

REYNOLDS BLUE CHIP GROWTH FUND

SHAREHOLDER LETTER

(Unaudited)

November 24, 2020

Dear Fellow Shareholders:

Reynolds Blue Chip Growth Fund's 32nd Anniversary

The Reynolds Blue Chip Growth Fund (the "Fund" or "Blue Chip Fund") celebrated its 32nd anniversary this summer. It began operations on August 12, 1988.

Performance Highlights (September 30, 2020)⁽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, 2020 were:

	<u>Average Annual Total Returns</u>		
	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Reynolds Blue Chip Growth Fund	40.26%	14.10%	12.26%
S&P 500® Index ⁽²⁾	15.15%	14.15%	13.74%

The Reynolds Blue Chip Growth Fund's return was 28.30% and the S&P 500® Index's return was 5.57% in the nine months ended September 30, 2020.

- (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, 2020 the gross expense ratio of the Fund is 2.03% and net expense ratio of the Fund is 2.01% including acquired fund fees and expenses. 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 Coronavirus

Near term global economic growth has strengthened after being weak this Spring due to the coronavirus. Much knowledge has been gained and much progress has been made in the last few months regarding this virus. For example: (1) medical supplies have substantially increased, (2) contact tracing and testing has been substantially increased, (3) much has been learned about treatment, (4) there have been important break throughs regarding antibodies and vaccines, and (4) we are getting close to FDA approvals of vaccines and antibody treatments. Monetary and fiscal stimulus are very strong to counter the economic effects of this virus.

The U.S. Economy

The U.S. economic recovery that started in mid-2009 ended in the first quarter of 2020 due to effects caused by the coronavirus. U.S. Gross Domestic Product (“GDP”) increased 2.2% in 2019, 2.9% in 2018, and 2.5% in 2017. GDP decreased at an inflation-adjusted annual rate of -5.0% in the quarter ended March 31, 2020 and decreased -31.4% in the quarter ended June 30, 2020. GDP strongly improved and increased at an inflation-adjusted annual rate of 33.1% in the third quarter ended September 30, 2020 and is forecasted to increase 4.0% in the fourth quarter ended December 31, 2020. GDP is forecasted to decrease -3.6% for the year ended December 31, 2020 and to increase 3.7% in 2021. The unemployment rate was 3.7 % in 2019, 3.9% in 2018, and 4.4% in 2017. Unemployment was 8.8% in the quarter ended September 30, 2020 and is forecasted to be 6.9% in the quarter ended December 31, 2020. Unemployment is forecasted to average 8.1% in 2020 and 6.6% in 2021.

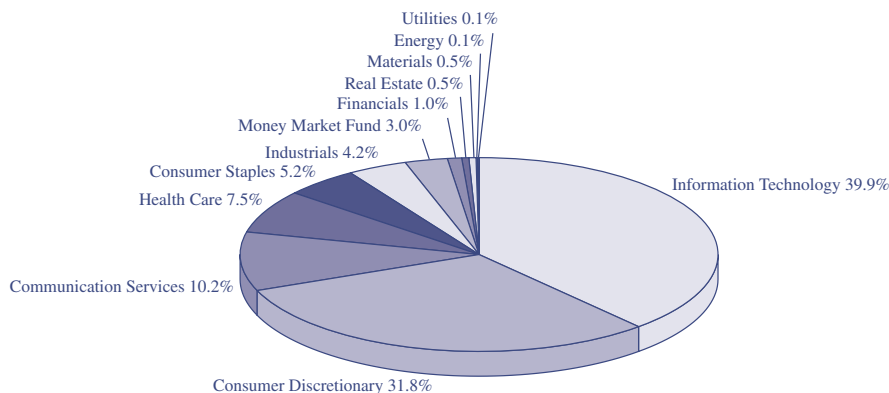
Inflation, as measured by the Consumer Price Index, increased 1.8% in 2019, 2.4% in 2018, and 2.1% in 2017. U.S. inflation increased 1.3% in the quarter ended September 30, 2020 and is forecasted to increase 1.2% in the quarter ended December 31, 2020. Inflation is estimated to increase 1.2% for the year ended December 31, 2020 and to increase 1.6% for the year ended December 31, 2021.

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, 2020



(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 (4.0)%.

Low Long-Term Interest Rates are a Positive for Stock Valuations

Long-term U.S. interest rates are at lower than normal levels. Low long-term interest rates usually result in higher stock valuations for many reasons including:

- (1) Long-term borrowing costs of corporations are lower resulting in higher business confidence.
- (2) Long-term borrowing costs of individuals are lower which usually increases consumer confidence.

- (3) A company's stock is usually valued by placing a present value on that company's future stream of earnings and dividends. The present value is higher when interest and inflation rates are low.

Linked Money Market Fund

The First American Treasury Obligations Fund is a money market fund offered by an affiliate of our transfer agent, U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services. The First American Treasury Obligations Fund is offered as a money market alternative to our shareholders. The First American Treasury Obligations Fund offers many free shareholder conveniences including automatic investment and withdrawal plans and check writing access to your funds and is linked to your holdings in the Blue Chip Fund. The First American Treasury Obligations Fund is also included on your quarterly statements. **Information about the Blue Chip Fund and the First American Treasury Obligations Fund are available on our website – www.reynoldsfunds.com.**

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: Consolidated statements summarizing the Blue Chip Fund and First American Treasury Obligations Fund accounts held by a shareholder are sent quarterly. In addition, individual Blue Chip Fund statements are sent whenever a transaction occurs. These transactions are: (1) statements sent for the Blue Chip Fund or First American Treasury Obligations 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 and the First American Treasury Obligations 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 or the First American Treasury Obligations Fund (\$50 minimum for either of these Funds) at periodic intervals to make automatic purchases in either of these Funds. 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 or the First American Treasury Obligations Fund as often as monthly and send a check to you or transfer funds to your bank account.

