

Semi-Annual Report
June 30, 2021 (Unaudited)



THE BEEHIVE FUND

Managed by Spears Abacus Advisors LLC

BEEHX

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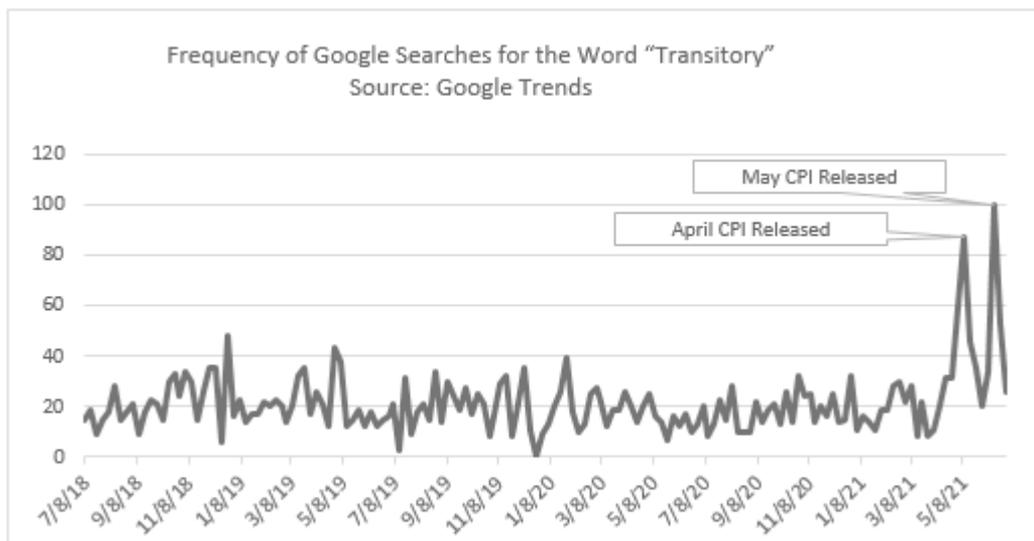
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The views expressed in this report are those of the investment advisor of The BeeHive Fund (the “Fund”) as of June 30, 2021, and may not reflect its views on the date this report is first published or any time thereafter. These views are intended to assist shareholders of the Fund in understanding their investments in the Fund and do not constitute investment advice. The Fund is subject to various forms of risk, including the possible loss of principal. Investing in foreign securities entails risks not associated with domestic equities, including economic and political instability and currency fluctuations. Investing in fixed income securities includes the risk that rising interest rates will cause a decline in values. Focused investments in particular industries or market sectors can entail increased volatility and greater market risk than is the case with more broadly diversified investments. Investments in securities of small and mid-capitalization companies involve the possibility of greater volatility than investments in larger capitalization companies. Investments in American Depositary Receipts involve many of the same risks as investing in foreign securities.

THE BEEHIVE FUND
A MESSAGE TO OUR SHAREHOLDERS
JUNE 30, 2021

Dear Shareholders,

Inflation is a hot topic. Throughout the second quarter, it was the subject of great scrutiny. A new buzzword was ushered into the vocabulary of investors and observers: transitory. Significant increases in consumer prices were widely predicted for the spring months. In both April and May of this year, the Consumer Price Index (CPI) rose at the highest annual rate since 2008. June data was nearly double consensus predictions. A spirited debate ensued. Would rising cost of living become the new normal, or would current readings prove to be only a transitory effect of the post-pandemic economic restart?



The importance of the outcome should not be underestimated. Anyone old enough to remember the 1970s knows the corrosive effect that rapidly rising consumer and producer prices can have on both the real economy and financial markets. Ever since the early 1980s, when Paul Volcker broke the back of inflation, the Federal Reserve has been counted on to adjust monetary policy to temper overheating conditions. In the first quarter of this year, interest rates rose as investors worried that the Fed would move too slowly to tame building inflation.

Then things changed.

In the second quarter, while observers debated the potential duration of post-Covid inflation, markets had already begun to signal a winner. Bond investors cast their votes for "transitory." The yield on the 10-year U.S. Treasury note dropped from 1.75% on March 31, 2021 to 1.45% by June 30, 2021 and is 1.34% as of this writing.

The bond market has begun to reflect the concern that the Fed may start to remove accommodations too soon while the economy continues to require the current level of monetary stimulus. There are several possible explanations for this.

