

The cover features a dark blue background with a large, overlapping light blue circle on the left side. The text is centered in a white, serif font.

LISANTI SMALL
CAP GROWTH FUND

ANNUAL REPORT
DECEMBER 31, 2017

LISANTI SMALL CAP GROWTH FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

DECEMBER 31, 2017

Dear Shareholders,

The equity markets turned in very strong returns in 2017. Larger capitalization stocks led the markets upward; as defined by the S&P 500, they returned 20.49%, while the Russell 1000 Index returned 21.69% for the year. The smaller end of the market lagged, as represented by the Russell 2000 Index returning 14.65%. Growth far surpassed value in the year, across all market capitalization ranges. The Russell 1000 Growth Index, which is an index of the 1000 largest market capitalization stocks with the highest growth rates in the United States, increased 30.21%, versus the Russell 1000 Value Index which returned 13.66%. The difference in the smaller stocks was even more striking, with the Russell 2000 Growth Index returning 22.17%, while the Russell 2000 Value Index increased only 7.84%. The Lisanti Small Cap Growth Fund (“Fund”) outperformed its benchmark, the Russell 2000 Growth Index (“Index”), returning 27.78% versus 22.17% for the Index.

While the more value oriented sectors, such as financials, energy, materials and industrials had very strong performance in the wake of the Presidential election in late 2016, that trend quickly reversed itself in early 2017. The drop in growth stocks relative to value stocks in the fourth quarter of 2016 left growth stock valuations inexpensive relative to their growth prospects, and the market quickly identified that the first year of the Trump Presidency would not create much legislation that would impact the economy. Thus, growth stocks outperformed in the first quarter as they rebounded from the Q4 2016 correction, and then continued to outperform as economic growth, while good, did not accelerate sharply, nor did inflation pick up, nor did interest rates rise significantly.

The best performing sector for our strategy in 2017 was Consumer Discretionary. On the surface, this sector appeared to be a difficult one in which to invest in 2017, as the sector was roiled by store closings and new management at two major retailers, Macy’s and Kohl’s, and the Amazon threat. However, we have often found that our process works very well in environments where there are a lot of cross currents, as our thematic overlay helps us hone in on what is differentiated and critical in the space. For 2017, the key to our performance in Consumer Discretionary was ignoring the noise and hype around specialty and apparel retail and restaurants (which were widely owned as they had had several years of good performance), and focusing on what we believe to be the critical driver of growth, which was the incremental consumer—the “Millenials”. As we did our research on the Millenials, we discovered that they are very different consumers from previous generations. For instance, they are much more focused on experiences—thus, stocks tied to experiences tend to have a “wind at their back” more so than other consumer stocks. Additionally, in the summer, we saw some opportunities in the Consumer sector in what we call “turnarounds”—companies with short term issues, that appeared based on our research to be mispriced relative to their growth prospects. It was the combination of these “secular growth” stories and these “turnarounds” that helped us outperform in the consumer discretionary sector.

Industrials and Healthcare were also strong contributors to our performance for the year. Industrials benefitted from a lot of structural growth, or “self-help” stocks. These are companies whose internal drivers enable them to grow at a rate faster than their industry. Healthcare benefitted from several holdings that were acquired at premiums throughout the year; we also had several biotechnology holdings that had new drug approvals during the year, which increased the value of the holding.

LISANTI SMALL CAP GROWTH FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

DECEMBER 31, 2017

We underperformed in Energy and Financials. In Energy, our thesis has been that, as the commodity stabilized, we would see differentiation among the North American Shale producers and certain stocks would have the opportunity to appreciate. This thesis did not prove accurate in the first three quarters of 2017. In Financials, the sector lagged other parts of the market as it became clear that tax reform, which is beneficial to Financials earnings, would take some time.

We cannot leave the narrative on 2017 without touching on tax reform. This is the most sweeping change to the Tax Code since the Reagan administration. It appears that the drop in the corporate rate, to 20%, will be of major benefit to many of the smaller companies that are domestically focused and pay higher tax rates. At this point it is unclear what the companies will do with the money—will they let it all drop to the bottom line in the form of earnings? Will they reinvest it in their businesses to expand? Will they use it to make acquisitions? We expect to hear more on these topics as companies report their fourth quarters and talk about 2018 on conference calls with institutional investors over the next month or so. What is also unclear is the impact on the economy. While some economists believe that the Tax Code changes will accelerate GDP, others are concerned that the changes to the state and local tax deduction could cause a pullback in spending on the part of higher income consumers in states such as New York, Connecticut, New Jersey and California, and thus have a bit of a dampening effect on the economy. At this point, the various puts and takes are unknown. Should the economy accelerate, we believe that inflation and interest rates could also rise. We are not as concerned about the Federal Reserve raising rates, as we believe they will be measured in their response; we are more concerned about the possibility that the rates rise in the market. 2017 was an unusual year in that there were no major pullbacks or corrections in the market; rather, there were a series of “rolling corrections” that moved through different sectors at different times, but the market overall continued to grind higher. We believe that 2018 will be a more normal year, and thus anticipate the “normal” 5-10% correction(s) to occur. We expect a little more volatility because there are a few more unknowns as we look out to 2018, versus 2017. We also anticipate that the macroeconomic backdrop may not be as favorable in 2018 as it was in 2017, as both rates and inflation may rise more than anticipated. The conclusion we draw from this is that earnings growth will matter a bit more in 2018 than it might have in 2017.