Free Check Writing: Free check writing (\$100 minimum) is offered for accounts invested in the First American Treasury Obligations Fund.

Exchanges or regular redemptions between the Blue Chip Fund and the First American Treasury Obligations Fund: As often as desired – no charge.

NASDAQ symbols: Reynolds Blue Chip Growth Fund – RBCGX and First American Treasury Obligations Fund – FATXX.

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 and the First American Treasury Obligations Fund are 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 and the First American Treasury Obligations Fund are No-Load as they do 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,

A handwritten signature in blue ink that reads "Frederick L. Reynolds". The signature is written in a cursive, flowing style.

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, 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, 2020.

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>.

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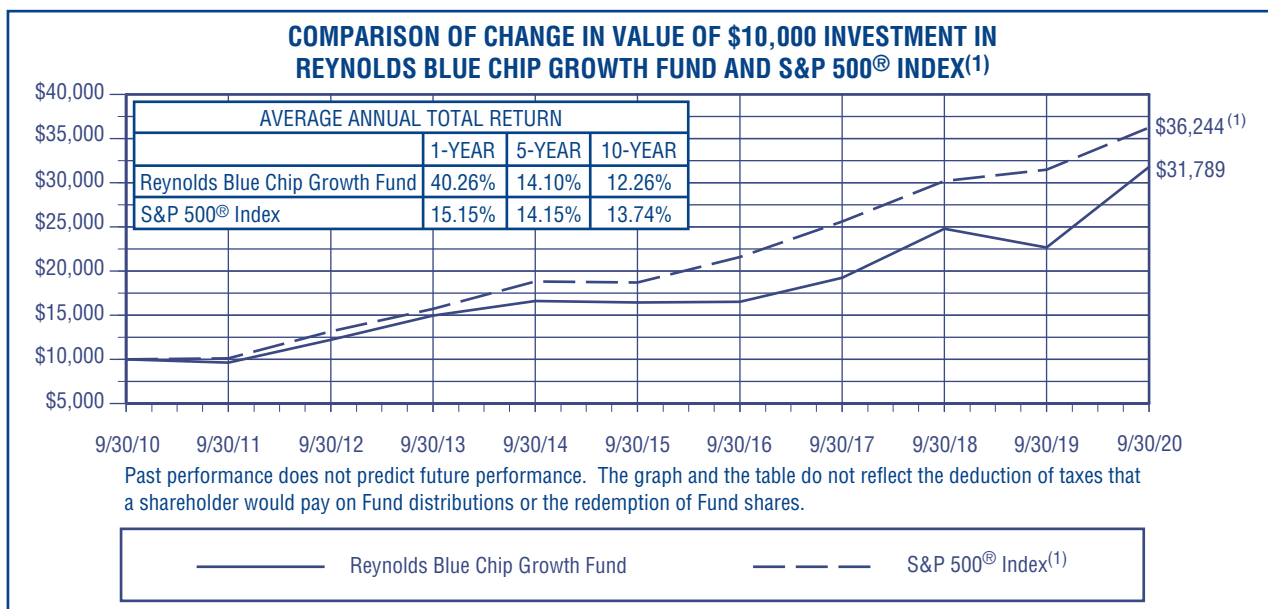
MANAGEMENT'S DISCUSSION OF FUND PERFORMANCE

(Unaudited)

The Reynolds Blue Chip Growth Fund (the "Fund") substantially outperformed the Standard & Poor's 500 Index (S&P 500® Index), the Fund's benchmark, during the twelve months ended September 30, 2020 (the Fund's fiscal year).

Some of the Reynolds Blue Chip Growth Fund's strongest industry performers during the twelve months ended September 30, 2020 were: (1) Automobiles; (2) Entertainment; (3) Food & Staples Retailing; (4) IT Services; (5) Interactive Media & Services; (6) Internet & Direct Marketing Retail; (7) Software; (8) Specialty Retail; and (9) Technology Hardware, Storage & Peripherals. Some of the individual stocks held in the Fund that outperformed the S&P 500® Index were: (1) Adobe, (2) Alibaba, (3) Alphabet, (4) Amazon, (5) Apple, (6) Best Buy, (7) Costco, (8) DocuSign, (9) Dollar General, (10) Facebook, (11) FedEx, (12) Lowe's, (13) Microsoft, (14) Netflix, (15) NIKE, (16) NVIDIA, (17) Salesforce, (18) Target, (19) Tesla, and (20) Zoom Video.

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, 2020 were: (1) Airlines, (2) Banks, (3) Financials, and (4) Hotels, Restaurants & Leisure. Some of the Fund's investments that underperformed the S&P 500® Index were: (1) Delta Air Lines, (2) Goldman Sachs, (3) Intel, (4) JPMorgan Chase, and (5) Marriott.



⁽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 9/30/20	Beginning Account Value 4/1/20	Ending Account Value 9/30/20	Expenses Paid During Period 4/1/20-9/30/20 ⁽¹⁾
Actual Expenses ⁽²⁾	2.00%	\$1,000.00	\$1,503.10	\$12.52
Hypothetical Example for Comparison Purposes (5% return before expenses)	2.00%	\$1,000.00	\$1,015.00	\$10.08

⁽¹⁾ Expenses are equal to the Fund’s annualized net expense ratio, multiplied by the average account value over the period, multiplied by 183/366 to reflect the one-half year period.

⁽²⁾ Based on the actual return of 50.31% for the six month-period ended September 30, 2020.

