

REYNOLDS BLUE CHIP GROWTH FUND

SHAREHOLDER LETTER

(Unaudited)

November 17, 2023

Dear Fellow Shareholders:

Reynolds Blue Chip Growth Fund's 35th Anniversary

The Reynolds Blue Chip Growth Fund (the "Fund" or "Blue Chip Fund") celebrated its 35th anniversary last summer. It began operations on August 12, 1988.

Performance Highlights (September 30, 2023)⁽¹⁾

The annualized average total returns of the Blue Chip Fund and S&P 500[®] Index for the 1-year, 5-year, and 10-year periods through September 30, 2023 were:

	<u>Average Annual Total Returns</u>		
	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Reynolds Blue Chip Growth Fund	12.35%	5.70%	8.14%
S&P 500 [®] Index ⁽²⁾	21.62%	9.92%	11.91%

The Reynolds Blue Chip Growth Fund's return was 12.64% and the S&P 500[®] Index's return was 13.07% in the nine months ended September 30, 2023.

- (1) Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Performance data current to the most recent month-end may be obtained by visiting www.reynoldsfunds.com or by calling 1-800-773-9665.*
- (2) The S&P 500[®] Index ("S&P") is a capitalization-weighted index, representing the aggregate market value of the common equity of 500 stocks primarily traded on the New York Stock Exchange ("NYSE"). Returns shown include the reinvestment of all dividends. Past performance is not predictive of future performance. The table does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. Investment return and principal value will fluctuate, so that your shares, when redeemed, may be worth more or less than the original cost. It is not possible to invest directly in an index.*

As stated in the Prospectus dated January 31, 2023, the expense ratio of the Fund is 1.97%. Reynolds Capital Management, LLC (the "Adviser") has contractually agreed to waive management fees and/or reimburse expenses (excluding interest, taxes, brokerage commissions and other costs incurred in connection with the purchase or sale of portfolio securities, acquired fund fees and expenses, if any, and extraordinary items) to ensure that Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement do not exceed 2.00%.

Web Site

Our website is www.reynoldsfunds.com. On our website, you can access current information about your investment holdings. You must first request a personal identification number ("PIN") by calling our shareholder service representatives at 1-800-773-9665. You will be able to view your account list, account detail (including balances), transaction history, distributions, and the current Blue Chip Fund net asset value. Additional information available (PIN not needed) includes the top ten holdings, industry percentages, and quarterly updates of the returns of the Blue Chip Fund.

The U.S. Economy

The Federal Reserve has been removing stimulus and sharply raising interest rates to reduce inflation. The economy continues to be negatively affected by supply chain constraints partially caused by the war in Ukraine. The economy is also being affected by the strong U.S. dollar. U.S. Gross Domestic Product (“GDP”) increased 1.9% in 2022, 5.9% in 2021, decreased -3.4% in 2020, and increased 2.2% in 2019. The U.S. economy showed remarkable resilience and expanded at a stronger than expected rate in the third quarter. GDP is estimated to have increased at an inflation-adjusted annual rate of 4.9% in the quarter ended September 30, 2023 after increasing 2.1% in the quarter ended June 30, 2023 and increasing 2.2% in the quarter ended March 31, 2023. Consumer spending, durable goods, initial unemployment claims and new home sales continued to show remarkable resilience, given higher interest rates and tightening credit conditions. As the Federal Reserve holds rates steady and inflation lessens, the anticipated rise in the real fed funds rate will likely result in a modest level of growth in the coming quarters. There may be a modest contraction in economic activity in the second and third quarters of 2024. GDP is forecast to increase 0.9% in the quarter ended December 31, 2023. GDP is forecast to increase 2.4% in calendar 2023 and to increase 0.9% in calendar 2024.

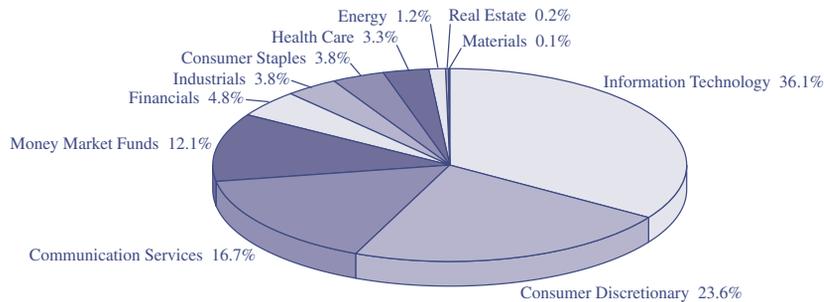
U.S. inflation, as measured by the Consumer Price Index, increased 8.0% in 2022, 4.7% in 2021, 1.2% in 2020, and 1.8% in 2019. Inflation increased at an annualized rate of 3.6% in the quarter ended September 30, 2023 after increasing at an annualized rate of 4.1% in the quarter ended June 30, 2023 and increasing 5.8% in the quarter ended March 31, 2023. Inflation is forecast to increase at an annualized rate of 3.4% in the quarter ended December 31, 2023. Inflation is forecast to increase 4.2% in calendar 2023 and to increase 2.5% in calendar 2024.

Opportunistic Investing in Companies of Various Sizes and Diversified Among Various Industries

The Blue Chip Fund usually invests in companies of various sizes as classified by their market capitalizations. A company’s market capitalization is calculated by taking the number of shares the company has outstanding multiplied by its current market price. Other considerations in selecting companies for the Fund include revenue growth rates, product innovations, financial strength, management’s knowledge and experience, plus the overall economic and geopolitical environments and interest rates. The Fund’s investments are diversified among various industries.

The long-term strategy of the Blue Chip Fund is to emphasize investment in worldwide “Blue Chip” growth companies. These companies are defined as companies with a minimum market capitalization of U.S. \$1 billion. In the long-term, these companies build value as their earnings grow. This growth in value should ultimately be recognized in higher stock prices for these companies.

Sector Breakdown⁽¹⁾⁽²⁾⁽³⁾ as of September 30, 2023



(1) The Global Industry Classification Standard (“GICS[®]”) was developed by and/or is the exclusive property of MSCI, Inc. and Standard & Poor’s Financial Services LLC (“S&P”). GICS[®] is a service mark of MSCI and S&P and has been licensed for use by U.S. Bancorp Fund Services, LLC.

(2) For presentation purposes within the Fund’s shareholder letter, the Fund has grouped the industry categories by sector. For purposes of categorizing securities for compliance with section 8(b)(1) of the Investment Company Act of 1940, as amended, the Fund uses more specific industry classifications for financial reporting within its Schedule of Investments.

(3) Percentages are based on net assets. Sum of sectors shown is greater than 100% due to other assets and liabilities, net of (5.7)%.