We continue to be positive on small cap growth stocks. Based on the continuation of a global coordinated economic recovery, strong GDP growth domestically and the recent tax law changes, for the first time in a very long time, one can make a multi-year case for outperformance of the asset class. As you know, our process is sector agnostic—we look for improvements in ROIC (return on invested capital) that are long lasting. They can be driven by secular changes, structural changes, or internal drivers. Currently, we see them in every sector. While we expect to see challenges throughout the year, we believe that 2018 will turn out to be another “stockpicker’s market.”

We continue to work hard on your behalf and thank you for investing in the Fund.

Best Regards,



Mary Lisanti, CFA

President & Portfolio Manager

LISANTI SMALL CAP GROWTH FUND

A MESSAGE TO OUR SHAREHOLDERS (Unaudited)

DECEMBER 31, 2017

IMPORTANT RISKS AND DISCLOSURES

Effective February 1, 2018 the Fund changed its name. Formerly the Dinosaur Lisanti Small Cap Growth Fund, it is now the Lisanti Small Cap Growth Fund. This change supersedes the Fund name change that was effective September 8, 2017 when the Fund changed its name to the Dinosaur Lisanti Small Cap Growth Fund (formerly the Lebenthal Lisanti Small Cap Growth Fund). Also, as of September 8, 2017, and still effective, the Adviser changed its name to Lisanti Capital Growth, LLC (formerly Lebenthal Lisanti Capital Growth, LLC).

An investment in the Fund is subject to risk, including the possible loss of principal amount invested. The Fund invests in smaller companies, which carry greater risk than is associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock. The Fund's investments in growth securities may be more sensitive to company earnings and more volatile than the market in general.

The views in this report were those of the Fund manager as of December 31, 2017, and may not necessarily reflect her views on the date this report is first published or anytime thereafter. These views are intended to assist shareholders in understanding the Fund's investment methodology and do not constitute investment advice. Although the Fund manager believes she has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed. All current and future holdings of the Fund are subject to risk and are subject to change.

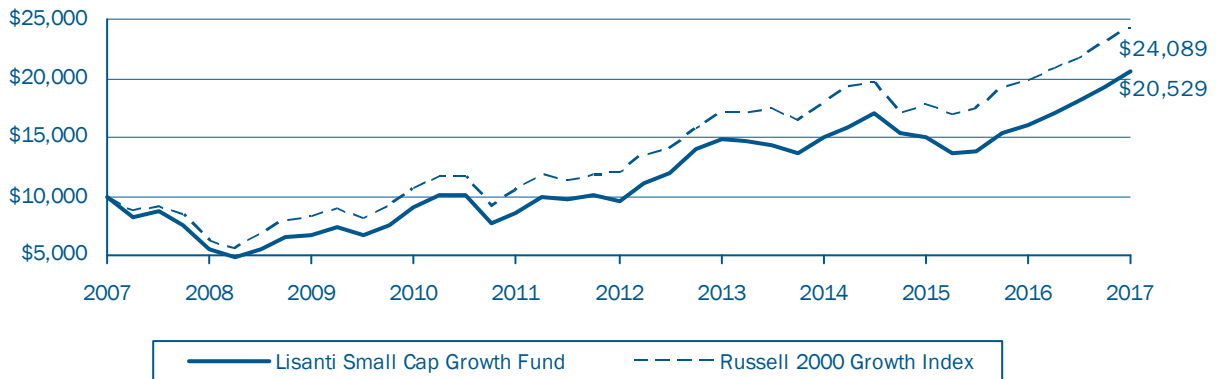
LISANTI SMALL CAP GROWTH FUND

PERFORMANCE CHART AND ANALYSIS (Unaudited)

DECEMBER 31, 2017

The following chart reflects the change in the value of a hypothetical \$10,000 investment, including reinvested dividends and distributions, in Lisanti Small Cap Growth Fund (the "Fund") compared with the performance of the benchmark, Russell 2000 Growth Index ("Russell 2000 Growth"), over the past ten fiscal years. The Russell 2000 Growth, the Fund's primary performance benchmark, measures the performance of those Russell 2000 Growth companies with higher price-to-value ratios and higher forecasted growth values. The total return of the Russell 2000 Growth 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 Russell 2000 Growth does not include expenses. The Fund is professionally managed, while the Russell 2000 Growth is unmanaged and is not available for investment.

**Comparison of Change in Value of a \$10,000 Investment
Lisanti Small Cap Growth Fund vs. Russell 2000 Growth Index**

**Average Annual Total Returns as of December 31, 2017**

	One Year	Five Years	Ten Years
Lisanti Small Cap Growth Fund	27.78%	16.37%	7.46%
Russell 2000 Growth Index	22.17%	15.21%	9.19%

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 2.48%. However, the Fund's Adviser has contractually agreed to waive a portion of its fee and/or reimburse expenses to limit total annual fund operating expenses (excluding taxes, interest, portfolio transaction expenses, and extraordinary expenses) to 1.80% through at least April 30, 2018 ("Expense Cap"). The adviser may recoup from the Fund fees waived and expenses reimbursed pursuant to the Expense Cap if such payment 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 to exceed the lesser of (i) the then-current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived or reimbursed. Shares redeemed or exchanged within 30 days of purchase will be charged a 1.00% 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.