Reynolds Blue Chip Growth Fund

STATEMENT OF ASSETS AND LIABILITIES

September 30, 2020

ASSETS:

Investments in securities, at value (cost \$45,217,635)	\$71,429,361
Receivable from shareholders for purchases	3,846
Dividends and interest receivable	8,940
Prepaid expenses	47,482
Total assets	<u>71,489,629</u>

LIABILITIES:

Payable for investments purchased	2,624,463
Payable to shareholders for redemptions	2,500
Payable to adviser for management fees, net	50,415
Payable for distribution and service fees	10,637
Other liabilities	83,802
Total liabilities	<u>2,771,817</u>

NET ASSETS \$68,717,812

NET ASSETS CONSIST OF:

Capital stock, \$0.01 par value; 40,000,000 shares authorized; 996,523 shares outstanding	\$37,320,341
Distributable earnings	31,397,471
Net assets	<u>\$68,717,812</u>

CALCULATION OF NET ASSET VALUE PER SHARE:

Net asset value, offering and redemption price per share (\$68,717,812 ÷ 996,523 shares outstanding)	<u>\$ 68.96</u>
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SCHEDULE OF INVESTMENTS

September 30, 2020

	Shares	Value		Shares	Value
COMMON STOCKS — 101.0%			Automobiles — 7.6%		
Aerospace & Defense — 0.1%			NIO, Inc. — ADR (n)	4,000	\$ 84,880
The Boeing Company	300	\$ 49,578	Tesla, Inc. (n)	12,000	5,148,120
TransDigm Group, Inc.	100	47,512			<u>5,233,000</u>
		<u>97,090</u>	Banks — 0.2%		
Air Freight & Logistics — 0.9%			Bank of America Corp.	2,000	48,180
C.H. Robinson Worldwide, Inc.	300	30,657	JPMorgan Chase & Company	500	48,135
FedEx Corp.	1,600	402,432	The PNC Financial Services Group, Inc.	400	43,964
United Parcel Service, Inc., Class B	1,000	166,630			<u>140,279</u>
		<u>599,719</u>	Beverages — 0.4%		
Airlines — 0.1%			The Coca-Cola Company	700	34,559
Delta Air Lines, Inc.	1,400	42,812	Constellation Brands, Inc., Class A	300	56,853
Southwest Airlines Company	1,000	37,500	Diageo PLC — ADR	400	55,064
		<u>80,312</u>	Monster Beverage Corp. (n)	1,200	96,240
			PepsiCo, Inc.	400	55,440
					<u>298,156</u>

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

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

September 30, 2020

	Shares	Value		Shares	Value
COMMON STOCKS — 101.0% (Continued)					
Biotechnology — 2.4%					
AbbVie, Inc.	900	\$ 78,831			
ACADIA Pharmaceuticals, Inc. (n)	1,200	49,500			
Alexion Pharmaceuticals, Inc. (n)	300	34,329			
Amgen, Inc.	400	101,664			
Biogen, Inc. (n)	100	28,368			
BioNTech SE — ADR (n)	600	41,538			
Blueprint Medicines Corp. (n)	400	37,080			
CRISPR Therapeutics AG (n)	1,000	83,640			
Gilead Sciences, Inc.	800	50,552			
Inovio Pharmaceuticals, Inc. (n)	4,000	46,400			
Intercept Pharmaceuticals, Inc. (n)	900	37,314			
Ligand Pharmaceuticals, Inc. (n)	400	38,128			
Moderna, Inc. (n)	3,000	212,250			
Regeneron Pharmaceuticals, Inc. (n)	500	279,890			
Sage Therapeutics, Inc. (n)	500	30,560			
Sarepta Therapeutics, Inc. (n)	1,100	154,473			
Seattle Genetics, Inc. (n)	900	176,121			
Sorrento Therapeutics, Inc. (n)	2,000	22,300			
TG Therapeutics, Inc. (n)	1,200	32,112			
United Therapeutics Corp. (n)	300	30,300			
Vaxart, Inc. (n)	2,900	19,285			
Vertex Pharmaceuticals, Inc. (n)	200	54,424			
		<u>1,639,059</u>			
Building Products — 0.1%					
Masco Corp.	900	49,617			
Trane Technologies PLC	400	48,500			
		<u>98,117</u>			
Capital Markets — 0.5%					
Ameriprise Financial, Inc.	300	46,233			
The Charles Schwab Corp.	1,200	43,476			
CME Group, Inc.	300	50,193			
The Goldman Sachs Group, Inc.	300	60,291			
Invesco Ltd.	2,000	22,820			
Morningstar, Inc.	300	48,183			
T. Rowe Price Group, Inc.	300	38,466			
Virtu Financial, Inc., Class A	1,500	34,515			
		<u>344,177</u>			
Chemicals — 0.3%					
Air Products and Chemicals, Inc.	200	59,572			
Albemarle Corp.	400	35,712			
Ecolab, Inc.	200	39,968			
International Flavors & Fragrances, Inc.	400	48,980			
		<u>184,232</u>			
			Commercial Services & Supplies — 0.7%		
			Cintas Corp.	200	\$ 66,566
			Copart, Inc. (n)	2,000	210,320
			Stericycle, Inc. (n)	600	37,836
			Waste Connections, Inc.	1,100	114,180
			Waste Management, Inc.	500	56,585
					<u>485,487</u>
			Communications Equipment — 1.5%		
			Arista Networks, Inc. (n)	300	62,079
			Cisco Systems, Inc.	1,200	47,268
			F5 Networks, Inc. (n)	1,600	196,432
			Motorola Solutions, Inc.	500	78,405
			Ubiquiti, Inc.	4,000	666,640
					<u>1,050,824</u>
			Consumer Finance — 0.1%		
			American Express Company	500	50,125
			Containers & Packaging — 0.1%		
			Avery Dennison Corp.	400	51,136
			Diversified Financial Services — 0.1%		
			Berkshire Hathaway, Inc., Class B (n)	400	85,176
			Electrical Equipment — 0.3%		
			AMETEK, Inc.	500	49,700
			Plug Power, Inc. (n)	6,200	83,142
			Sunrun, Inc. (n)	1,200	92,484
					<u>225,326</u>
			Electronic Equipment, Instruments & Components — 0.6%		
			Amphenol Corp., Class A	1,100	119,097
			CDW Corp.	400	47,812
			Cognex Corp.	1,000	65,100
			Keysight Technologies, Inc. (n)	400	39,512
			Littelfuse, Inc.	200	35,468
			TE Connectivity Ltd.	800	78,192
			Zebra Technologies Corp., Class A (n)	200	50,492
					<u>435,673</u>
			Energy Equipment & Services — 0.1%		
			Halliburton Company	2,500	30,125
			Schlumberger N.V.	2,300	35,788
					<u>65,913</u>
			Entertainment — 3.2%		
			Activision Blizzard, Inc.	500	40,475
			Electronic Arts, Inc. (n)	1,400	182,574
			NetEase, Inc. — ADR	200	90,934
			Netflix, Inc. (n)	2,550	1,275,076