For automatic current daily net asset values: Call 1-800-773-9665 (1-800-7REYNOLDS) twenty-four hours a day, seven days a week and press “any key” then “1”. The updated current net asset value for the Blue Chip Fund is usually available each business day after 5 P.M. (PST).

For the Blue Chip Fund shareholders to automatically access their current account information: Call 1-800-773-9665 (twenty-four hours a day, seven days a week), press “any key” then “2” and enter your 16 digit account number which appears at the top right of your statement.

To speak to a Fund representative regarding the current daily net asset value, current account information and any other questions: Call 1-800-773-9665 and press “0” from 6 A.M. to 5 P.M. (PST).

Shareholder statement frequency: Statements summarizing the Blue Chip Fund accounts held by a shareholder are sent quarterly. In addition, Blue Chip Fund statements are sent whenever a transaction occurs. These transactions are: (1) statements sent for the Blue Chip Fund when a shareholder purchases or redeems shares; (2) Blue Chip Fund statements sent if, and when, any ordinary income or capital gains are distributed.

Tax reporting: Individual 1099 forms, which summarize any dividend income and any long- or short-term capital gains, are sent annually to shareholders each January. The percentage of income earned from various government securities, if any, for the Blue Chip Fund are also reported in January.

Minimum investment: \$1,000 for regular and retirement accounts (\$100 for additional investments for all accounts – except for the Automatic Investment Plan, which is \$50 for regular and retirement plan accounts).

Retirement plans: All types are offered including Traditional IRA, Roth IRA, Coverdell Education Savings Account, SIMPLE IRA Plan, and SEP IRA.

Automatic Investment Plan: There is no charge to automatically debit your checking account to invest in the Blue Chip Fund (\$50 minimum) at periodic intervals to make automatic purchases. This is useful for dollar cost averaging for the Blue Chip Fund.

Systematic Withdrawal Plan: For shareholders with a \$10,000 minimum starting balance, there is no charge to automatically redeem shares (\$100 minimum) in the Blue Chip Fund as often as monthly and send a check to you or transfer funds to your bank account.

NASDAQ symbol: Reynolds Blue Chip Growth Fund – RBCGX

Portfolio Manager: Frederick Reynolds is the portfolio manager of the Blue Chip Fund. He has been the portfolio manager of the Fund since its inception in 1988.

The Blue Chip Fund is No-Load: No front-end sales commissions or deferred sales charges (“loads”) are charged. Some mutual funds impose these marketing charges that are ultimately paid by the shareholder. These marketing charges are either: (1) a front-end fee or “load” in which up to 5% of a shareholder’s assets are deducted from the original investment (some funds even charge a fee when a shareholder reinvests capital gains or dividends); or (2) a back-end penalty fee or “load” which is typically deducted from a shareholder’s account if a shareholder redeems within five years of the original investment. These fees reduce a shareholder’s return. The Blue Chip Fund is No-Load as it does not have these extra charges.

We appreciate your continued confidence in the Reynolds Blue Chip Growth Fund and would like to welcome our new shareholders. We look forward to strong results in the future.

Sincerely,



Frederick L. Reynolds
President

This report is not authorized for use as an offer of sale or a solicitation of an offer to buy shares of the Reynolds Blue Chip Growth Fund unless accompanied or preceded by the Fund's current prospectus.

Investors in the Fund may lose money. There are risks associated with investments in the types of securities in which the Fund invests. These risks include:

Market Risk – The prices of the stocks in which the Fund invests may decline for a number of reasons. These reasons include factors that are specific to one or more stocks in which the Fund invests as well as factors that affect the equity securities markets generally. The price declines may be steep, sudden and/or prolonged.

Growth Investing Risk – The investment adviser may be wrong in its assessment of a company's potential for growth and the growth stocks the Fund holds may not grow as the investment adviser anticipates. Finally, there are periods when investing in growth stocks falls out of favor with investors and these stocks may underperform.

Smaller and Medium Capitalization Companies Risk – The Fund invests in smaller and medium capitalization companies, which involve additional risks such as limited liquidity and greater price volatility.

Foreign Securities Risk – The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and different accounting methods.

Additional risks associated with investing in the Fund are as follows: Technology Companies Risk, Consumer Discretionary Companies Risk, Tax Law Change Risk, High Portfolio Turnover Risk and Liquidity Risk. For details regarding these risks, please refer to the Fund's Prospectus or Summary Prospectus dated January 31, 2023.

For additional information about the Directors and Officers or for a description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities, please call 1-800-773-9665 and request a Statement of Additional Information. One will be mailed to you free of charge. The Statement of Additional Information is also available on the website of the Securities and Exchange Commission (the "Commission") at <http://www.sec.gov>. Information on how the Fund voted proxies relating to portfolio securities is available on the Fund's website at www.reynoldsfunds.com and on the website of the Commission at <http://www.sec.gov> no later than August 31 for the prior 12 months ending June 30. The Fund files its complete schedule of portfolio holdings with the Commission for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT is available on the website of the Commission at <http://www.sec.gov>.

You may elect to receive shareholder reports and other communications from the Fund electronically anytime by contacting your financial intermediary (such as a broker-dealer or a bank) or, if you are a direct investor, by calling 1-800-773-9665.

Distributed by Foreside Fund Services, LLC

Reynolds Blue Chip Growth Fund

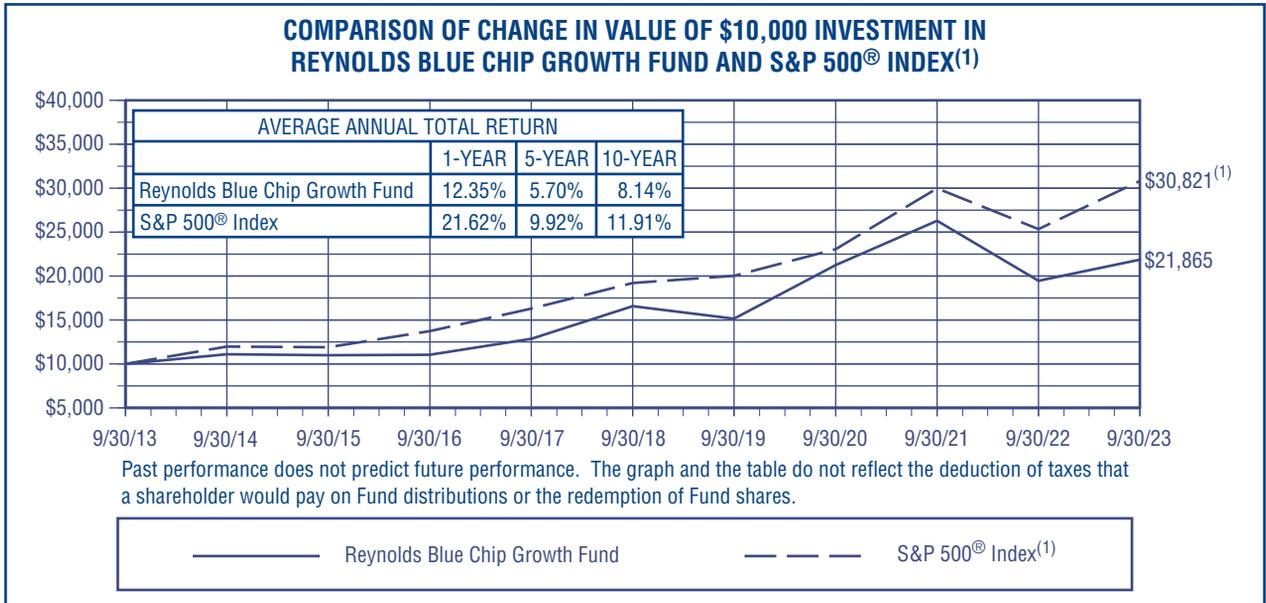
MANAGEMENT'S DISCUSSION OF FUND PERFORMANCE