LISANTI SMALL CAP GROWTH FUND
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2017

Shares	Security Description	Value	Shares	Security Description	Value
Common Stock - 98.4%			Health-Care (continued)		
Consumer Discretionary - 19.4%			2,405	Sarepta Therapeutics, Inc. ^(a)	\$ 133,814
	7,550 At Home Group, Inc. ^(a)	\$ 229,444	2,920	Tabula Rasa HealthCare, Inc. ^(a)	81,906
	8,235 Boot Barn Holdings, Inc. ^(a)	136,783	2,395	Vocera Communications, Inc. ^(a)	72,377
	3,980 Canada Goose Holdings, Inc. ^(a)	125,609			<u>2,383,982</u>
	6,225 Conn's, Inc. ^(a)	221,299	Industrials - 25.3%		
	1,120 Five Below, Inc. ^(a)	74,278	2,535	Aerojet Rocketdyne Holdings, Inc. ^(a)	79,092
	13,765 Freshpet, Inc. ^(a)	260,847	2,430	Astec Industries, Inc.	142,155
	4,320 G-III Apparel Group, Ltd. ^(a)	159,365	3,900	Beacon Roofing Supply, Inc. ^(a)	248,664
	2,340 Grand Canyon Education, Inc. ^(a)	209,500	13,290	Builders FirstSource, Inc. ^(a)	289,589
	7,320 KB Home	233,874		635 Dycom Industries, Inc. ^(a)	70,758
	2,575 Lumber Liquidators Holdings, Inc. ^(a)	80,829	2,267	HEICO Corp.	213,892
	3,435 Malibu Boats, Inc., Class A ^(a)	102,122	2,345	John Bean Technologies Corp.	259,826
	4,305 Ollie's Bargain Outlet Holdings, Inc. ^(a)	229,241	2,960	Kennametal, Inc.	143,294
	5,090 Planet Fitness, Inc., Class A ^(a)	176,267	3,489	Knight-Swift Transportation Holdings, Inc.	152,539
	760 RH ^(a)	65,520	2,180	MasTec, Inc. ^(a)	106,711
	3,645 Skechers U.S.A., Inc., Class A ^(a)	137,927	4,300	Mercury Systems, Inc. ^(a)	220,805
	935 Weight Watchers International, Inc. ^(a)	41,402	2,015	Patrick Industries, Inc. ^(a)	139,942
	5,720 Wingstop, Inc.	222,966	2,260	RBC Bearings, Inc. ^(a)	285,664
		<u>2,707,273</u>	1,050	Saia, Inc. ^(a)	74,288
			7,190	Terex Corp.	346,702
Energy - 5.0%			4,516	The Manitowoc Co., Inc. ^(a)	177,659
	18,090 Callon Petroleum Co. ^(a)	219,794	8,940	Titan International, Inc.	115,147
	10,270 Carrizo Oil & Gas, Inc. ^(a)	218,546	4,320	Titan Machinery, Inc. ^(a)	91,454
	8,280 Matador Resources Co. ^(a)	257,756		470 Trex Co., Inc. ^(a)	50,943
		<u>696,096</u>	3,370	XPO Logistics, Inc. ^(a)	308,658
					<u>3,517,782</u>
Financial Services - 8.9%			Materials - 1.8%		
	2,795 Ameris Bancorp	134,719	7,780	Summit Materials, Inc., Class A ^(a)	244,609
	12,130 Banc of California, Inc.	250,484	Technology - 20.9%		
	2,525 CBTX Inc	74,892	1,670	2U, Inc. ^(a)	107,732
	3,630 Green Dot Corp., Class A ^(a)	218,744	2,135	Axcelis Technologies, Inc. ^(a)	61,274
	3,220 Kinsale Capital Group, Inc.	144,900	2,455	Blackline, Inc. ^(a)	80,524
	805 LendingTree, Inc. ^(a)	274,062	5,545	Carbonite, Inc. ^(a)	139,179
	5,055 Veritex Holdings, Inc. ^(a)	139,467	4,125	Cray, Inc. ^(a)	99,825
		<u>1,237,268</u>	2,385	GTT Communications, Inc. ^(a)	111,976
Health-Care - 17.1%			1,720	HubSpot, Inc. ^(a)	152,048
	1,870 AMN Healthcare Services, Inc. ^(a)	92,098	4,265	II-VI, Inc. ^(a)	200,242
	610 Bluebird Bio, Inc. ^(a)	108,641		780 Littelfuse, Inc.	154,300
	1,885 Blueprint Medicines Corp. ^(a)	142,148	1,050	MKS Instruments, Inc.	99,225
	1,445 FibroGen, Inc. ^(a)	68,493	1,820	Monolithic Power Systems, Inc.	204,495
	1,755 Inogen, Inc. ^(a)	208,985	3,475	New Relic, Inc. ^(a)	200,751
	3,645 Insulet Corp. ^(a)	251,505	2,800	Nutanix, Inc., Class A ^(a)	98,784
	3,685 Intersect ENT, Inc. ^(a)	119,394	2,075	Paycom Software, Inc. ^(a)	166,685
	2,625 iRhythm Technologies, Inc. ^(a)	147,131	1,495	Proofpoint, Inc. ^(a)	132,771
	1,565 LHC Group, Inc. ^(a)	95,856	5,080	Q2 Holdings, Inc. ^(a)	187,198
	3,450 OrthoPediatrics Corp. ^(a)	66,206	4,315	Qualys, Inc. ^(a)	256,095
	1,655 Penumbra, Inc. ^(a)	155,736	3,635	RealPage, Inc. ^(a)	161,030
	1,325 Portola Pharmaceuticals, Inc. ^(a)	64,501	3,155	Ultra Clean Holdings, Inc. ^(a)	72,849
	2,889 PRA Health Sciences, Inc. ^(a)	263,101			
	3,030 Proto Labs, Inc. ^(a)	312,090			