The first, of course, is that current inflationary pressures will subside in the near term as economic growth moderates and various shortages are addressed. One can point to the recent sharp decline in the price of lumber and reduction of shipping delays¹ at major ports as indicators that supply chains are beginning to untangle. The housing market has cooled off noticeably. Labor shortages remain a question mark, but many believe that more of the workers that were laid off during the pandemic will choose to rejoin the labor force after the summer as extra unemployment benefits lapse and children return to school.

Good old-fashioned Washington gridlock may also factor into investor calculations. While there is still the probability of more fiscal stimulus, the size of a potential spending bill is likely to be much smaller than once anticipated.

Some investors are becoming concerned about the impact of the Delta variant. A resurgence of Covid infections could lead to the reinstatement of restrictions, delaying or moderating the economic rebound.

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Looking at the stock market, its behavior in the spring quarter could almost entirely be explained by a single factor: falling interest rates. Investors returned to the path that worked so well before the economic rebound. Large company stocks outperformed small, and so-called “growth” stocks outpaced more cyclical “value” stocks.

	12/31/2019- 11/6/2020	11/6/2020- 3/31/2021	3/31/2021- 6/30/2021
	2020 Pre-Vaccine	Since Vaccine	Second Quarter
Interest Rates	Falling	Rising	Falling
S&P 500	8.63	13.21	8.17
S&P 500 Equal Weight	(1.37)	24.33	6.48
Growth Stocks ⁱⁱ	30.30	6.02	11.72
Value Stocks ⁱⁱⁱ	(9.99)	23.13	4.71
Russell 2000	(1.46)	35.06	4.05
Long Term Treasury Bonds ^{iv}	19.17	(14.61)	7.02
Investment Grade Corporate Bonds ^v	8.87	(3.71)	3.92
High Yield Corporate Bonds ^{vi}	0.97	3.84	2.01

It appears that many investors are following an overly simplistic calculus. The formula seems to be buy “growth” index funds when interest rates are falling, then switch to “value” index funds when rates rise and back to “growth” if rates fall again. In our experience, reallocating assets in this manner rarely succeeds for long.

To start, one might reasonably ask what the difference between a “growth” and “value” stock is. A simple answer would be that “value” stocks are cheap by some observable measurement. For instance, stock price to current earnings or total enterprise value (which includes debt) to cash flow. “Growth” stocks are generally more expensive by these measures but are thought to have the potential to increase sales and earnings per share at a faster than average rate. But constructing benchmarks to track market performance is rarely accomplished using simple rules.

Though less influential than the S&P 500, the Russell 1000 is meant to track the performance of large capitalization companies traded on U.S. exchanges. However, when it comes to defining and measuring growth and value investing, Russell indices are the industry standard. There are currently 1024 different stocks in the Russell 1000, from which the Russell 1000 Growth and Russell 1000 Value benchmarks are created. Here is where things get confusing:

Makeup of Russell Growth and Value Indices	
Benchmark	Number of Stocks
Russell 1000 Growth	499
Russell 1000 Value	842
Number of Stocks in Both	317

In order to “provide comprehensive and unbiased barometers for the large-cap growth and large-cap value segments,”^{vii} all 1024 stocks need to be shoe horned into a category. We get that. But we cannot follow the logic that more than 30% of the companies somehow fall into BOTH.

What we think is most relevant is that there are plenty of companies in the Russell 1000 that are neither cheap nor capable of growing at an above average rate. Having publicly traded stock does not make a company investment-worthy. Segmenting all constituents, good and bad, into clumsily defined categories does nothing to address this flaw. This is just one of many reasons we eschew both index investing and short-term (or “tactical”) asset allocation.

When it comes to the inflation debate, we are not in the business of placing chips on “higher” or “lower,” “transitory” or “persistent,” “growth” or “value.” We prefer to focus on its impact on specific business segments to identify those companies that are best equipped to benefit from changing conditions. Changes made in The BeeHive Fund’s portfolio in the first half of the year were made with a preference towards business models that fare well in a period of higher inflation. For instance, the Fund acquired payments

THE BEEHIVE FUND
A MESSAGE TO OUR SHAREHOLDERS
JUNE 30, 2021

processor, Fidelity National, a company that, alongside existing portfolio holding Fiserv, will benefit directly from higher spending while insurance broker, Aon, will see profit revenues rise along with insurance premiums.