(Unaudited)

The Reynolds Blue Chip Growth Fund (the "Fund") underperformed the S&P 500® Index, the Fund's benchmark, during the twelve months ended September 30, 2023 (the Fund's fiscal year).

Some of the Reynolds Blue Chip Growth Fund's strongest industry performers during the twelve months ended September 30, 2023 were: (1) Financial Services, (2) Consumer Staples Distribution & Retail, (3) Entertainment, (4) Household Durables, (5) Interactive Media & Services, (6) Semiconductors & Semiconductor Equipment, (7) Software, and (8) Specialty Retail. Some of the individual stocks held in the Fund that outperformed the S&P 500® Index during this period were: (1) Adobe, (2) Alphabet, (3) Berkshire Hathaway, (4) Booking Holdings, (5) Cisco Systems, (6) Costco, (7) Lennar, (8) Lululemon Athletica, (9) Marriott, (10) Meta Platforms, (11) Netflix, (12) NVIDIA, (13) Palo Alto Networks, and (14) Salesforce.

Some industries that were held in the Reynolds Blue Chip Growth Fund that underperformed the S&P 500® Index during the twelve months ended September 30, 2023 were: (1) Automobiles, (2) Banks, (3) Health Care Equipment & Supplies, (4) Broadline Retail, (5) Oil, Gas & Consumable Fuels, and (6) Technology Hardware, Storage & Peripherals. Some of the Fund's investments that underperformed the S&P 500® Index during this period were: (1) Amazon, (2) Apple, (3) AutoZone, (4) Bank of America, (5) Charles Schwab, (6) Chevron, (7) Chipotle Mexican Grill, (8) Home Depot, (9) Lowe's, (10) Starbucks, (11) Tesla, and (12) Walmart.



⁽¹⁾ The S&P 500® Index is the Standard & Poor's Composite Index of 500 stocks, a widely recognized unmanaged index of common stock prices and includes the reinvestment of all dividends. Investors cannot invest directly in an index or benchmark.

Reynolds Blue Chip Growth Fund

EXPENSE EXAMPLE

(Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees, and other fund expenses. The expense example is intended to help a shareholder understand 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 most recent six-month period.

The Actual Expenses comparison provides information about actual account values and actual expenses. A shareholder may use the information in this line, together with the amount invested, to estimate the expenses paid over the period. A shareholder may divide his/her account value by \$1,000 (e.g., 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 paid on his/her account during this period.

The Hypothetical Example for Comparison Purposes 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 paid for the period. A shareholder may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, a shareholder would compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

The expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemptions fees, or exchange fees. Therefore, the Hypothetical Example for Comparison Purposes is useful in comparing ongoing costs only, and will not help to determine the relevant total costs of owning different funds. In addition, if these transactional costs were included, shareholder costs would have been higher.

	Annualized Net Expense Ratio 9/30/23	Beginning Account Value 4/1/23	Ending Account Value 9/30/23	Expenses Paid During Period 4/1/23-9/30/23 ⁽¹⁾
Actual Expenses ⁽²⁾	2.00%	\$1,000.00	\$1,042.20	\$10.24
Hypothetical Example for Comparison Purposes (5% return before expenses)	2.00%	\$1,000.00	\$1,015.07	\$10.10

⁽¹⁾ Expenses are equal to the Fund’s annualized net expense ratio, multiplied by the average account value over the period, multiplied by 183/365 to reflect the one-half year period.

⁽²⁾ Based on the actual return of 4.22% for the six month-period ended September 30, 2023.

Reynolds Blue Chip Growth Fund

STATEMENT OF ASSETS AND LIABILITIES

September 30, 2023

ASSETS:

Investments in securities, at value (cost \$44,404,878)	\$55,588,379
Receivable from investments sold	229,582
Receivable from shareholders for purchases	30,000
Dividends and interest receivable	16,075
Prepaid expenses	48,643
Total assets	<u>55,912,679</u>

LIABILITIES:

Payable for investments purchased	3,140,218
Payable to shareholders for redemptions	3,633
Payable to adviser for management fees, net	49,579
Payable for distribution and service fees	5,793
Other liabilities	103,171
Total liabilities	<u>3,302,394</u>

NET ASSETS

\$52,610,285

NET ASSETS CONSIST OF:

Capital stock, \$0.01 par value; 40,000,000 shares authorized; 1,109,998 shares outstanding	\$46,573,183
Distributable earnings	6,037,102
Net assets	<u>\$52,610,285</u>

CALCULATION OF NET ASSET VALUE PER SHARE:

Net asset value, offering and redemption price per share ($\$52,610,285 \div 1,109,998$ shares outstanding)	<u>\$ 47.40</u>
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SCHEDULE OF INVESTMENTS

September 30, 2023

	Shares	Value		Shares	Value
COMMON STOCKS — 93.6%			Biotechnology — 0.3%		
Air Freight & Logistics — 0.8%			Amgen, Inc.		
Expeditors International of Washington, Inc.	350	\$ 40,120		450	\$ 120,942
FedEx Corp.	1,000	264,920		200	51,402
United Parcel Service, Inc., Class B	650	<u>101,316</u>			<u>172,344</u>
		406,356	Broadline Retail — 6.4%		
Automobiles — 3.5%			Alibaba Group Holding Ltd. — ADR (n)		
Tesla, Inc. (n)	7,450	<u>1,864,139</u>		400	34,696
			Amazon.com, Inc. (n)		
Banks — 0.4%				26,100	3,317,832
Bank of America Corp.	2,000	54,760		1,100	32,043
JPMorgan Chase & Company	1,200	<u>174,024</u>			<u>3,384,571</u>
		228,784	Building Products — 0.1%		
Beverages — 0.1%			Builders FirstSource, Inc. (n)		
Monster Beverage Corp. (n)	500	<u>26,475</u>		300	37,347
				500	6,075
					<u>43,422</u>
			Capital Markets — 0.9%		
			Blackstone, Inc.		
				1,550	166,067