See Notes to Financial Statements.

LISANTI SMALL CAP GROWTH FUND

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

<u>Shares</u>	<u>Security Description</u>	<u>Value</u>	PORTFOLIO HOLDINGS (Unaudited)	
Technology (continued)			% of Total Investments	
	2,810 Varonis Systems, Inc. ^(a)	\$ 136,425	Consumer Discretionary	19.7%
	2,690 Zendesk, Inc. ^(a)	91,030	Energy	5.1%
		<u>2,914,438</u>	Financial Services	9.0%
Total Common Stock		13,701,448	Health-Care	17.4%
(Cost \$11,351,426)			Industrials	25.7%
Investments, at value - 98.4%		\$ 13,701,448	Materials	1.8%
(Cost \$11,351,426)		217,951	Technology	21.3%
Other Assets & Liabilities, Net - 1.6%		217,951		
Net Assets - 100.0%		\$ 13,919,399		<u>100.0%</u>

(a) Non-income producing security.

The following is a summary of the inputs used to value the Fund's investments as of December 31, 2017.

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	\$ 13,701,448
Level 2 - Other Significant Observable Inputs	-
Level 3 - Significant Unobservable Inputs	-
Total	\$ 13,701,448

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

The Fund utilizes the end of period methodology when determining transfers. There were no transfers among Level 1, Level 2 and Level 3 for the year ended December 31, 2017.

LISANTI SMALL CAP GROWTH FUND
STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2017

ASSETS

Investments, at value (Cost \$11,351,426)	\$ 13,701,448
Cash	216,325
Receivables:	
Fund shares sold	2,000
Dividends and interest	2,512
From investment adviser	21,907
Prepaid expenses	9,985
Total Assets	<u>13,954,177</u>

LIABILITIES

Accrued Liabilities:	
Fund services fees	5,558
Other expenses	29,220
Total Liabilities	<u>34,778</u>

NET ASSETS

\$ 13,919,399

COMPONENTS OF NET ASSETS

Paid-in capital	\$ 11,583,903
Undistributed net investment income	1,061
Accumulated net realized loss	(15,587)
Net unrealized appreciation	2,350,022
NET ASSETS	<u>\$ 13,919,399</u>

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

739,835

NET ASSET VALUE, OFFERING AND REDEMPTION PRICE PER SHARE*

\$ 18.81

* Shares redeemed or exchanged within 30 days of purchase are charged a 1.00% redemption fee.

LISANTI SMALL CAP GROWTH FUND

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2017

INVESTMENT INCOME

Dividend income	\$	31,334
Interest income		1,746
Total Investment Income		<u>33,080</u>

EXPENSES

Investment adviser fees		170,515
Fund services fees		191,363
Shareholder service fees		42,629
Custodian fees		5,000
Registration fees		21,467
Professional fees		61,424
Trustees' fees and expenses		6,566
Other expenses		38,632
Total Expenses		<u>537,596</u>
Fees waived and expenses reimbursed		<u>(230,669)</u>
Net Expenses		<u>306,927</u>

NET INVESTMENT LOSS(273,847)**NET REALIZED AND UNREALIZED GAIN (LOSS)**

Net realized gain on investments		5,303,517
Net change in unrealized appreciation (depreciation) on investments		<u>(959,187)</u>

NET REALIZED AND UNREALIZED GAIN4,344,330**INCREASE IN NET ASSETS RESULTING FROM OPERATIONS**\$ 4,070,483

LISANTI SMALL CAP GROWTH FUND
STATEMENTS OF CHANGES IN NET ASSETS

	For the Year Ended December 31, 2017	For the Year Ended December 31, 2016
OPERATIONS		
Net investment loss	\$ (273,847)	\$ (356,377)
Net realized gain (loss)	5,303,517	(294,222)
Net change in unrealized appreciation (depreciation)	(959,187)	1,599,460
Increase in Net Assets Resulting from Operations	<u>4,070,483</u>	<u>948,861</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM		
Net realized gain	<u>(3,017,453)</u>	<u>(398,638)</u>
CAPITAL SHARE TRANSACTIONS		
Sale of shares	914,053	4,113,175
Reinvestment of distributions	2,668,473	376,478
Redemption of shares	(14,738,283)	(13,826,967)
Redemption fees	171	491
Decrease in Net Assets from Capital Share Transactions	<u>(11,155,586)</u>	<u>(9,336,823)</u>
Decrease in Net Assets	<u>(10,102,556)</u>	<u>(8,786,600)</u>
NET ASSETS		
Beginning of Year	<u>24,021,955</u>	<u>32,808,555</u>
End of Year (Including line (a))	<u>\$ 13,919,399</u>	<u>\$ 24,021,955</u>
SHARE TRANSACTIONS		
Sale of shares	45,304	245,187
Reinvestment of distributions	144,947	19,846
Redemption of shares	(732,414)	(831,476)
Decrease in Shares	<u>(542,163)</u>	<u>(566,443)</u>
(a) Undistributed net investment income.	<u>\$ 1,061</u>	<u>\$ 4,654</u>