In the longer term, we know that the global labor force is shrinking. Whether near-term wage growth is somewhat faster or marginally slower than currently predicted, companies will invest in software and other technologies to automate tasks and increase efficiency. Beneficiaries of this trend will be found among sellers and buyers of these tools. We invest in both.

We are always on the lookout for exciting new companies, but need look no further than Fund holding, Microsoft, a leader in cloud computing, cyber security, gaming, and virtual communication tools, not to mention word processing, for a reminder that “old” companies can also be leaders and great investments.

Whether due to snarled supply chains or weather events, if commodity prices and other input costs rise, some companies will be in a far better position than others to pass along higher prices to customers. We look for dominant players in businesses with few or weak competitors and high barriers to entry.

If interest rates do rise more than currently expected, countless businesses could be stuck with sharply higher financing costs. The weakest may find themselves unable to raise capital at any price. We favor companies with more than enough free cash flow to finance their own growth.

In the coming months, we believe that much attention will be given to economic data releases. There will be much speculation about the reactions of central bankers, principally Jay Powell, chair of the U.S. Fed. Commentators will likely lean on the most common of forecasting tools: extrapolation. Traders will trade and markets will move in unpredictable ways. It is our belief that all of this noise will produce at least one predictable result: fluctuating sentiment will lead to specific mispriced securities and attractive investment opportunities.

During the period, the following stocks were the key contributors and detractors of fund performance.

<u>Top Contributors</u>	<u>Contribution (%)</u>	<u>Bottom Contributors</u>	<u>Contribution (%)</u>
ALPHABET INC	2.57	BALL CORP	-0.28
MICROSOFT	1.91	FISERV INC	-0.16
GENERAL MOTORS	1.33	PROSUS N V	-0.15
ORACLE CORP	1.09	CDK GLOBAL INC	-0.09
JP MORGAN CHASE & CO	0.66	ALIBABA GROUP HLDG	-0.06

Regards,

Spears Abacus

- (i) Logistics and supply chain company Project44 reported that shipping containers are sitting at port, on average, for 13 days, well below the peak of 26 days, but still above the 6-day average pre-pandemic.
- (ii) Russell 1000 Growth Index
- (iii) Russell 1000 Value Index
- (iv) iShares 20+ Year Treasury Bond ETF
- (v) iShares iBoxx \$ Investment Grade Corporate Bond ETF
- (vi) iShares iBoxx \$ High Yield Corporate Bond ETF
- (vii) FTSE Russell Fact Sheet