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

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

September 30, 2020

	Shares	Value		Shares	Value
COMMON STOCKS — 101.0% (Continued)					
Entertainment — 3.2% (Continued)					
Roku, Inc. (n)	600	\$ 113,280			
Sea Ltd. — ADR (n)	300	46,212			
Spotify Technology SA (n)	400	97,028			
Take-Two Interactive Software, Inc. (n)	600	99,132			
The Walt Disney Company	400	49,632			
Zynga, Inc., Class A (n)	19,300	176,016			
		<u>2,170,359</u>			
Equity Real Estate Investment Trusts — 0.3%					
American Tower Corp.	500	120,865			
SBA Communications Corp.	200	63,696			
Ventas, Inc.	900	37,764			
		<u>222,325</u>			
Food & Staples Retailing — 4.1%					
Costco Wholesale Corp.	6,800	2,414,000			
Walgreens Boots Alliance, Inc.	1,200	43,104			
Walmart, Inc.	2,500	349,775			
		<u>2,806,879</u>			
Food Products — 0.4%					
Beyond Meat, Inc. (n)	300	49,818			
General Mills, Inc.	900	55,512			
The Hershey Company	400	57,336			
The J.M. Smucker Company	200	23,104			
McCormick & Company, Inc.	300	58,230			
Mondelez International, Inc., Class A	800	45,960			
		<u>289,960</u>			
Health Care Equipment & Supplies — 1.8%					
Abbott Laboratories	400	43,532			
ABIOMED, Inc. (n)	200	55,412			
Align Technology, Inc. (n)	150	49,104			
Baxter International, Inc.	600	48,252			
Becton, Dickinson and Company	300	69,804			
Danaher Corp.	300	64,599			
Edwards Lifesciences Corp. (n)	600	47,892			
IDEXX Laboratories, Inc. (n)	200	78,622			
Intuitive Surgical, Inc. (n)	500	354,770			
Masimo Corp. (n)	300	70,818			
Medtronic PLC	400	41,568			
Novocure Ltd. (n)	600	66,786			
Quidel Corp. (n)	300	65,814			
Stryker Corp.	200	41,674			
Tandem Diabetes Care, Inc. (n)	400	45,400			
West Pharmaceutical Services, Inc.	200	54,980			
Zimmer Biomet Holdings, Inc.	400	54,456			
		<u>1,253,483</u>			
Health Care Providers & Services — 1.0%					
Addus HomeCare Corp. (n)	300	\$ 28,353			
Anthem, Inc.	300	80,577			
Cigna Corp.	300	50,823			
CVS Health Corp.	900	52,560			
DaVita, Inc. (n)	500	42,825			
HCA Healthcare, Inc.	300	37,404			
Laboratory Corp. of America Holdings (n)	300	56,481			
McKesson Corp.	300	44,679			
Quest Diagnostics, Inc.	300	34,347			
UnitedHealth Group, Inc.	800	249,416			
		<u>677,465</u>			
Health Care Technology — 0.7%					
Cerner Corp.	1,100	79,519			
GoodRx Holdings, Inc., Class A (n)	500	27,800			
Livongo Health, Inc. (n)	1,400	196,070			
Teladoc Health, Inc. (n)	600	131,544			
Veeva Systems, Inc., Class A (n)	200	56,238			
		<u>491,171</u>			
Hotels, Restaurants & Leisure — 2.4%					
Chipotle Mexican Grill, Inc. (n)	500	621,855			
Domino's Pizza, Inc.	150	63,792			
DraftKings, Inc., Class A (n)	2,000	117,680			
Dunkin' Brands Group, Inc.	500	40,955			
Hilton Worldwide Holdings, Inc.	500	42,660			
Las Vegas Sands Corp.	900	41,994			
Marriott International, Inc., Class A	400	37,032			
McDonald's Corp.	400	87,796			
MGM Resorts International	1,800	39,150			
Penn National Gaming, Inc. (n)	500	36,350			
Restaurant Brands International, Inc.	700	40,257			
Starbucks Corp.	3,900	335,088			
Wingstop, Inc.	300	40,995			
Wynn Resorts Ltd.	600	43,086			
Yum! Brands, Inc.	400	36,520			
		<u>1,625,210</u>			
Household Durables — 0.7%					
DR Horton, Inc.	600	45,378			
iRobot Corp. (n)	600	45,540			
KB Home	1,000	38,390			
Lennar Corp., Class A	1,000	81,680			
PulteGroup, Inc.	900	41,661			
Sony Corp. — ADR	1,600	122,800			
Toll Brothers, Inc.	800	38,928			
Whirlpool Corp.	300	55,167			
		<u>469,544</u>			