LISANTI SMALL CAP GROWTH FUND
FINANCIAL HIGHLIGHTS

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

	For the Years Ended December 31,				
	2017	2016	2015	2014	2013
NET ASSET VALUE, Beginning of Year	\$ 18.74	\$ 17.75	\$ 18.73	\$ 19.54	\$ 13.36
INVESTMENT OPERATIONS					
Net investment loss (a)	(0.33)	(0.25)	(0.32)	(0.31)	(0.29)
Net realized and unrealized gain	5.43	1.55	0.28(b)	0.50	7.43
Total from Investment Operations	5.10	1.30	(0.04)	0.19	7.14
DISTRIBUTIONS TO SHAREHOLDERS FROM					
Net investment income	—	—	—	—	(0.13)
Net realized gain	(5.03)	(0.31)	(0.94)	(1.00)	(0.83)
Total Distributions to Shareholders	(5.03)	(0.31)	(0.94)	(1.00)	(0.96)
REDEMPTION FEES (a)	—(c)	—(c)	—(c)	—(c)	—(c)
NET ASSET VALUE, End of Year	\$ 18.81	\$ 18.74	\$ 17.75	\$ 18.73	\$ 19.54
TOTAL RETURN	27.78%	7.32%	(0.18)%	1.14%	54.15%
RATIOS/SUPPLEMENTARY DATA					
Net Assets at End of					
Year (000's omitted)	\$13,919	\$24,022	\$32,809	\$23,976	\$32,391
Ratios to Average Net Assets:					
Net investment loss	(1.61)%	(1.49)%	(1.65)%	(1.65)%	(1.66)%
Net expenses	1.80%	1.80%	1.80%	1.80%	1.80%
Gross expenses (d)	3.15%	2.48%	2.26%	2.27%	2.71%
PORTFOLIO TURNOVER RATE	294%	268%	196%	263%	295%

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

(b) The net realized and unrealized gain (loss) per share does not correlate to the aggregate of the net realized and unrealized gain (loss) in the Statement of Operations, primarily due to the timing of the sales and repurchases of the Fund's shares in relation to fluctuating market values for the Fund's portfolio.

(c) Less than \$0.01 per share.

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

Note 1. Organization

The Lisanti Small Cap Growth 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 February 27, 2004. The Fund seeks maximum capital appreciation. Prior to February 1, 2018 the Fund was named Dinosaur Lisanti Small Cap Growth Fund. Prior to September 8, 2017, the Fund was named Lebenthal Lisanti Small Cap Growth Fund. Prior to March 2, 2015, the Fund was named Adams Harkness Small Cap Growth Fund.

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. 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 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 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

LISANTI SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

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 December 31, 2017, for the Fund's investments is included in 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 – Distributions to shareholders of net investment income, if any, are declared and paid quarterly. Distributions to shareholders of net capital gains, if any, are declared and paid at least annually. Distributions to shareholders are recorded on the ex-dividend date. Distributions are based on amounts calculated in accordance with applicable federal income tax regulations, which may differ from GAAP.

LISANTI SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

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 December 31, 2017, 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.

Redemption Fees – A shareholder who redeems or exchanges shares within 30 days of purchase will incur a redemption fee of 1.00% 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.

Note 3. Fees and Expenses

Investment Adviser – Lisanti Capital Growth, LLC (the “Adviser”) is the investment adviser to the Fund. Prior to September 7, 2017, the Adviser was Lebenthal Lisanti Capital Growth, LLC. 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.

Effective, February 1, 2018, the annual rate of the advisory fee is 0.95% of the Fund’s average daily net assets.

LISANTI SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

Shareholder Service Plan – The Trust has adopted a shareholder service plan for the Fund under which the Fund may reimburse the Fund’s administrator for amounts paid by the administrator for providing shareholder service activities that are not otherwise provided by the transfer agent. The Fund’s administrator may make such payments to various financial institutions, including the Adviser, that provide shareholder servicing to their customers invested in the Fund in amounts of up to 0.25% annually of the average daily net assets of the shares held by such customers.