THE BEEHIVE FUND
SCHEDULE OF INVESTMENTS
JUNE 30, 2021

<u>Shares</u>	<u>Security Description</u>	<u>Value</u>	ADR	American Depositary Receipt
Common Stock - 96.6%				
Consumer Discretionary - 18.1%				
14,550	Alibaba Group Holding, Ltd., ADR ^(a)	\$ 3,299,649	PLC	Public Limited Company
35,760	Aptiv PLC ^(a)	5,626,121	REIT	Real Estate Investment Trust
98,520	Comcast Corp., Class A	5,617,610	(a)	Non-income producing security.
109,550	General Motors Co. ^(a)	6,482,073	(b)	Dividend yield changes daily to reflect current market conditions. Rate was the quoted yield as of June 30, 2021.
108,720	Prosus NV, ADR ^(a)	2,130,912		
56,513	Restaurant Brands International, Inc.	3,641,698		
13,930	Whirlpool Corp.	3,037,019		
		<u>29,835,082</u>		
Consumer Staples - 8.9%				
63,600	Molson Coors Beverage Co., Class B ^(a)	3,414,684		
81,940	Mondelez International, Inc., Class A	5,116,334		
49,750	Nestle SA, ADR	6,205,815		
		<u>14,736,833</u>		
Financials - 13.8%				
15,320	Aon PLC, Class A	3,657,803		
11,720	Berkshire Hathaway, Inc., Class B ^(a)	3,257,223		
36,970	Chubb, Ltd.	5,876,012		
42,950	Intercontinental Exchange, Inc.	5,098,165		
31,610	JPMorgan Chase & Co.	4,916,619		
		<u>22,805,822</u>		
Health Care - 10.8%				
15,555	Becton Dickinson and Co.	3,782,821		
17,055	Gilead Sciences, Inc.	1,174,407		
77,467	Tabula Rasa HealthCare, Inc. ^(a)	3,873,350		
17,720	Thermo Fisher Scientific, Inc.	8,939,208		
		<u>17,769,786</u>		
Industrials - 5.9%				
61,030	Berry Global Group, Inc. ^(a)	3,980,377		
106,770	BrightView Holdings, Inc. ^(a)	1,721,132		
15,000	Danaher Corp.	4,025,400		
		<u>9,726,909</u>		
Materials - 5.5%				
32,370	Ball Corp.	2,622,617		
63,950	Crown Holdings, Inc.	6,536,330		
		<u>9,158,947</u>		
Real Estate - 2.1%				
28,530	Prologis, Inc. REIT	3,410,191		
Software & Services - 27.4%				
3,082	Alphabet, Inc., Class A ^(a)	7,525,597		
2,251	Alphabet, Inc., Class C ^(a)	5,641,726		
87,110	CDK Global, Inc.	4,328,496		
23,240	Fidelity National Information Services, Inc.	3,292,411		
39,990	Fiserv, Inc. ^(a)	4,274,531		
57,755	Microsoft Corp.	15,645,830		
59,860	Oracle Corp.	4,659,502		
		<u>45,368,093</u>		
Technology Hardware & Equipment - 4.1%				
49,765	Apple, Inc.	6,815,814		
Total Common Stock (Cost \$71,189,556)				
		<u>159,627,477</u>		
<u>Shares</u>	<u>Security Description</u>	<u>Value</u>		
Money Market Fund - 3.2%				
5,339,406	Goldman Sachs Financial Square Treasury Instruments Fund, Institutional Shares, 0.01% ^(b) (Cost \$5,339,406)	5,339,406		
Investments, at value - 99.8% (Cost \$76,528,962)				
		\$ 164,966,883		
Other Assets & Liabilities, Net - 0.2%				
		355,734		
Net Assets - 100.0%				
		<u>\$ 165,322,617</u>		

The following is a summary of the inputs used to value the Fund's investments as of June 30, 2021.

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.

<u>Valuation Inputs</u>	<u>Investments in Securities</u>
Level 1 - Quoted Prices	\$ 159,627,477
Level 2 - Other Significant Observable Inputs	5,339,406
Level 3 - Significant Unobservable Inputs	-
Total	<u>\$ 164,966,883</u>

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

PORTFOLIO HOLDINGS

% of Total Investments

Consumer Discretionary	18.1%
Consumer Staples	8.9%
Financials	13.8%
Health Care	10.8%
Industrials	5.9%
Materials	5.6%
Real Estate	2.1%
Software & Services	27.5%
Technology Hardware & Equipment	4.1%
Money Market Fund	3.2%
	<u>100.0%</u>

THE BEEHIVE FUND
STATEMENT OF ASSETS AND LIABILITIES
JUNE 30, 2021

ASSETS

Investments, at value (Cost \$76,528,962)	\$ 164,966,883
Receivables:	
Fund shares sold	405,000
Dividends	88,620
Prepaid expenses	10,275
Total Assets	<u>165,470,778</u>

LIABILITIES

Accrued Liabilities:	
Investment advisor fees	101,184
Fund services fees	21,120
Other expenses	25,857
Total Liabilities	<u>148,161</u>

NET ASSETS

\$ 165,322,617

COMPONENTS OF NET ASSETS

Paid-in capital	\$ 67,511,632
Distributable earnings	<u>97,810,985</u>

NET ASSETS

\$ 165,322,617

SHARES OF BENEFICIAL INTEREST AT NO PAR VALUE (UNLIMITED SHARES AUTHORIZED)

7,619,042

NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE

\$ 21.70

THE BEEHIVE FUND
STATEMENT OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 2021

INVESTMENT INCOME

Dividend income (Net of foreign withholding taxes of \$36,404)	\$ 770,960
Total Investment Income	<u>770,960</u>

EXPENSES

Investment advisor fees	590,000
Fund services fees	114,347
Custodian fees	7,978
Registration fees	4,451
Professional fees	24,434
Trustees' fees and expenses	2,286
Other expenses	22,806
Total Expenses	<u>766,302</u>