The accompanying notes are an integral part of these financial statements.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

September 30, 2023

	Shares	Value		Shares	Value
COMMON STOCKS — 93.6% (Continued)			Financial Services — 3.4%		
Capital Markets — 0.9% (Continued)			Berkshire Hathaway, Inc., Class B (n)		
The Charles Schwab Corp.	1,800	\$ 98,820	Fidelity National Information Services, Inc.	800	\$ 44,216
FactSet Research Systems, Inc.	150	65,589	Fiserv, Inc. (n)	1,250	141,200
The Goldman Sachs Group, Inc.	200	64,714	Mastercard, Inc., Class A	1,000	395,910
Morgan Stanley	700	57,169	PayPal Holdings, Inc. (n)	900	52,614
		<u>452,359</u>	Visa, Inc., Class A	1,500	345,015
					<u>1,784,645</u>
Commercial Services & Supplies — 0.1%			Ground Transportation — 0.9%		
Copart, Inc. (n)	1,200	51,708	Uber Technologies, Inc. (n)	9,100	418,509
			Union Pacific Corp.	300	61,089
					<u>479,598</u>
Communications Equipment — 0.9%			Health Care Equipment & Supplies — 1.4%		
Arista Networks, Inc. (n)	600	110,358	Becton Dickinson & Company	200	51,706
Cisco Systems, Inc.	4,300	231,168	Boston Scientific Corp. (n)	700	36,960
F5, Inc. (n)	950	153,083	GE HealthCare Technologies, Inc.	1,633	111,109
		<u>494,609</u>	Intuitive Surgical, Inc. (n)	1,500	438,435
			Medtronic PLC	500	39,180
Consumer Staples Distribution & Retail — 3.5%			ResMed, Inc.	250	36,967
Costco Wholesale Corp.	2,675	1,511,268	Stryker Corp.	150	40,991
Walmart, Inc.	1,900	303,867			<u>755,348</u>
		<u>1,815,135</u>			
Containers & Packaging — 0.1%			Hotels, Restaurants & Leisure — 8.1%		
Avery Dennison Corp.	250	45,668	Airbnb, Inc., Class A (n)	4,250	583,142
			Booking Holdings, Inc. (n)	450	1,387,777
			Carnival Corp. (n)	5,600	76,832
Diversified Consumer Services — 0.0%			Chipotle Mexican Grill, Inc. (n)	300	549,549
WW International, Inc. (n)	2,000	22,140	Choice Hotels International, Inc.	800	98,008
			Domino's Pizza, Inc.	150	56,819
Electronic Equipment, Instruments & Components — 0.3%			DraftKings, Inc., Class A (n)	1,100	32,384
CDW Corp.	700	141,232	Expedia Group, Inc. (n)	1,800	185,526
Coherent Corp. (n)	1,000	32,640	Hilton Worldwide Holdings, Inc.	900	135,162
		<u>173,872</u>	Hyatt Hotels Corp., Class A	800	84,864
			Marriott International, Inc., Class A	1,250	245,700
Energy Equipment & Services — 0.3%			McDonald's Corp.	600	158,064
Baker Hughes Company	1,400	49,448	MGM Resorts International	2,200	80,872
Halliburton Company	900	36,450	Norwegian Cruise Line Holdings Ltd. (n)	3,000	49,440
Schlumberger N.V.	800	46,640	Royal Caribbean Cruises Ltd. (n)	500	46,070
Transocean Ltd. (n)	6,000	49,260	Shake Shack, Inc., Class A (n)	1,100	63,877
		<u>181,798</u>	Starbucks Corp.	3,500	319,445
			Wingstop, Inc.	250	44,960
Entertainment — 5.6%			Yum! Brands, Inc.	300	37,482
Electronic Arts, Inc.	500	60,200			<u>4,235,973</u>
Live Nation Entertainment, Inc. (n)	500	41,520	Household Durables — 1.3%		
NetEase, Inc. — ADR	300	30,048	DR Horton, Inc.	950	102,096
Netflix, Inc. (n)	6,950	2,624,320	KB Home	2,100	97,188
Spotify Technology SA (n)	700	108,248			
Take-Two Interactive Software, Inc. (n)	300	42,117			
The Walt Disney Company (n)	400	32,420			
		<u>2,938,873</u>			

The accompanying notes are an integral part of these financial statements.

Reynolds Blue Chip Growth Fund
SCHEDULE OF INVESTMENTS (Continued)