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 – Through December 31, 2017, the Trust paid each independent Trustee an annual retainer fee of \$50,000 for service to the Trust (\$66,000 for the Chairman), and the Audit Committee Chairman and Vice Chairman received an additional \$6,000 annually. Effective January 1, 2018, 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 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. Fees Waived

The Adviser has contractually agreed to waive its fee and/or reimburse expenses to limit total annual fund operating expenses (excluding taxes, interest, portfolio transaction expenses, and extraordinary expenses) to 1.80% for the period through April 30, 2018. Effective February 1, 2018, the expense cap for the Fund changed from 1.80% to 1.35% through April 30, 2019. Other Fund service providers have voluntarily agreed to waive a portion of their fees. The contractual waivers may only be raised or eliminated with the consent of the Board and voluntary fee waivers may be reduced or eliminated at any time. For the year ended December 31, 2017, fees waived were as follows:

LISANTI SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

<u>Investment Adviser Fees Waived</u>	<u>Other Waivers</u>	<u>Total Fees Waived</u>
\$ 130,520	\$ 100,149	\$ 230,669

The Adviser may be reimbursed by the Fund for fees waived and expenses reimbursed by the Adviser pursuant to the expense cap if such payment 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 to exceed the lesser of (i) the then-current expense cap, or (ii) the expense cap in place at the time the fees/expenses were waived/reimbursed. As of December 31, 2017, \$291,370 is subject to recapture by the Adviser.

Note 5. Security Transactions

The cost of purchases and proceeds from sales of investment securities (including maturities), other than short-term investments during the year ended December 31, 2017 totaled \$50,778,840 and \$64,995,819, respectively.

Note 6. Federal Income Tax

As of December 31, 2017, cost for federal income tax purposes is \$11,365,952 and net unrealized appreciation consists of:

Gross Unrealized Appreciation	\$ 2,462,274
Gross Unrealized Depreciation	(126,778)
Net Unrealized Appreciation	<u>\$ 2,335,496</u>

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

	<u>2017</u>	<u>2016</u>
Ordinary Income	\$ 3,328,430	\$ -
Long-Term Capital Gain	605,578	398,638
	<u>\$ 3,934,008</u>	<u>\$ 398,638</u>

Equalization debits included in the distributions were as follows:

	<u>Ordinary Income</u>	<u>Long-Term Capital Gain</u>	<u>Total</u>
2017	\$ 818,011	\$ 98,544	\$ 916,555

The Fund used equalization accounting for tax purposes, whereby a portion of its redemption payments are treated as distributions of income or gain for tax purposes.

LISANTI SMALL CAP GROWTH FUND

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

As of December 31, 2017, distributable earnings (accumulated loss) on a tax basis were as follows:

Unrealized Appreciation	\$	2,335,496
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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 and equity return of capital.

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 December 31, 2017. The following reclassification was the result of net operating loss, equalization and return of capital on equity securities and has no impact on the net assets of the Fund.

Undistributed Net Investment Income (Loss)	\$	270,254
Accumulated Net Realized Gain (Loss)		(1,186,809)
Paid-in-Capital		916,555

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, and the Fund has had no such events.

**To the Board of Trustees of Forum Funds
and the Shareholders of Lisanti Small Cap Growth Fund**

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Lisanti Small Cap Growth Fund (formerly Dinosaur Lisanti Small Cap Growth Fund and Lebenthal Lisanti Small Cap Growth Fund), a series of shares of beneficial interest in Forum Funds (the **“Fund”**), including the schedule of investments, as of December 31, 2017, 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 and schedules (collectively referred to as the **“financial statements”**). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2017, 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 (**“GAAP”**).

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.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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 December 31, 2017 by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

BBD, LLP

BBD, LLP

We have served as the auditor of one or more of the Funds in the Forum Funds since 2008.

Philadelphia, Pennsylvania
February 26, 2018

LISANTI SMALL CAP GROWTH FUND

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2017

Investment Advisory Agreement Approval

At the September 15, 2017 Board meeting, the Board, including the Independent Trustees, considered the approval of a new investment advisory agreement (the “New Agreement”) between the Adviser and the Trust, on behalf of Dinosaur Lisanti Small Cap Growth Fund (formerly known as the Lebenthal Lisanti Small Cap Growth Fund) (the “Fund”). The New Agreement was being considered in connection with the termination of the investment advisory agreement between Lebenthal Lisanti Capital Growth, LLC (“Lebenthal Lisanti”) and the Trust (the “Original Agreement”) due to a transaction in which Dinosaur Group Holdings, LLC (“Dinosaur”), acquired from Lebenthal Asset Management, LLC (“LAM”), a 48% interest that LAM owned in Lebenthal Lisanti (the “Transaction”). In preparation for its deliberations in considering the New Agreement, the Board requested and reviewed written responses from the Adviser to a due diligence questionnaire circulated on the Board’s behalf concerning the Adviser’s personnel, operations, financial condition, historic performance as employees of Lebenthal Lisanti and during periods prior thereto, and services to be provided to the Fund 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 a senior representative of the Adviser.

At the meeting, the Board reviewed, among other matters: (1) the nature, extent and quality of the services expected to be provided to the Fund by the Adviser under the New Agreement, including information on the investment performance of the Fund under the management of substantially the same investment personnel; (2) the anticipated costs of the services to be provided and projected profitability of the Adviser and its affiliates from the relationship with the Fund, including the contractual expense limitation arrangements for the Fund; (3) the advisory fee to be paid to the Adviser 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 fee would enable the Fund’s investors to share in the benefits of economies of scale; and (5) other benefits expected to be received by the Adviser and its affiliates from their relationship with the Fund. In particular, the Board focused on the following factors and made the following conclusions in considering the approval of the New Agreement.