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

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

September 30, 2020

	Shares	Value		Shares	Value
COMMON STOCKS — 101.0% (Continued)			IT Services — 6.6% (Continued)		
Household Products — 0.2%			DXC Technology Company	900	\$ 16,065
Kimberly-Clark Corp.	300	\$ 44,298	Euronet Worldwide, Inc. (n)	400	36,440
The Procter & Gamble Company	700	97,293	Fidelity National Information Services, Inc.	1,700	250,257
		<u>141,591</u>	Fiserv, Inc. (n)	2,100	216,405
Industrial Conglomerates — 0.1%			FleetCor Technologies, Inc. (n)	400	95,240
3M Company	300	48,054	Gartner, Inc. (n)	400	49,980
Honeywell International, Inc.	300	49,383	Global Payments, Inc.	704	125,016
		<u>97,437</u>	GoDaddy, Inc., Class A (n)	600	45,582
Insurance — 0.1%			Infosys Ltd. — ADR	4,000	55,240
Willis Towers Watson PLC	200	41,764	International Business Machines Corp.	400	48,668
Interactive Media & Services — 6.7%			Jack Henry & Associates, Inc.	700	113,813
Alphabet, Inc., Class A (n)	1,500	2,198,400	Mastercard, Inc., Class A	1,250	422,713
Alphabet, Inc., Class C (n)	550	808,280	Paychex, Inc.	2,300	183,471
Baidu, Inc. — ADR (n)	1,600	202,544	PayPal Holdings, Inc. (n)	3,200	630,496
Facebook, Inc., Class A (n)	3,000	785,700	Shopify, Inc., Class A (n)	200	204,594
JOYY, Inc. — ADR	400	32,268	Snowflake, Inc., Class A (n)	500	125,500
Match Group, Inc. (n)	1,140	126,141	Square, Inc., Class A (n)	3,100	503,905
Pinterest, Inc., Class A (n)	1,000	41,510	Twilio, Inc., Class A (n)	900	222,381
Snap, Inc., Class A (n)	1,400	36,554	VeriSign, Inc. (n)	700	143,395
Twitter, Inc. (n)	1,800	80,100	Visa, Inc., Class A	1,100	219,967
Yandex N.V., Class A (n)	500	32,625	Wix.com Ltd. (n)	800	203,880
Zillow Group, Inc., Class C (n)	2,600	264,134			<u>4,544,987</u>
		<u>4,608,256</u>	Leisure Products — 0.4%		
Internet & Direct Marketing Retail — 12.0%			Peloton Interactive, Inc., Class A (n)	2,500	248,100
Alibaba Group Holding Ltd. — ADR (n)	4,850	1,425,803	Life Sciences Tools & Services — 0.6%		
Amazon.com, Inc. (n)	1,750	5,510,277	Agilent Technologies, Inc.	900	90,846
Booking Holdings, Inc. (n)	200	342,136	Illumina, Inc. (n)	200	61,816
eBay, Inc.	800	41,680	Repligen Corp. (n)	300	44,262
Etsy, Inc. (n)	1,900	231,097	Thermo Fisher Scientific, Inc.	450	198,684
Expedia Group, Inc.	1,000	91,690	Waters Corp. (n)	200	39,136
Grubhub, Inc. (n)	600	43,398			<u>434,744</u>
JD.com, Inc. — ADR (n)	1,800	139,698	Machinery — 0.2%		
MercadoLibre, Inc. (n)	100	108,248	Caterpillar, Inc.	300	44,745
Overstock.com, Inc. (n)	1,200	87,180	Lincoln Electric Holdings, Inc.	300	27,612
Stamps.com, Inc. (n)	200	48,190	Stanley Black & Decker, Inc.	300	48,660
Stitch Fix, Inc., Class A (n)	900	24,417			<u>121,017</u>
Trip.com Group Ltd. — ADR (n)	1,000	31,140	Media — 0.1%		
Wayfair, Inc., Class A (n)	500	145,505	Comcast Corp., Class A	1,000	46,260
		<u>8,270,459</u>	Metals & Mining — 0.1%		
IT Services — 6.6%			Freeport-McMoRan, Inc.	2,000	31,280
Accenture PLC, Class A	600	135,594	Multiline Retail — 0.5%		
Akamai Technologies, Inc. (n)	2,100	232,134	Dollar General Corp.	200	41,924
Automatic Data Processing, Inc.	700	97,643	Dollar Tree, Inc. (n)	500	45,670
Cognizant Technology Solutions Corp., Class A	2,400	166,608			