NET INVESTMENT INCOME

4,658

NET REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain on investments	8,269,349
Net change in unrealized appreciation (depreciation) on investments	<u>9,958,778</u>

NET REALIZED AND UNREALIZED GAIN

18,228,127

INCREASE IN NET ASSETS RESULTING FROM OPERATIONS

\$ 18,232,785

THE BEEHIVE FUND
STATEMENTS OF CHANGES IN NET ASSETS

	For the Six Months Ended June 30, 2021	For the Year Ended December 31, 2020
OPERATIONS		
Net investment income	\$ 4,658	\$ 305,249
Net realized gain	8,269,349	3,342,991
Net change in unrealized appreciation (depreciation)	9,958,778	16,524,482
Increase in Net Assets Resulting from Operations	<u>18,232,785</u>	<u>20,172,722</u>
DISTRIBUTIONS TO SHAREHOLDERS		
Total Distributions Paid	<u>—</u>	<u>(2,477,905)</u>
CAPITAL SHARE TRANSACTIONS		
Sale of shares	1,045,976	2,018,346
Reinvestment of distributions	—	2,411,269
Redemption of shares	<u>(3,643,836)</u>	<u>(6,851,713)</u>
Decrease in Net Assets from Capital Share Transactions	<u>(2,597,860)</u>	<u>(2,422,098)</u>
Increase in Net Assets	<u>15,634,925</u>	<u>15,272,719</u>
NET ASSETS		
Beginning of period	<u>149,687,692</u>	<u>134,414,973</u>
End of period	<u>\$ 165,322,617</u>	<u>\$ 149,687,692</u>
SHARE TRANSACTIONS		
Sale of shares	50,058	117,749
Reinvestment of distributions	—	126,913
Redemption of shares	<u>(177,958)</u>	<u>(403,672)</u>
Decrease in Shares	<u>(127,900)</u>	<u>(159,010)</u>

THE BEEHIVE FUND
FINANCIAL HIGHLIGHTS

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

	For the Six Months Ended June 30, 2021	For the Years Ended December 31,				
		2020	2019	2018	2017	2016
NET ASSET VALUE, Beginning of Period	\$ 19.32	\$ 17.00	\$ 13.10	\$ 15.23	\$ 14.26	\$ 13.64
INVESTMENT OPERATIONS						
Net investment income (a)	0.00(b)	0.04	0.24	0.13	0.10	0.13
Net realized and unrealized gain (loss)	2.38	2.61	4.50	(1.79)	1.48	0.70
Total from Investment Operations	2.38	2.65	4.74	(1.66)	1.58	0.83
DISTRIBUTIONS TO SHAREHOLDERS FROM						
Net investment income	–	(0.04)	(0.24)	(0.13)	(0.09)	(0.13)
Net realized gain	–	(0.29)	(0.60)	(0.34)	(0.52)	(0.08)
Total Distributions to Shareholders	–	(0.33)	(0.84)	(0.47)	(0.61)	(0.21)
NET ASSET VALUE, End of Period	\$ 21.70	\$ 19.32	\$ 17.00	\$ 13.10	\$ 15.23	\$ 14.26
TOTAL RETURN	12.32%(c)	15.59%	36.28%	(10.98)%	11.07%	6.11%
RATIOS/SUPPLEMENTARY DATA						
Net Assets at End of Period (000s omitted)	\$ 165,323	\$ 149,688	\$ 134,415	\$ 105,406	\$ 130,876	\$ 117,849
Ratios to Average Net Assets:						
Net investment income	0.01%(d)	0.23%	1.49%	0.84%	0.64%	0.99%
Net expenses	0.97%(d)	0.98%	0.98%	0.99%	0.99%(e)	0.99%
Gross expenses	0.97%(d)	0.99%(f)	0.98%(f)	0.99%(f)	0.99%	1.00%(f)
PORTFOLIO TURNOVER RATE	5%(c)	22%	10%	10%	14%	15%

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

(b) Less than \$0.01 per share.

(c) Not annualized.

(d) Annualized.

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

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

Note 1. Organization

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

Note 2. Summary of Significant Accounting Policies

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board (“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 period. Actual amounts could differ from those estimates. The following summarizes the significant accounting policies of the Fund:

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

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 Advisor, as defined in Note 3, 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 Advisor 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. Advisor inputs may include an income-based approach in which the anticipated future cash flows of the investment are discounted in determining fair value. Discounts may also be applied based on the nature or duration of any restrictions on the disposition of the investments. The 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 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 June 30, 2021, for the Fund's investments is included at the end of the Fund's Schedule of Investments.