Nature, Extent and Quality of Services

Based on written materials received, a presentation from a senior representative of the Adviser, and a discussion with the Adviser about the personnel, operations and financial condition of the Adviser, the Board considered the quality of services expected to be provided by the Adviser under the New Agreement. In this regard, the Board considered information regarding the experience, qualifications and professional background of the portfolio manager and other personnel at the Adviser who, as employees of Lebenthal Lisanti had, and under the New Agreement would continue to have, principal responsibility for the Fund’s investments. The Board considered the Adviser’s representation that the same portfolio management team that was responsible for managing the Fund under the Original Agreement would continue in that role following the Transaction. The Board considered also the investment philosophy and decision-making process of such professionals and the capability and integrity of the Adviser’s senior management and staff, noting the Adviser’s representation that the Adviser would provide substantially the same services under the New Agreement as it did under the Original Agreement.

LISANTI SMALL CAP GROWTH FUND

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2017

The Board considered the adequacy of the Adviser's resources. The Board noted the Adviser's representation that the firm has been managing money since the commencement of operations in 2004 and was currently managing more than \$165 million in assets, primarily through separate accounts. The Board also noted the Adviser's representation that the firm remained financially stable and that the Adviser's financial condition would not impair its ability to provide advisory services to the Fund or meet its expense reimbursement obligations to the Fund. The Board also considered the Adviser's representation that the Adviser has the operational capability and the necessary staffing and experience to continue providing 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 approval of the New Agreement, the Board concluded that, overall, it was satisfied with the nature, extent and quality of services to be provided to the Fund under the New Agreement.

Performance

In connection with a presentation by the Adviser regarding its approach to managing the Fund, the Board considered the historical performance of the Fund, including in particular, the performance of the Fund compared to its primary benchmark index, an independent peer group identified by Broadridge Financial Solutions, Inc. ("Broadridge"), and to a composite of separate accounts managed by the Adviser with an investment strategy substantially identical to that of the Fund. The Board observed that the Fund outperformed the Russell 2000 Growth Index, the Fund's primary benchmark index, for the one- and three-year periods ended June 30, 2017, and underperformed the primary benchmark index for the five- and ten-year periods ended June 30, 2017. The Board noted the Adviser's representation that the Fund's outperformance over the short term could be attributed to favorable stock selection within the small capitalization investment universe. The Board also noted the Adviser's representation that the Fund's underperformance over the five- and ten-year periods could be attributed, in part, to the investment strategy employed for the Fund having focused on higher growth companies, even within the small cap growth category and, as a result, the Fund having tended to underperform during periods of market contractions, such as the period experienced after the financial crisis.

The Board then considered the Fund's performance relative to its Broadridge peer group, noting that, based on the information provided by Broadridge, the Fund outperformed the median of its Broadridge peers over the one-, three-, and five-year periods ended June 30, 2017.

The Board also considered the Fund's performance relative to a composite comprised of separate accounts managed by the Adviser pursuant to substantially the same strategy as the Fund and noted that the Fund underperformed the composite on both a gross-of-fees and net-of-fees basis. The Board noted the Adviser's representation that the difference between the performance of the Fund and the composite of separate accounts managed in the same strategy could be attributed to differences in the Fund's fee structure compared to the fee structure of the separately managed accounts, as well as the slightly higher uninvested cash balance in the Fund maintained to meet shareholder redemptions.

Based on the foregoing, the Board determined that the Fund's performance was reasonable and that the Fund and its shareholders could benefit from the Adviser's management under the New Agreement.

LISANTI SMALL CAP GROWTH FUND

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2017

Compensation

The Board evaluated the Adviser's proposed compensation for providing advisory services to the Fund, noting that the investment advisory fee rate payable by the Fund under the New Agreement was identical to the investment advisory fee rate payable by the Fund under the Original Agreement. In addition, the Board recalled that the Original Agreement between the Trust and Lebenthal Lisanti relating to the Fund had been most recently considered and renewed at a meeting held on September 8, 2016. The Board analyzed comparative information on actual advisory fee rates and actual total expenses of the relevant Broadridge peer group of the Fund and noted that the Adviser's actual advisory fee rate for the Fund was less than the median of its Broadridge peer group and that the actual total expense ratio was higher than the median of its Broadridge peer group. The Board also noted the Adviser's representation that the actual advisory fee rate was consistent with the fee charged to other clients and for other investment management products by the Adviser at comparable asset levels. The Board further noted that the Adviser had entered into a contractual expense cap with respect to the Fund in order to limit the net annual operating expenses paid by the Fund in an effort to keep the Fund's expenses at competitive levels. The Board concluded that the advisory fee rate charged to the Fund appeared to be reasonable in light of the services to be provided by the Adviser to the Fund.