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

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

September 30, 2020

	Shares	Value		Shares	Value
COMMON STOCKS — 101.0% (Continued)			Semiconductors & Semiconductor Equipment — 7.8% (Continued)		
Multiline Retail — 0.5% (Continued)			Lam Research Corp.	200	\$ 66,350
Ollie's Bargain Outlet Holdings, Inc. (n)	400	\$ 34,940	Marvell Technology Group Ltd.	4,400	174,680
Target Corp.	1,400	220,388	Microchip Technology, Inc.	1,500	154,140
		<u>342,922</u>	Monolithic Power Systems, Inc.	200	55,922
Personal Products — 0.1%			NVIDIA Corp.	4,900	2,651,978
The Estee Lauder Companies, Inc., Class A	200	43,650	NXP Semiconductors N.V.	1,300	162,253
Pharmaceuticals — 1.0%			Qorvo, Inc. (n)	900	116,109
AstraZeneca PLC — ADR	800	43,840	QUALCOMM, Inc.	3,400	400,112
Bristol-Myers Squibb Company	800	48,232	Skyworks Solutions, Inc.	2,300	334,650
Cassava Sciences, Inc. (n)	1,500	17,265	SolarEdge Technologies, Inc. (n)	300	71,505
Horizon Therapeutics PLC (n)	500	38,840	SunPower Corp. (n)	2,400	30,024
Jazz Pharmaceuticals PLC (n)	300	42,777	Taiwan Semiconductor Manufacturing Company Ltd. — ADR	1,300	105,391
Johnson & Johnson	400	59,552	Teradyne, Inc.	800	63,568
Merck & Company, Inc.	1,000	82,950	Texas Instruments, Inc.	800	114,232
Novartis AG — ADR	1,000	86,960	Universal Display Corp.	500	90,370
Perrigo Company PLC	700	32,137	Xilinx, Inc.	500	52,120
Pfizer, Inc.	1,800	66,060			<u>5,356,286</u>
Sanofi — ADR	800	40,136			
Zoetis, Inc.	800	132,296			
		<u>691,045</u>			
Professional Services — 1.2%			Software — 16.6%		
Equifax, Inc.	200	31,380	2U, Inc. (n)	900	30,474
Verisk Analytics, Inc.	4,100	759,771	Adobe, Inc. (n)	550	269,736
		<u>791,151</u>	ANSYS, Inc. (n)	300	98,169
Real Estate Management & Development — 0.2%			Aspen Technology, Inc. (n)	600	75,954
Redfin Corp. (n)	2,000	99,860	Autodesk, Inc. (n)	800	184,808
Road & Rail — 0.2%			Cadence Design Systems, Inc. (n)	1,100	117,293
Norfolk Southern Corp.	300	64,197	Check Point Software Technologies Ltd. (n)	1,800	216,612
Saia, Inc. (n)	300	37,842	Citrix Systems, Inc.	1,000	137,710
Union Pacific Corp.	300	59,061	Cloudflare, Inc., Class A (n)	2,100	86,226
		<u>161,100</u>	CommVault Systems, Inc. (n)	900	36,720
Semiconductors & Semiconductor Equipment — 7.8%			Coupa Software, Inc. (n)	400	109,696
Advanced Micro Devices, Inc. (n)	500	40,995	CrowdStrike Holdings, Inc., Class A (n)	2,100	288,372
Analog Devices, Inc.	800	93,392	CyberArk Software Ltd. (n)	1,000	103,420
Applied Materials, Inc.	800	47,560	Datadog, Inc., Class A (n)	500	51,080
ASML Holding N.V.	200	73,854	DocuSign, Inc. (n)	1,800	387,432
Broadcom, Inc.	400	145,728	Everbridge, Inc. (n)	400	50,292
Cirrus Logic, Inc. (n)	1,300	87,685	Five9, Inc. (n)	300	38,904
Entegris, Inc.	1,600	118,944	Fortinet, Inc. (n)	700	82,467
Intel Corp.	900	46,602	Intuit, Inc.	550	179,416
KLA Corp.	300	58,122	JFrog Ltd. (n)	500	42,325
			Microsoft Corp.	10,500	2,208,465
			NortonLifeLock, Inc.	1,400	29,176
			Nutanix, Inc. — Class A (n)	1,500	33,270
			Oracle Corp.	1,400	83,580
			Palo Alto Networks, Inc. (n)	1,300	318,175

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

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

September 30, 2020

	Shares	Value
COMMON STOCKS — 101.0% (Continued)		
Software — 16.6% (Continued)		
Paycom Software, Inc. (n)	200	\$ 62,260
Pegasystems, Inc.	1,900	229,976
Proofpoint, Inc. (n)	700	73,885
PTC, Inc. (n)	1,000	82,720
RingCentral, Inc., Class A (n)	200	54,922
Salesforce.com, Inc. (n)	12,100	3,040,972
SAP SE — ADR	1,000	155,810
ServiceNow, Inc. (n)	400	194,000
Slack Technologies, Inc., Class A (n)	1,800	48,348
Splunk, Inc. (n)	1,200	225,756
The Trade Desk, Inc., Class A (n)	150	77,817
Varonis Systems, Inc. (n)	400	46,168
VMware, Inc., Class A (n)	4,800	689,616
Workday, Inc., Class A (n)	1,100	236,643
Zendesk, Inc. (n)	500	51,460
Zoom Video Communications, Inc., Class A (n) ..	1,600	752,176
Zscaler, Inc. (n)	900	126,621
		<u>11,408,922</u>

Specialty Retail — 7.2%

Advance Auto Parts, Inc.	300	46,050
AutoNation, Inc. (n)	900	47,637
AutoZone, Inc. (n)	200	235,528
Bed Bath & Beyond, Inc.	4,200	62,916
Best Buy Company, Inc.	6,400	712,256
CarMax, Inc. (n)	800	73,528
Carvana Company (n)	200	44,612
The Home Depot, Inc.	5,500	1,527,405
Lowe's Companies, Inc.	8,900	1,476,154
RH (n)	1,150	440,013
Ross Stores, Inc.	500	46,660
The TJX Companies, Inc.	1,300	72,345
Tractor Supply Company	400	57,336
Ulta Beauty, Inc. (n)	600	134,388
		<u>4,976,828</u>

Technology Hardware,
Storage & Peripherals — 6.8%

Apple, Inc.	39,000	4,516,590
Dell Technologies, Inc., Class C (n)	1,400	94,766
HP, Inc.	2,000	37,980
Logitech International SA	600	46,386
		<u>4,695,722</u>

Textiles, Apparel & Luxury Goods — 1.0%

Deckers Outdoor Corp. (n)	200	\$ 44,002
Lululemon Athletica, Inc. (n)	1,800	592,866
Ralph Lauren Corp.	600	40,782
		<u>677,650</u>

Trading Companies & Distributors — 0.3%

Fastenal Company	3,000	135,270
United Rentals, Inc. (n)	300	52,350
		<u>187,620</u>

