was advised by Trustee counsel.

At the meeting, the Board reviewed, among other matters: (1) the nature, extent and quality of the services provided to the Fund by the Adviser, including information on the investment performance of the Fund and Adviser; (2) the costs of the services provided and profitability to the Adviser of its relationship with the Fund; (3) the advisory fee and total expense ratio of the Fund compared to a relevant peer group of funds; (4) the extent to which economies of scale may be realized as the Fund grows and whether the advisory fees enable the Fund's investors to share in the benefits of economies of scale; and (5) other benefits received by the Adviser from its relationship with the Fund. In addition, 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 processes of the Adviser and the capability and integrity of the Adviser's senior management and staff.

The Board considered also the adequacy of the Adviser's resources. The Board noted the Adviser's representation that the firm is in stable financial condition, that the firm is able to meet its expense reimbursement obligations to the Fund, and that the Adviser has the operational capability and the necessary staffing and experience 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, among other relevant considerations, the Board concluded that, overall, it was satisfied with the nature, extent, and quality of services 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 S&P 500 Index. The Board observed that the Fund underperformed its primary benchmark index for the one-, three-, five- and 10-year periods ended December 31, 2018, and for the period since the Fund's inception on April 19, 1991. The Board noted the Adviser's representation that the Fund's underperformance relative to the primary benchmark index over the short term was attributable, in part, to historic market volatility and turmoil during the fourth quarter of 2018, including a decline in the price of oil, which negatively impacted the Fund's largest, highest conviction positions. The Board noted the Adviser's representation that it believed the price declines experienced during the fourth quarter of 2018 would be temporary and did not reflect erosion in the value of the underlying businesses, nor did it represent a permanent loss of capital. The Board considered the Adviser's representation that it remained confident in the Fund's portfolio and the Adviser's observation that the Fund's performance had markedly improved performance since the Fund's transition in portfolio management in 2016.

The Board also reviewed the Fund's performance relative to an independent peer group identified by Broadridge Financial Solutions, Inc. ("Broadridge") as having characteristics similar to those of the Fund. The Board observed that, based on the information provided by Broadridge, the Fund underperformed the median of its Broadridge peer group for the one-, three-, and five-year periods ended December 31, 2018. The Board noted the Adviser's representation that the Fund's underperformance relative to the Broadridge peers could be attributed, in part, to the decline in the price of oil, which had a pronounced adverse impact on the energy holdings of the Fund. The Board considered also the Adviser's belief that the peer group identified by Broadridge was not the most suitable comparison for the Fund and, at the request of the Adviser, the Board reviewed the Fund's performance compared to an additional peer group of funds provided by the Adviser and believed to be a more representative comparison to the Fund ("Comparable Fund Peers"). In that regard, the Board observed that the Fund underperformed the median of the Comparable Fund Peers for the one-, three- and five-year periods ended December 31, 2018, and outperformed the median of the Comparable Fund Peers for the month of January 2019.

Based on the Adviser's investment style and the foregoing performance information, among other factors, the Board determined that the Fund could expect to 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 actual advisory fee rates and actual total expenses of the Fund's Broadridge peer group. The Board observed that the Adviser's actual advisory fee rate and actual total expenses were each less than the median of the Broadridge peers. The Board also noted the Adviser's representation that the advisory fee charged to the Fund was consistent with the fee charged by the Adviser to its separately managed accounts with comparable assets under management. Based on the foregoing, among other relevant considerations, the Board concluded that the Adviser's advisory fee rate charged to the Fund was reasonable.

Costs of Services and Profitability

The Board considered information provided by the Adviser regarding its 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 the aggregate costs and profitability of its mutual fund activities. The Board considered also the Adviser's representation that the Adviser does not conduct a formal, comprehensive cost allocation with respect to its mutual fund activities and separately managed accounts, but that the Adviser believed that the Fund was comparatively less profitable than its separately managed account activities as a result of the low level of the Fund's assets, costs incurred in connection with regulatory compliance applicable to registered investment companies, and the expense cap currently in place. Based on these and other applicable considerations, the Board concluded that the Adviser's profits attributable to the management of the Fund were reasonable.