September 30, 2023

	<u>Shares</u>	<u>Value</u>		<u>Shares</u>	<u>Value</u>
COMMON STOCKS — 93.6% (Continued)					
Household Durables — 1.3% (Continued)					
Lennar Corp., Class A	1,850	\$ 207,626			
Meritage Homes Corp.	500	61,195			
PulteGroup, Inc.	1,800	133,290			
Taylor Morrison Home Corp. (n)	500	21,305			
Toll Brothers, Inc.	600	44,376			
		<u>667,076</u>			
Household Products — 0.1%					
The Procter & Gamble Company	250	36,465			
Industrial Conglomerates — 0.6%					
General Electric Company	2,100	232,155			
Honeywell International, Inc.	300	55,422			
		<u>287,577</u>			
Insurance — 0.1%					
Willis Towers Watson PLC	250	52,240			
Interactive Media & Services — 11.0%					
Alphabet, Inc., Class A (n)	8,000	1,046,880			
Alphabet, Inc., Class C (n)	11,450	1,509,682			
Baidu, Inc. — ADR (n)	250	33,588			
fuboTV, Inc. (n)	4,000	10,680			
Meta Platforms, Inc., Class A (n)	10,350	3,107,174			
Pinterest, Inc., Class A (n)	1,600	43,248			
Snap, Inc., Class A (n)	1,700	15,147			
TripAdvisor, Inc. (n)	1,700	28,186			
		<u>5,794,585</u>			
IT Services — 1.2%					
Accenture PLC, Class A	100	30,711			
Akamai Technologies, Inc. (n)	650	69,251			
Cloudflare, Inc., Class A (n)	1,100	69,344			
Cognizant Technology Solutions Corp., Class A	1,100	74,514			
Gartner, Inc. (n)	150	51,541			
International Business Machines Corp.	250	35,075			
MongoDB, Inc. (n)	250	86,465			
Shopify, Inc., Class A (n)	1,200	65,484			
VeriSign, Inc. (n)	650	131,645			
Wix.com Ltd. (n)	400	36,720			
		<u>650,750</u>			
Life Sciences Tools & Services — 0.2%					
OmniAb, Inc. (n)	2,450	12,715			
Repligen Corp. (n)	250	39,753			
Life Sciences Tools & Services — 0.2% (Continued)					
Thermo Fisher Scientific, Inc.	100	\$ 50,617			
					<u>103,085</u>
Machinery — 0.4%					
Caterpillar, Inc.	300	81,900			
Deere & Company	200	75,476			
Parker-Hannifin Corp.	125	48,690			
					<u>206,066</u>
Media — 0.1%					
Nexstar Media Group, Inc.	400	57,348			
Oil, Gas & Consumable Fuels — 0.9%					
APA Corp.	1,200	49,320			
Cheniere Energy, Inc.	250	41,490			
Chevron Corp.	250	42,155			
ConocoPhillips	300	35,940			
EOG Resources, Inc.	300	38,028			
Exxon Mobil Corp.	400	47,032			
Marathon Oil Corp.	1,700	45,475			
Occidental Petroleum Corp.	600	38,928			
Phillips 66	250	30,037			
Texas Pacific Land Corp.	50	91,178			
Valero Energy Corp.	250	35,428			
Vitesse Energy, Inc.	129	2,953			
		<u>497,964</u>			
Passenger Airlines — 0.3%					
Delta Air Lines, Inc.	1,600	59,200			
Hawaiian Holdings, Inc. (n)	5,000	31,650			
United Airlines Holdings, Inc. (n)	1,400	59,220			
		<u>150,070</u>			
Personal Care Products — 0.1%					
elf Beauty, Inc. (n)	400	43,932			
Pharmaceuticals — 1.4%					
AstraZeneca PLC — ADR	600	40,632			
Eli Lilly & Company	875	469,989			
Novartis AG — ADR	1,900	193,534			
Novo Nordisk A/S — ADR	450	40,923			
		<u>745,078</u>			
Professional Services — 0.6%					
Automatic Data Processing, Inc.	500	120,290			
Legalzoom.com, Inc. (n)	2,800	30,632			
Paychex, Inc.	400	46,132			

The accompanying notes are an integral part of these financial statements.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

September 30, 2023

	Shares	Value		Shares	Value
COMMON STOCKS — 93.6% (Continued)			Software — 19.1% (Continued)		
Professional Services — 0.6% (Continued)			Splunk, Inc. (n)		
Verisk Analytics, Inc.	500	\$ 118,120	Unity Software, Inc. (n)	1,100	\$ 34,529
		<u>315,174</u>	VMware, Inc., Class A (n)	2,286	380,573
Real Estate Management			Workday, Inc., Class A (n)	750	161,138
& Development — 0.2%			Zoom Video		
Compass, Inc., Class A (n)	3,000	8,700	Communications, Inc., Class A (n)	600	41,964
Redfin Corp. (n)	15,000	105,600			<u>10,050,320</u>
		<u>114,300</u>	Specialty Retail — 3.9%		
Semiconductors & Semiconductor			Abercrombie & Fitch Company, Class A (n)	1,000	56,370
Equipment — 9.2%			AutoZone, Inc. (n)	300	761,997
Advanced Micro Devices, Inc. (n)	5,106	524,999	Best Buy Company, Inc.	2,200	152,834
ARM Holdings PLC — ADR (n)	800	42,816	CarMax, Inc. (n)	1,500	106,095
ASML Holding N.V.	100	58,866	The Home Depot, Inc.	700	211,512
Broadcom, Inc.	250	207,645	Lowe's Companies, Inc.	800	166,272
First Solar, Inc. (n)	200	32,318	O'Reilly Automotive, Inc. (n)	150	136,329
Intel Corp.	3,400	120,870	Overstock.com, Inc. (n)	1,500	23,730
Lam Research Corp.	50	31,338	The TJX Companies, Inc.	2,800	248,864
Marvell Technology, Inc.	2,400	129,912	Tractor Supply Company	300	60,915
NVIDIA Corp.	7,600	3,305,924	Wayfair, Inc., Class A (n)	1,500	90,855
NXP Semiconductors N.V.	500	99,960	Williams-Sonoma, Inc.	300	46,620
ON Semiconductor Corp. (n)	800	74,360			<u>2,062,393</u>
QUALCOMM, Inc.	400	44,424	Technology Hardware,		
Taiwan Semiconductor Manufacturing			Storage & Peripherals — 5.4%		
Company Ltd. — ADR	600	52,140	Apple, Inc.	15,650	2,679,437
Teradyne, Inc.	400	40,184	Dell Technologies, Inc., Class C	1,700	117,130
Universal Display Corp.	300	47,097	Western Digital Corp. (n)	900	41,067
		<u>4,812,853</u>			<u>2,837,634</u>
Software — 19.1%			Textiles, Apparel & Luxury Goods — 0.4%		
Adobe, Inc. (n)	1,125	573,637	Lululemon Athletica, Inc. (n)	500	192,805
C3.ai, Inc., Class A (n)	3,900	99,528	NIKE, Inc., Class B	200	19,124
Cadence Design Systems, Inc. (n)	600	140,580			<u>211,929</u>
Check Point Software Technologies Ltd. (n)	1,400	186,592	TOTAL COMMON STOCKS		
CrowdStrike Holdings, Inc., Class A (n)	4,200	702,996	(cost \$38,071,155)		
CyberArk Software Ltd. (n)	450	73,697			<u>49,254,656</u>
Datadog, Inc., Class A (n)	2,200	200,398			
DocuSign, Inc. (n)	2,200	92,400			
Fair Isaac Corp. (n)	150	130,279			
Intuit, Inc.	500	255,470			
Microsoft Corp.	8,500	2,683,875			
Oracle Corp.	17,100	1,811,232			
Palantir Technologies, Inc., Class A (n)	5,500	88,000			
Palo Alto Networks, Inc. (n)	6,900	1,617,636			
Salesforce, Inc. (n)	3,450	699,591			
SAP SE — ADR	250	32,330			

The accompanying notes are an integral part of these financial statements.