Water Utilities — 0.1%

American Water Works Company, Inc.	400	57,952
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Wireless Telecommunication Services — 0.2%

T-Mobile US, Inc. (n)	1,200	137,232
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TOTAL COMMON STOCKS

(cost \$43,172,498)		<u>69,384,032</u>
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RIGHTS — 0.0%
Biotechnology — 0.0%

Achillion Pharmaceuticals, Inc. (f) (n)	3,000	0
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Pharmaceuticals — 0.0%

Bristol-Myers Squibb Company (n)	1,600	3,600
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TOTAL RIGHTS

(cost \$3,408)		<u>3,600</u>
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MONEY MARKET FUND — 3.0%

First American Government Obligations Fund, Class X, 0.07% (y)	2,041,729	2,041,729
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TOTAL MONEY MARKET FUND

(cost \$2,041,729)		<u>2,041,729</u>
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TOTAL INVESTMENTS — 104.0%

(cost \$45,217,635)		71,429,361
Other assets and liabilities, net — (4.0)%		<u>(2,711,549)</u>

TOTAL NET ASSETS — 100.0%

\$68,717,812

Percentages for the various classifications are based on net assets.

(f) – Security valued at fair value as determined by the investment adviser under the supervision of the Board of Directors. Value determined using significant unobservable inputs. See Note (1) (a) in the Notes to Financial Statements.

(n) – Non-income producing security.

(y) – Rate shown in the 7-day effective yield as of September 30, 2020.

ADR – American Depositary 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, 2020

INVESTMENT INCOME:

Dividends (net of foreign withholding tax of \$1,689)	\$ 437,673
Interest	12,177
Total investment income	<u>449,850</u>

EXPENSES:

Management fees (See Note 2)	598,340
Transfer agent fees and expenses	85,047
Distribution and service fees	81,576
Administration fees and expenses	76,816
Insurance expense	62,428
Professional fees and expenses	61,334
Accounting fees and expenses	47,950
Shareholder servicing fees	40,884
Custodian fees and expenses	38,156
Registration fees	31,658
Board of Directors fees	28,000
Chief Compliance Officer fees	25,500
Printing and postage expenses	16,821
Other expenses	20,743
Total expenses	<u>1,215,253</u>
Less expenses reimbursed by the investment adviser (See Note 2)	<u>(18,572)</u>
Net expenses	<u>1,196,681</u>

NET INVESTMENT LOSS

NET INVESTMENT LOSS	<u>(746,831)</u>
NET REALIZED GAIN ON INVESTMENTS AND FOREIGN CURRENCY TRANSACTIONS	9,258,558
NET CHANGE IN UNREALIZED APPRECIATION/DEPRECIATION ON INVESTMENTS AND FOREIGN CURRENCY TRANSLATIONS	<u>12,068,409</u>
NET GAIN ON INVESTMENTS	<u>21,326,967</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$20,580,136</u>

STATEMENTS OF CHANGES IN NET ASSETS

For the Years Ended September 30, 2020 and 2019

	2020	2019
OPERATIONS:		
Net investment loss	\$ (746,831)	\$ (745,705)
Net realized gain on investments and foreign currency transactions	9,258,558	2,519,333
Net change in unrealized appreciation/depreciation on investments and foreign currency translations	<u>12,068,409</u>	<u>(8,873,882)</u>
Net increase (decrease) in net assets resulting from operations	<u>20,580,136</u>	<u>(7,100,254)</u>
DISTRIBUTIONS TO SHAREHOLDERS	<u>(2,758,294)</u>	<u>(10,525,703)</u>
FUND SHARE ACTIVITIES:		
Proceeds from shares issued (29,227 and 26,945 shares, respectively)	1,583,395	1,480,746
Net asset value of shares issued in distributions reinvested (50,374 and 231,149 shares, respectively)	2,685,932	10,193,707
Cost of shares redeemed (213,196 and 286,693 shares, respectively)	<u>(11,553,297)</u>	<u>(15,062,624)</u>
Net decrease in net assets derived from Fund share activities	<u>(7,283,970)</u>	<u>(3,388,171)</u>
TOTAL INCREASE (DECREASE) IN NET ASSETS	<u>10,537,872</u>	<u>(21,014,128)</u>
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>58,179,940</u>	<u>79,194,068</u>
NET ASSETS AT THE END OF THE YEAR	<u>\$ 68,717,812</u>	<u>\$ 58,179,940</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,				
	2020	2019	2018	2017	2016
PER SHARE OPERATING PERFORMANCE:					
Net asset value, beginning of year	\$51.48	\$68.35	\$57.33	\$53.65	\$56.84
Income from investment operations:					
Net investment loss ⁽¹⁾	(0.70)	(0.61)	(0.84)	(0.46)	(0.49)
Net realized and unrealized gains (losses) on investments	20.69	(6.83)	16.46	8.57	0.94
Total from investment operations	19.99	(7.44)	15.62	8.11	0.45
Less distributions:					
Distributions from net capital gains	(2.51)	(9.43)	(4.60)	(4.43)	(3.64)
Net asset value, end of year	\$68.96	\$51.48	\$68.35	\$57.33	\$53.65
TOTAL RETURN	40.26%	-8.58%	28.88%	16.44%	0.48%
RATIOS/SUPPLEMENTAL DATA:					
Net assets, end of year (in 000's)	\$68,718	\$58,180	\$79,194	\$69,494	\$80,461
Ratio of expenses to average net assets, net of reimbursement	2.00%	2.00%	1.96%	1.97%	1.86%
Ratio of expenses to average net assets, before reimbursement	2.03%	2.02%	1.96%	1.97%	1.86%
Ratio of net investment loss to average net assets	(1.25%)	(1.16%)	(1.36%)	(0.87%)	(0.90%)
Portfolio turnover rate	263%	464%	476%	343%	491%