Economies of Scale

The Board evaluated whether the Fund would benefit from any economies of scale. In this respect, the Board considered the Adviser's statement that, although the Fund's shareholders potentially could benefit from economies of scale if the Fund's assets increased, the consideration of breakpoints was not appropriate at this time because of the Fund's low asset levels. Based on the foregoing information, the Board concluded that economies of scale were not a material factor in renewing the Advisory Agreement.

Other Benefits

The Board noted the Adviser's representation that, other than its contractual advisory fees and the soft dollar benefits accrued from Fund brokerage commissions, the Adviser 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.

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) 943-6786 and on the U.S. Securities and Exchange Commission's ("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) 943-6786 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-Q. These filings are available, without charge and upon request on the SEC's website at www.sec.gov or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including redemption fees and exchange fees, and (2) 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, 2018 through March 31, 2019.

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 and do not reflect any transactional costs, such as redemption fees and exchange fees. 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.

	Beginning Account Value October 1, 2018	Ending Account Value March 31, 2019	Expenses Paid During Period*	Annualized Expense Ratio*
Actual	$ 1,000.00	$ 871.31	$ 4.67	1.00%
Hypothetical (5% return before expenses)	$ 1,000.00	$ 1,019.95	$ 5.04	1.00%

* 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 (182) 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 (800) 943-6786.

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, Forum ETF Trust and U.S. Global Investors Funds
Mark D. Moyer Born: 1959	Trustee	Since 2018	Chief Financial Officer, Freedom House (a NGO advocating political freedom and democracy) since 2017; independent consultant providing interim CFO services, principally to non-profit organizations, 2011-2017; Chief Financial Officer, Institute of International Education (a NGO administering international educational exchange programs), 2008-2011; Chief Financial Officer and Chief Restructuring Officer, Ziff Davis Media Inc. (an integrated media company), 2005-2008; Adjunct Professor of Accounting, Fairfield University from 2009-2012.	1	Trustee, Forum Funds II, Forum ETF Trust 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, Forum ETF Trust and U.S. Global Investors Funds
Interested Trustees					
Stacey E. Hong[1] Born: 1966	Trustee	Since 2018	President, Atlantic since 2008.	1	Trustee, Forum Funds II and U.S. Global Investors Funds
Jessica Chase[1] Born: 1970	Trustee	Since 2018	Senior Vice President, Atlantic since 2008.	1	None

[1]Stacey E. Hong is currently treated as an interested person of the Trust, as defined in the 1940 Act, due to his affiliation with Atlantic. Jessica Chase is currently treated as an interested person of the Trust, as defined in the 1940 Act, due to her affiliation with Atlantic and her role as President of the Trust.

Name and Year of Birth	Position with the Trust	Length of Time Served	Principal Occupation(s) During Past 5 Years
Officers			
Jessica Chase Born: 1970	President; Principal Executive Officer	Since 2015	Senior Vice President, Atlantic since 2008.
Karen Shaw Born: 1972	Treasurer; Principal Financial Officer	Since 2008	Senior Vice President, Atlantic since 2008.
Zachary Tackett Born: 1988	Vice President; Secretary and Anti-Money Laundering Compliance Officer	Since 2014	Counsel, Atlantic since 2014.
Michael J. McKeen Born: 1971	Vice President	Since 2009	Senior Vice President, Atlantic since 2008.
Timothy Bowden Born: 1969	Vice President	Since 2009	Manager, Atlantic since 2008.
Geoffrey Ney Born: 1975	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008–2013.
Todd Proulx Born: 1978	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008–2013.
Carlyn Edgar Born: 1963	Vice President	Since 2008	Senior Vice President, Atlantic since 2008; Chief Compliance Officer, 2008-2016.
Dennis Mason Born: 1967	Chief Compliance Officer	Since 2016	Fund Compliance Officer, Atlantic since 2013; Senior Specialist, Atlantic, 2011-2013; Senior Analyst, Atlantic, 2008-2011.

FOR MORE INFORMATION

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