Reynolds Blue Chip Growth Fund
SCHEDULE OF INVESTMENTS (Continued)

September 30, 2023

	<u>Shares</u>	<u>Value</u>
RIGHTS — 0.0%		
Biotechnology — 0.0%		
Achillion Pharmaceuticals, Inc. (f) (n)	3,000	\$ <u>0</u>
Life Sciences Tools & Services — 0.0%		
OmniAb Operations, Inc. —		
\$12.50 Earnout Shares (f) (n)	189	0
OmniAb Operations, Inc. —		
\$15.00 Earnout Shares (f) (n)	189	<u>0</u>
		<u>0</u>
TOTAL RIGHTS		
(cost \$0)		<u>0</u>
MONEY MARKET FUNDS — 12.1%		
Fidelity Government Portfolio,		
Class I, 5.23% (y)	1,000,000	1,000,000
First American Government Obligations		
Fund, Class X, 5.26% (y)	5,333,723	<u>5,333,723</u>
TOTAL MONEY MARKET FUNDS		
(cost \$6,333,723)		<u>6,333,723</u>
TOTAL INVESTMENTS — 105.7%		
(cost \$44,404,878)		55,588,379
Other assets and liabilities, net — (5.7)%		<u>(2,978,094)</u>
TOTAL NET ASSETS — 100.0%		<u>\$52,610,285</u>

Percentages for the various classifications are based on net assets.

(f) – Security valued at fair value as determined by the investment adviser as the valuation designee appointed by the Board of Directors (the “Board”), in accordance with valuation procedures approved by the Board. Value determined using significant unobservable inputs. See Note (1)(a) in the Notes to Financial Statements.

(n) – Non-income producing security.

(y) – Rate shown is the 7-day effective yield as of September 30, 2023.

ADR – American Depository Receipt

The accompanying notes are an integral part of these financial statements.

Reynolds Blue Chip Growth Fund
STATEMENT OF OPERATIONS

For the Year Ended September 30, 2023

INVESTMENT INCOME:

Dividends (net of foreign withholding tax of \$1,409)	\$ 427,169
Interest	<u>137,518</u>
Total investment income	<u>564,687</u>

EXPENSES:

Management fees (See Note 2)	537,105
Transfer agent fees and expenses	84,785
Professional fees and expenses	84,666
Administration fees and expenses	78,135
Insurance expense	67,433
Distribution and service fees	66,729
Accounting fees and expenses	45,626
Custodian fees and expenses	45,480
Registration fees	35,412
Shareholder servicing fees	35,244
Chief Compliance Officer fees	28,720
Board of Directors fees	28,000
Printing and postage expenses	17,857
Other expenses	<u>13,943</u>
Total expenses	1,169,135
Less expenses reimbursed by the investment adviser (See Note 2)	(94,925)
Net expenses	<u>1,074,210</u>

NET INVESTMENT LOSS

(509,523)

NET REALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS

1,280,752

NET CHANGE IN UNREALIZED APPRECIATION/DEPRECIATION ON INVESTMENTS AND FOREIGN CURRENCY TRANSLATION

5,404,263

NET GAIN ON INVESTMENTS

6,685,015

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS

\$6,175,492

STATEMENTS OF CHANGES IN NET ASSETS

For the Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
OPERATIONS:		
Net investment loss	\$ (509,523)	\$ (795,527)
Net realized gain (loss) on investments and foreign currency transactions	1,280,752	(233,316)
Net change in unrealized appreciation/depreciation on investments and foreign currency translation	5,404,263	(17,701,282)
Net increase (decrease) in net assets resulting from operations	<u>6,175,492</u>	<u>(18,730,125)</u>
DISTRIBUTIONS TO SHAREHOLDERS	<u>(3,002,381)</u>	<u>(17,990,953)</u>
FUND SHARE ACTIVITIES:		
Proceeds from shares issued (33,898 and 34,892 shares, respectively)	1,560,883	1,972,909
Net asset value of shares issued in distributions reinvested (66,276 and 274,428 shares, respectively)	2,940,003	17,566,156
Cost of shares redeemed (148,988 and 156,687 shares, respectively)	<u>(6,860,981)</u>	<u>(9,012,154)</u>
Net increase (decrease) in net assets derived from Fund share activities	<u>(2,360,095)</u>	<u>10,526,911</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	813,016	(26,194,167)
NET ASSETS AT THE BEGINNING OF THE YEAR	51,797,269	77,991,436
NET ASSETS AT THE END OF THE YEAR	<u>\$52,610,285</u>	<u>\$ 51,797,269</u>

The accompanying notes are an integral part of these financial statements.

Reynolds Blue Chip Growth Fund
FINANCIAL HIGHLIGHTS

(Selected data for each share of the Fund outstanding throughout the year)

	Year Ended September 30,				
	2023	2022	2021	2020	2019
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	\$44.70	\$77.51	\$68.96	\$51.48	\$68.35
Income from investment operations:					
Net investment loss ⁽¹⁾	(0.44)	(0.68)	(0.93)	(0.70)	(0.61)
Net realized and unrealized gains (losses) on investments	5.78	(14.00)	16.45	20.69	(6.83)
Total from investment operations	5.34	(14.68)	15.52	19.99	(7.44)
Less distributions:					
Distributions from net capital gains	(2.64)	(18.13)	(6.97)	(2.51)	(9.43)
Net asset value, end of year	\$47.40	\$44.70	\$77.51	\$68.96	\$51.48
TOTAL RETURN	12.35%	-25.97%	23.72%	40.26%	-8.58%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of year (in 000's)	\$52,610	\$51,797	\$77,991	\$68,718	\$58,180
Ratio of expenses to average net assets, net of reimbursement	2.00%	1.95%	1.85%	2.00%	2.00%
Ratio of expenses to average net assets, before reimbursement	2.18%	1.95%	1.85%	2.03%	2.02%
Ratio of net investment loss to average net assets	(0.95%)	(1.18%)	(1.25%)	(1.25%)	(1.16%)
Portfolio turnover rate	431%	623%	279%	263%	464%

⁽¹⁾ Amount calculated based on average shares outstanding throughout the year.

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2023

(1) Summary of Significant Accounting Policies —

The following is a summary of significant accounting policies of the Reynolds Funds, Inc. (the “Company”), which is registered as a diversified, open-end management investment company under the Investment Company Act of 1940 (the “Act”), as amended. The Company consists of one fund: Reynolds Blue Chip Growth Fund (the “Fund”). The Company was incorporated under the laws of Maryland on April 28, 1988. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standards Codification Topic 946 Financial Services – Investment Companies.

The investment objective of the Fund is to produce long-term growth of capital by investing in a diversified portfolio of common stocks issued by well-established growth companies commonly referred to as “blue chip” companies, as defined in the Fund’s prospectus.

(a) The following is a summary of the Fund’s pricing procedures. It is intended to be a general discussion and may not necessarily reflect all pricing procedures followed by the Fund.