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

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

NOTES TO FINANCIAL STATEMENTS

September 30, 2020

(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 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, 2020

(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 under the supervision of the Board of Directors. 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, 2020, based on the inputs used to value them:

<u>Valuation Inputs</u>	<u>Investments in Securities</u>
Level 1—Common Stocks*	\$69,384,032
Rights	3,600
Money Market Fund	2,041,729
Total Level 1	71,429,361
Level 2—None	—
Level 3—Rights	0
Total	<u>\$71,429,361</u>

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

NOTES TO FINANCIAL STATEMENTS (Continued)

September 30, 2020

(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 reason for this adjustment is because of equalization. For the year ended September 30, 2020, the following table shows the reclassifications made:

<u>Capital Stock</u>	<u>Distributable Earnings</u>
\$649,861	\$(649,861)

(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, 2020. Open tax years are those that are open for exam by taxing authorities and, as of September 30, 2020, open Federal tax years include the tax years ended September 30, 2017 through 2020. 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, 2020, 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, 2020

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

(j) The recent global outbreak of coronavirus disease 2019 (“COVID-19”) has disrupted global economic markets and adversely affected individual companies and investment products. The prolonged economic impact of COVID-19 is uncertain. The operational and financial performance of the issuers of securities in which the Fund invests depends on future developments, including the duration and spread of the outbreak, and such uncertainty may in turn impact the value of the Fund’s investments.

(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.

The agreement further stipulates that the Adviser will reimburse the Fund for all expenses exceeding 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 \$18,572 for the year ended September 30, 2020.

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, 2020, purchases and proceeds of sales of investment securities (excluding short-term securities) were \$154,947,217 and \$161,409,952, respectively. There were no purchases or sales of U.S. Government securities.

NOTES TO FINANCIAL STATEMENTS (Continued)

September 30, 2020

(5) Income Tax Information —

The following information for the Fund is presented on an income tax basis as of September 30, 2020:

Tax cost of investments	<u>\$46,797,195</u>
Gross tax unrealized appreciation	\$26,426,819
Gross tax unrealized depreciation	<u>(1,794,655)</u>
Net unrealized appreciation/depreciation	24,632,164
Distributable ordinary income	648,248
Distributable long-term capital gains	6,117,059
Other accumulated gain (loss)	<u>—</u>
Total distributable earnings	<u>\$31,397,471</u>

The difference between the cost amount for financial statement and federal income tax purposes is due primarily to timing differences in recognizing certain gains and losses in security transactions.

The tax components of dividends paid during the years ended September 30, 2020 and 2019:

<u>Year Ended September 30, 2020</u>		<u>Year Ended September 30, 2019</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>
\$ —	\$2,758,294	\$4,352,259	\$6,173,444

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, 2020.

As of September 30, 2020, the Fund did not have a post-October capital loss, a late year ordinary loss or a capital loss carryforward.

(6) Subsequent Events —

Management has evaluated events and transactions after September 30, 2020 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, 2020, 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, including 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, 2020, the results of its operations for the year then ended, the changes in its 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, 2020, by correspondence with the custodian and brokers. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

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

Cohen & Company, Ltd.

COHEN & COMPANY, LTD.
Milwaukee, Wisconsin
November 24, 2020

LIQUIDITY RISK MANAGEMENT PROGRAM ANNUAL REVIEW

(Unaudited)

On May 27, 2020, the Directors of the Reynolds Blue Chip Growth 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 its adoption, March 13, 2019 through March 31, 2020 (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 as intended 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% of dividends declared and paid during the year ended September 30, 2020 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% of dividends declared and paid during the year ended September 30, 2020 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%.

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REYNOLDS BLUE CHIP GROWTH FUND
c/o U.S. BANK GLOBAL FUND SERVICES
615 East Michigan Street
Milwaukee, Wisconsin 53202
www.reynoldsfunds.com

Board of Directors

THOMAS F. GILBERTSON
FREDERICK L. REYNOLDS
ROBERT E. STAUDER

Investment Adviser

REYNOLDS CAPITAL MANAGEMENT, LLC
125 East Harmon Avenue #102
Las Vegas, Nevada 89109

**Transfer Agent,
Dividend Disbursing Agent,
Administrator and Accountant**

U.S. BANCORP FUND SERVICES, LLC
615 East Michigan Street
Milwaukee, Wisconsin 53202
1-800-773-9665
or 1-800-7REYNOLDS

Custodian

U.S. BANK, N.A.
1555 North RiverCenter Drive, Suite 302
Milwaukee, Wisconsin 53212

Independent Registered Public Accounting Firm

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342 North Water Street, Suite 830
Milwaukee, Wisconsin 53202

Legal Counsel

FOLEY & LARDNER LLP
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Distributor

RAFFERTY CAPITAL MARKETS, LLC
1010 Franklin Avenue
Garden City, New York 11530

ANNUAL REPORT
September 30, 2020

**REYNOLDS
BLUE CHIP
GROWTH FUND**

Seeking Long-Term Capital Appreciation

Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission, paper copies of the Fund's annual and semi-annual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Fund's website (www.reynoldsfunds.com), and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. 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 or by sending an email request to freynolds@reynoldsfunds.com.

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary, you can contact your financial intermediary to request that you continue to receive paper copies of your shareholder reports. If you invest directly with the Fund, you can call 1-800-773-9665 or send an email request to freynolds@reynoldsfunds.com to let the Fund know you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held in your account if you invest through your financial intermediary or all funds held with the fund complex if you invest directly with the Fund.

A No-Load Mutual Fund

1-800-773-9665
www.reynoldsfunds.com