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

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

Federal Taxes – The Fund intends to continue to qualify each year as a regulated investment company under Subchapter M of Chapter 1, Subtitle A, of the Internal Revenue Code of 1986, as amended (“Code”), and to distribute all of its taxable income to shareholders. In addition, by distributing in each calendar year substantially all of its net investment income and capital gains, if any, the Fund will not be subject to a federal excise tax. Therefore, no federal income or excise tax provision is required. The Fund 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 June 30, 2021, 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 balance sheet.

Note 3. Fees and Expenses

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

Distribution – Foreside Fund Services, LLC serves as the Fund's distributor (the “Distributor”). The Distributor is not affiliated with the Advisor or Atlantic Fund Administration, LLC, a wholly owned subsidiary of Apex US Holdings, LLC (d/b/a Apex Fund Services) (“Apex”) or their affiliates. The Fund has adopted a distribution plan in accordance with Rule 12b-1 of the Act. The Fund may pay the Distributor and/or any other entity as authorized by the Board a fee up to 0.25% of the Fund's average daily net assets. The Fund has suspended payments under its Rule 12b-1 plan until further notice and has not paid any distribution fees to date. The Fund may remove the suspension and make payments under the Rule 12b-1 plan at any time, subject to Board approval.

Other Service Providers – Apex provides fund accounting, fund administration, compliance and transfer agency services to the Fund. The fees related to these services are included in Fund services fees within the Statement of Operations. Apex also provides certain shareholder report production and EDGAR conversion and filing services. Pursuant to an Apex Services Agreement, the

THE BEEHIVE FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 \$31,000 (\$41,000 for the Chairman), and 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 4. Expense Reimbursement and Fees Waived

The Advisor has contractually agreed to waive its fee and/or reimburse Fund expenses to limit total annual Fund operating expenses after fee waiver and/or expense reimbursement (excluding taxes, interest, portfolio transaction expenses and extraordinary expenses) to 0.99% of the Fund’s average daily net assets through April 30, 2022 (“the Expense Cap”). For the period ended June 30, 2021, there were no fees waived.

The Advisor may recoup from the Fund fees waived and expenses reimbursed by the Advisor pursuant to the Expense Cap if such recoupment is made within three years of the fee waiver or expense reimbursement and does not cause the total annual Fund operating expenses after fee waiver and/or expense reimbursement of the Fund (after giving effect to the recouped amount) to exceed the lesser of (i) the then-current expense cap and (ii) the expense cap in place at the time the fees/expenses were waived/reimbursed. As of June 30, 2021, \$23,227 is subject to recapture by the Advisor.

Note 5. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments during the period ended June 30, 2021 totaled \$8,191,879 and \$10,797,875, respectively.

Note 6. Federal Income Tax

As of June 30, 2021, the cost of investments for federal income tax purposes is substantially the same as for financial statement purposes and the components of net unrealized appreciation were as follows:

Gross Unrealized Appreciation	\$	88,454,630
Gross Unrealized Depreciation		<u>(16,709)</u>
Net Unrealized Appreciation	\$	<u>88,437,921</u>

As of December 31, 2020, distributable earnings on a tax basis were as follows:

Undistributed Ordinary Income	\$	24,992
Undistributed Long-Term Gain		1,094,044
Net Unrealized Appreciation		<u>78,459,164</u>
Total	\$	<u>79,578,200</u>

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

Note 7. Subsequent Events

Subsequent events occurring after the date of this report through the date these financial statements were issued have been evaluated for potential impact. Effective July 31, 2021, following the acquisition of MUFG Union Bank, N.A. by US Bank, US Bank serves as the Fund’s custodian.

THE BEEHIVE FUND
ADDITIONAL INFORMATION
JUNE 30, 2021

Proxy Voting Information

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

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 January 1, 2021 through June 30, 2021.

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.

	Beginning Account Value January 1, 2021	Ending Account Value June 30, 2021	Expenses Paid During Period*	Annualized Expense Ratio*
Actual	\$ 1,000.00	\$ 1,123.19	\$ 5.11	0.97%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,019.98	\$ 4.86	0.97%

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

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

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