Each security, excluding short-term investments and money market funds, is valued at the last sale price reported by the principal security exchange on which the issue is traded (other than The Nasdaq OMX Group, Inc., referred to as “Nasdaq”), or if no sale is reported, the latest bid price. Securities which are traded on Nasdaq (including closed-end funds) under one of its three listing tiers, Nasdaq Global Market, Nasdaq Global Select Market and Nasdaq Capital Market, are valued at the

NOTES TO FINANCIAL STATEMENTS (Continued)

September 30, 2023

(1) Summary of Significant Accounting Policies — (Continued)

Nasdaq Official Closing Price, or if no sale is reported, the latest bid price. Short-term investments with maturities of 60 days or less may be valued on an amortized cost basis to the extent it is equivalent to fair value, which involves valuing an instrument at its cost and thereafter assuming a constant amortization to maturity of any discount or premium, regardless of the impact of fluctuating rates on the fair value of the instrument. Amortized cost will not be used if its use would be inappropriate due to credit or other impairments of the issuer. Money market funds are valued at their net asset value per share. Securities for which quotations are not readily available are valued at fair value as determined by the investment adviser as the valuation designee appointed by the Board of Directors (the “Board”), in accordance with valuation procedures approved by the Board. The fair value of a security is the amount which the Fund might receive upon a current sale. The fair value of a security may differ from the last quoted price and the Fund may not be able to sell a security at the fair value. Market quotations may not be available, for example, if trading in particular securities was halted during the day and not resumed prior to the close of trading on the NYSE.

Under accounting principles generally accepted in the United States of America (“GAAP”), fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

In determining fair value, the Fund uses various valuation approaches. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by generally requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund’s assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The inputs or methodologies used for valuing securities are not necessarily an indication of the risks associated with investing in those securities.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1—Valuations based on unadjusted quoted prices in active markets for identical assets that the Fund has the ability to access.

Level 2—Valuations based on quoted prices for similar securities or in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The following table summarizes the Fund’s investments as of September 30, 2023, based on the inputs used to value them:

<u>Valuation Inputs</u>	<u>Investments in Securities</u>
Level 1—Common Stocks*	\$49,254,656
Money Market Funds	6,333,723
Total Level 1	55,588,379
Level 2—None	—
Level 3—Rights	0
Total	<u>\$55,588,379</u>

* Please refer to the Schedule of Investments to view common stocks segregated by industry type.

NOTES TO FINANCIAL STATEMENTS (Continued)

September 30, 2023

(1) Summary of Significant Accounting Policies — (Continued)

(b) Investment transactions are accounted for on a trade date basis for financial reporting purposes. Net realized gains and losses on sales of securities are computed on the highest amortized cost basis.

(c) The Fund records dividend income on the ex-dividend date and interest income on an accrual basis. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and regulations.

(d) GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. The primary reasons for these adjustments are because of net operating losses and distribution in excess. For the year ended September 30, 2023, the following table shows the reclassifications made:

<u>Capital Stock</u>	<u>Distributable Earnings</u>
\$(679,677)	\$679,677

(e) The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

(f) No provision has been made for Federal income taxes since the Fund has elected to be taxed as a "regulated investment company" and intends to distribute substantially all net investment company taxable income and net capital gains to shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. The Fund may utilize earnings and profits distributed to shareholders on redemption of shares as part of the dividends paid deduction.

(g) The Fund has reviewed all open tax years and major jurisdictions, which include Federal and the state of Maryland, and concluded that there are no significant uncertain tax positions that would require recognition in the financial statements as of and for the year ended September 30, 2023. Open tax years are those that are open for exam by taxing authorities and, as of September 30, 2023, open Federal tax years include the tax years ended September 30, 2020 through 2023. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Fund's Statement of Operations. During the year ended September 30, 2023, the Fund did not incur any interest or penalties. The Fund has no examinations in progress and is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

(h) The Fund's cash is held in accounts with balances which may exceed the amount of related federal insurance. The Fund has not experienced any loss in such accounts and believes it is not exposed to significant credit risk.

(i) Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not isolate the portion of realized gains or losses and unrealized appreciation or depreciation resulting from changes in foreign exchange rates on securities from the fluctuations arising from changes in market prices of securities held. Reported net realized foreign exchange gains or losses arise from sales of securities, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid.

NOTES TO FINANCIAL STATEMENTS (Continued)

September 30, 2023

(2) Investment Advisory Agreement and Transactions With Related Parties —

The Fund has an investment advisory agreement (the “agreement”) with the Adviser, to serve as investment adviser. The sole owner of the Adviser is Mr. Frederick L. Reynolds. Mr. Reynolds is also an officer and interested director of the Fund. Under the terms of the agreement, the Fund will pay the Adviser a monthly management fee at the annual rate of 1.00% of the daily net assets of the Fund.

The agreement further stipulates that the Adviser will reimburse the Fund for all expenses exceeding an annual rate of 2.00% of its daily average net assets (excluding interest, taxes, brokerage commissions and extraordinary items). The Fund is not obligated to reimburse the Adviser for any expenses reimbursed in previous fiscal years. The Adviser reimbursed expenses of \$94,925 for the year ended September 30, 2023.

The Fund has adopted a Distribution and Service Plan (the “Plan”) pursuant to Rule 12b-1 under the Act. The Plan provides that the Fund may incur certain costs which may not exceed a maximum amount equal to 0.25% per annum of the Fund’s average daily net assets. Payments made pursuant to the Plan may only be used to pay distribution expenses incurred in the current year, and may be less than the maximum amount allowed by the Plan.

Under the Fund’s organizational documents, each director, officer, employee or other agent of the Fund (including the Fund’s investment manager) is indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts and believes the risk of loss to be remote.

(3) Distributions to Shareholders —

Net investment income and net realized gains, if any, for the Fund are distributed to shareholders at least annually and are recorded on the ex-dividend date. Please see Note 5 for more information.

(4) Investment Transactions —

For the year ended September 30, 2023, purchases and proceeds of sales of investment securities (excluding short-term securities) were \$237,911,338 and \$212,394,043, respectively. There were no purchases or sales of U.S. Government securities.

NOTES TO FINANCIAL STATEMENTS (Continued)

September 30, 2023

(5) Income Tax Information —

The following information for the Fund is presented on an income tax basis as of September 30, 2023:

Tax cost of investments	<u>\$48,573,395</u>
Gross tax unrealized appreciation	\$11,715,456
Gross tax unrealized depreciation	<u>(4,700,472)</u>
Net unrealized appreciation/depreciation	7,014,984
Distributable ordinary income	—
Distributable long-term capital gains	—
Other accumulated loss	<u>(977,882)</u>
Total distributable earnings	<u>\$ 6,037,102</u>

The difference between the cost amount for financial statement and federal income tax purposes is due to wash sales.

The tax character of distributions paid during the years ended September 30, 2023 and 2022:

<u>Year Ended September 30, 2023</u>		<u>Year Ended September 30, 2022</u>	
<u>Ordinary Income Distributions</u>	<u>Long-Term Capital Gains Distributions</u>	<u>Ordinary Income Distributions</u>	<u>Long-Term Capital Gains Distributions</u>
\$0	\$3,002,381	\$5,521,630	\$12,469,323

The Fund designated as long-term capital gain dividend, pursuant to Internal Revenue Code Section 852(b)(3), the amount necessary to reduce the earnings and profits of the Fund related to net capital gain to zero for the tax year ended September 30, 2023.