Cost of Services and Profitability

The Board considered information provided by the Adviser regarding its anticipated costs of services and its projected 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 Fund activities. The Board noted the Adviser's representation that it does not maintain separately identifiable profit and loss information for the Fund, but that the Adviser believed the Fund to be less profitable than the Adviser's other advisory business managing separate accounts due, in part, to the costs of compliance with regulatory requirements applicable to the Fund and to the added level of client service resources dedicated to the Fund relative to the Adviser's other advisory business. In addition, the Board noted that the Adviser expected to continue to forego a portion of its management fee pursuant to a contractual expense cap such that the actual advisory fee rate that the Adviser proposed to charge for managing the Fund would remain consistent with the actual advisory fee rate received by Lebenthal Lisanti under the Original Agreement. Based on these and other applicable considerations, the Board concluded that the projected profits attributable to the Adviser's 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 noted the small size of the Fund and the Adviser's representation that the Fund could benefit from economies of scale as assets grow but that the Adviser had determined that breakpoints were not appropriate at this time, particularly in light of the payments that the Adviser has made, and continues to make, under the contractual expense cap. Based on the foregoing information and other applicable considerations, the Board concluded that economies of scale were not a material factor in approving the New Agreement.

LISANTI SMALL CAP GROWTH FUND
ADDITIONAL INFORMATION (Unaudited)
DECEMBER 31, 2017

Other Benefits

The Board noted the Adviser's representation that it would be receiving a benefit arising from the use of soft dollars in connection with Fund trades for the acquisition of research that would benefit not only the Fund, but potentially other clients of the Adviser. The Board concluded that the other benefits received were not a material factor in approving the New 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 New 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 arrangements, as outlined in the New Agreement, were 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.

Shareholder Proxy Votes

At a special meeting of shareholders for all the Funds in the Trust, held on December 8, 2017, shares were voted as follows on the proposals presented to shareholders:

<u>Matter</u>	<u>For</u>	<u>Against</u>	<u>Abstain</u>
To elect David Tucker to the Board of Trustees of the Trust.	108,303,928.779	1,542,957.994	0
To elect Jennifer Brown-Strabley to the Board of Trustees of the Trust.	108,183,952.495	1,662,934.278	0
To elect Mark D. Moyer to the Board of Trustees of the Trust.	108,142,412.946	1,704,473.827	0
To elect Jessica Chase to the Board of Trustees of the Trust.	107,632,924.803	2,213,961.970	0
To elect Stacey E. Hong to the Board of Trustees of the Trust.	105,777,266.997	4,069,619.776	0

LISANTI SMALL CAP GROWTH FUND

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2017

At a special meeting of shareholders, held on December 29, 2017, shares were voted as follows on the proposal presented to shareholders:

Matter	For	Against	Abstain
To approve a new investment advisory agreement between the Trust and Lisanti Capital Growth, LLC.	286,585	2,172	18,489

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) 441-7031, on the Fund's website at www.lisantismallcap.com 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 (800) 441-7031, on the Fund's website at www.lisantismallcap.com 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 July 1, 2017 through December 31, 2017.

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.

LISANTI SMALL CAP GROWTH FUND

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2017

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. In addition, if these transactional costs had been included, your costs would have been higher.

	Beginning Account Value	Ending Account Value	Expenses Paid During Period*	Annualized Expense Ratio*
	July 1, 2017	December 31, 2017		
Actual	\$ 1,000.00	\$ 1,132.76	\$ 9.68	1.80%
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,016.13	\$ 9.15	1.80%

* 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 (184) divided by 365 to reflect the half-year period.

Federal Tax Status of Dividends Declared during the Fiscal Year

For federal income tax purposes, dividends from short-term capital gains are classified as ordinary income. The Fund designates 0.87% of its income dividend distributed as qualifying for the corporate dividends-received deduction (DRD) and 0.79% for the qualified dividend rate (QDI) as defined in Section 1(h)(11) of the Code. The Fund also designates 100.00% as short-term capital gain dividends exempt from U.S. tax for foreign shareholders (QSD).

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) 441-7031, on the Fund’s website at www.lisantismallcap.com.

LISANTI SMALL CAP GROWTH FUND

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2017

Name and Year of Birth	Position(s) with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series of Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
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, 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.

¹Stacey 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 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.

LISANTI SMALL CAP GROWTH FUND

ADDITIONAL INFORMATION (Unaudited)

DECEMBER 31, 2017

Name and Year of Birth	Position(s) with the Trust	Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Series of Fund Complex Overseen by Trustee	Other Directorships Held by Trustee
Officers					
Jessica Chase Born: 1970	President; Principal Executive Officer	Since 2015	Senior Vice President, Atlantic since 2008.	N/A	N/A
Karen Shaw Born: 1972	Treasurer; Principal Financial Officer	Since 2008	Senior Vice President, Atlantic since 2008.	N/A	N/A
Zachary Tackett Born: 1988	Vice President; Secretary; Anti-Money Laundering Compliance Officer	Since 2014	Counsel, Atlantic since 2014; Intern Associate, Coakley & Hyde, PLLC, 2010-2013.	N/A	N/A
Michael J. McKeen Born: 1971	Vice President	Since 2009	Senior Vice President, Atlantic since 2008.	N/A	N/A
Timothy Bowden Born: 1969	Vice President	Since 2009	Manager, Atlantic since 2008.	N/A	N/A
Geoffrey Ney Born: 1975	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.	N/A	N/A
Todd Proulx Born: 1978	Vice President	Since 2013	Manager, Atlantic since 2013; Senior Fund Accountant, Atlantic, 2008-2013.	N/A	N/A
Carlyn Edgar Born: 1963	Vice President	Since 2008	Senior Vice President, Atlantic since 2008; Chief Compliance Officer, 2008-2016.	N/A	N/A
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.	N/A	N/A

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228 - ANR - 1217