As of September 30, 2023, the Fund had a late year ordinary loss of \$474,791 and did not have a post-October capital loss. The Fund has a short-term capital loss carryforward of \$503,091, which does not expire.

(6) Subsequent Events —

Management has evaluated events and transactions after September 30, 2023 through the date that the financial statements were issued, and has determined that no additional disclosure or recognition in the financial statements is required.

To the Shareholders and Board of Directors of
Reynolds Funds, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Reynolds Funds, Inc. comprising Reynolds Blue Chip Growth Fund (the “Fund”) as of September 30, 2023, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the related notes, and the financial highlights for each of the five years in the period then ended (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of September 30, 2023, the results of its operations for the year then ended, the changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of September 30, 2023, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2009.

Cohen & Company, Ltd.

COHEN & COMPANY, LTD.
Milwaukee, Wisconsin
November 21, 2023

LIQUIDITY RISK MANAGEMENT PROGRAM ANNUAL REVIEW

(Unaudited)

On June 26, 2023, the Directors of the Reynolds Blue Chip Growth Fund (the “Fund”), the sole series of Reynolds Funds, Inc., reviewed and considered a written report prepared by the program administrator of the Fund’s Liquidity Risk Management Program (the “Program”), the Fund’s Liquidity Risk Management Committee (the “Program Administrator”), which addressed the operation of the Program and assessed the Program’s adequacy and effectiveness of implementation for the period from April 1, 2022 through March 31, 2023 (the “Review Period”).

In considering the report, the Directors noted that the Program Administrator has determined that the Fund primarily has held, and continues to hold, assets that are highly liquid investments, and thus may rely on the exclusion from the requirements to determine and review a highly liquid investment minimum and to adopt shortfall policies and procedures. They then confirmed with the Program Administrator that no material changes were made to the Program, and reviewed all of the material features of the Program to ensure that they understand how the Program is designed to assess and manage the risk that the Fund could not meet requests to redeem shares issued by the Fund without significant dilution of remaining investors in the Fund. The Directors noted that the Program Administrator concluded that in all market conditions and under all Fund-specific stresses to date, the Fund has been able to meet redemption needs without significant dilution to the Fund’s remaining investors during the Review Period.

Following the Directors’ review and discussion, they determined that they believe the disclosures in the report, taken as a whole, provide the information necessary for the Directors to effectively assess the Program and its implementation during the Review Period, and that they are comfortable with the report’s conclusion that the Program is reasonably designed to assess and manage the Fund’s liquidity risk and complies with the requirements of Rule 22e-4, and that the Program has operated effectively in all material respects during the Review Period.

Reynolds Blue Chip Growth Fund
DIRECTORS AND OFFICERS

(Unaudited)

<u>Name, Year of Birth and Address</u>	<u>Position(s) Held with the Company</u>	<u>Term of Office and Length of Service</u>	<u>Principal Occupation(s) During Past Five Years</u>	<u>Number of Funds in Complex Overseen by Director</u>	<u>Other Directorships Held by Director</u>
Independent Directors:					
Thomas F. Gilbertson, 1943 c/o Reynolds Capital Management, LLC 125 East Harmon Avenue #102 Las Vegas, NV 89109	Director	Indefinite term since March 2015	Mr. Gilbertson is a retired entrepreneur that owned and operated restaurants in Naples, Florida.	1	None
Robert E. Stauder, 1930 c/o Reynolds Capital Management, LLC 125 East Harmon Avenue #102 Las Vegas, NV 89109	Director	Indefinite term since 1988	Mr. Stauder is retired. He was a principal of Robinson Mills + Williams, an architectural and interior design firm.	1	None
Interested Director:					
Frederick L. Reynolds,* 1942 c/o Reynolds Capital Management, LLC 125 East Harmon Avenue #102 Las Vegas, NV 89109	Director	Indefinite term since 1988	Mr. Reynolds is President of the Adviser, which commenced business in 1985.	1	None
	President and Treasurer	One-year term since 1988			
Other Officer:					
Chad Bitterman, 1972 Northern Lights Compliance Services, LLC 4221 North 203rd Street Elkhorn, NE 68022	Chief Compliance Officer	At the discretion of the Board since 2016	Mr. Bitterman has been a Compliance Officer since 2010 for Northern Lights Compliance Services, LLC, which provides compliance services to investment companies.	N/A	N/A

* Mr. Reynolds is the only interested director of the Company as that term is defined in the Investment Company Act of 1940. Mr. Reynolds is an interested director because of his ownership in the Adviser and because he is an officer of the Company.

PRIVACY POLICY

(Unaudited)

We collect the following nonpublic personal information about you:

- Information we receive from you on or in applications or other forms, correspondence or conversations.
- Information about your transactions with us, our affiliates, or others.

We do not disclose any nonpublic personal information about our current or former shareholders to anyone, except as permitted by law. For example, we are permitted by law to disclose all of the information we collect, as described above, to our transfer agent to process your transactions. Furthermore, we restrict access to your nonpublic personal information to those persons who require such information to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of your financial intermediary may govern how your nonpublic personal information would be shared with nonaffiliated third parties.

HOUSEHOLDING

(Unaudited)

In an effort to decrease costs, the Fund intends to reduce the number of duplicate prospectuses and annual and semi-annual reports you receive by sending only one copy of each to those addresses shared by two or more accounts and to shareholders the Fund reasonably believes are from the same family or household. Once implemented, if you would like to discontinue householding for your accounts, please call toll-free at 1-800-773-9665 to request individual copies of these documents. Once the Fund receives notice to stop householding, the Fund will begin sending individual copies 30 days after receiving your request. This policy does not apply to account statements.

QUALIFIED DIVIDEND INCOME/DIVIDEND RECEIVED DEDUCTION

(Unaudited)

The Fund designated 0.00% of dividends declared and paid during the year ended September 30, 2023 from net investment income as qualified dividend income under the Jobs Growth and Tax Relief Reconciliation Act of 2003.

Corporate shareholders may be eligible for a dividend received deduction for certain ordinary income distributions paid by the Fund. The Fund designated 0.00% of dividends declared and paid during the year ended September 30, 2023 from net investment income as qualifying for the dividends received deduction. The deduction is a pass through of dividends paid by domestic corporations (i.e. only equities) subject to taxation.

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871(k)(2)(c) for the Fund was 0.00%.

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REYNOLDS BLUE CHIP GROWTH FUND

c/o U.S. BANK GLOBAL FUND SERVICES
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BLUE CHIP
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