

# *TAYLOR FRIGON*

CORE GROWTH FUND

**ANNUAL REPORT**  
**November 30, 2021**  
**TICKER TFCGX**

**Taylor Frigon Core Growth Fund**  
**Annual Report**  
**November 30, 2021**  
(Unaudited)

For the year ended November 30, 2021, the Taylor Frigon Core Growth Fund (the “Fund”) underperformed the S&P 400 Mid Cap Index, S&P 600 Small Cap Index and the S&P 500 Index (the “S&P 500”). The Fund returned 25.54% whereas its primary benchmark, the S&P 400 Mid-Cap Index, earned 26.47%. The slight “underperformance” of the Fund versus its benchmark is indicative of a “catching up” of the index after a period in which the outperformance of the Fund was significant.

Volatility and relatively low volume were predominant features of the market and the Fund this last year. Performance of the Fund was mixed between different sectors and industries, as evidenced by the fact that the top performing company came from the healthcare space, InMode, Ltd., a medical device company, and the worst performer was also a medical device company, NANO-X Imaging, Ltd. This phenomenon continued in other top-performing and bottom-performing companies in that another top performer, Apyx Medical Corporation and bottom-performer, Compugen, Ltd., both are healthcare companies. We see no important trend in this, just simply coincidence. Strong returns also came from industrial machinery manufacturer Kornit Digital, Ltd., specialty chemical company Codexis, Inc., retailer Boot Barn, Inc., and electronics company Vuzix Corporation. Additional weak performance came from used car retailer CarLotz, Inc., software makers Wix, Ltd. and Coupa Software.

This mixed performance from similar industries and spaces may also be a result of a market “trading” environment that was marked by the “growth versus value” trade. The fear of higher inflation and the resulting focus on what action the U.S. Federal Reserve will choose in combatting inflation, tends to cause weakness in so-called “growth” companies and strength in so-called “value” companies. We see such activity as nonsense and noise. It is our view that solid and innovative companies, over time, tend to do quite well -- regardless of inflation or deflation – thus, we pay no attention to these trading games. While it is never our approach to consider such short-term trading in our investment management process, nonetheless, our portfolio can be impacted by these conditions when they are the dominant theme in the minds of traders during a particular period. As our strategy is to focus on the individual businesses in which we are invested, and not concern ourselves with the machinations and whims of the trading environment, we do think that phenomenon may be partly responsible for some of the price action in our portfolio companies.

As we turn to what’s ahead in 2022, as was also the case in 2021, we are excited about the fact that the portfolio continues to be filled with many companies that we believe are very early in their lifecycles. We continue to see the most significant exposure, and thus the most significant opportunities in the Information Technology and Healthcare Technology areas.

Our narrative-based investment approach that seeks to identify the trends that will drive economic growth in the coming years has proven resilient once again. While the market is clearly grappling with the impact of an inflationary environment, which we believe is likely to cause even more volatility and, perhaps, a period of weakness or correction in our portfolio, we would generally view such circumstances as opportunities to add to positions whenever possible.

We are now witnessing the ramifications of what we believe has been an overly loose monetary policy, and we suspect that the unwinding of this policy will cause some disruption.

This is precisely why the “business-based” approach to investing is a hallmark of the strategy deployed by the Taylor Frigon Core Growth Fund and, we believe, will be that path to future success, especially in times such as we are entering.

Thank you for your continued support as a shareholder and we look forward to our next update.

Sincerely,

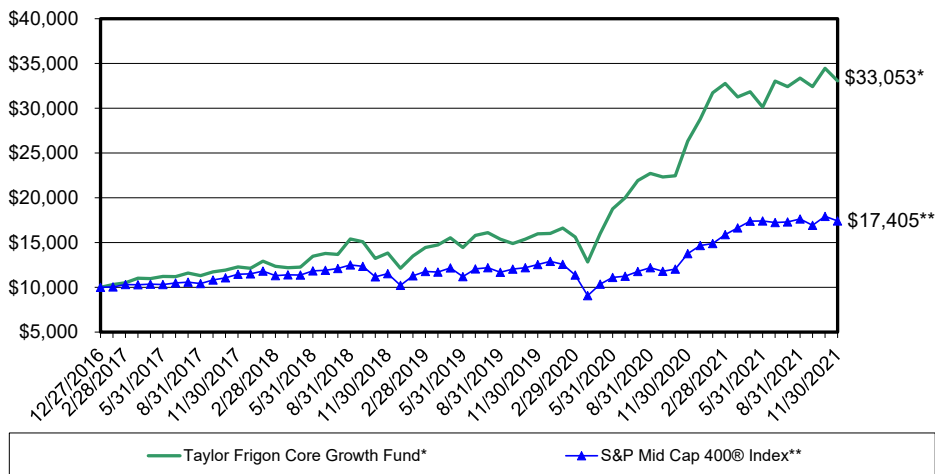
Gerry Frigon  
*Portfolio Manager*

*Past performance does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data current to the most recent month end are available by calling 1-888-897-4821.*

*The Taylor Frigon Core Growth Fund's prospectus contains important information about the Fund's investment objectives, potential risks, management fees, charges and expenses, and other information and should be read and considered carefully before investing. You may obtain a current copy of the Fund's prospectus by calling 1-888-897-4821. Distributed by Rafferty Capital Markets, LLC-Garden City, NY 11530.*

## Taylor Frigon Core Growth Fund (Unaudited)

The Value of a \$10,000 Investment in the Taylor Frigon Core Growth Fund from December 27, 2016 to November 30, 2021 as Compared to the S&P Mid Cap 400® Index



### PERFORMANCE INFORMATION

November 30, 2021 NAV \$30.30

Average Annual Total Returns for the Periods ended November 30, 2021

	1 Year <sup>(A)</sup>	3 Years <sup>(A)</sup>	Since Inception <sup>(A)</sup>
Taylor Frigon Core Growth Fund	25.54%	33.70%	27.47%
S&P Mid Cap 400® Index <sup>(B)</sup>	26.47%	14.73%	11.91%
S&P 500® Index <sup>(C)</sup>	27.92%	20.38%	17.41%

Annual Fund Operating Expense Ratio (from 3/29/2021 Prospectus): 1.45%

The Fund's expense ratio for the fiscal year ended November 30, 2021 can be found in the financial highlights included within this report.

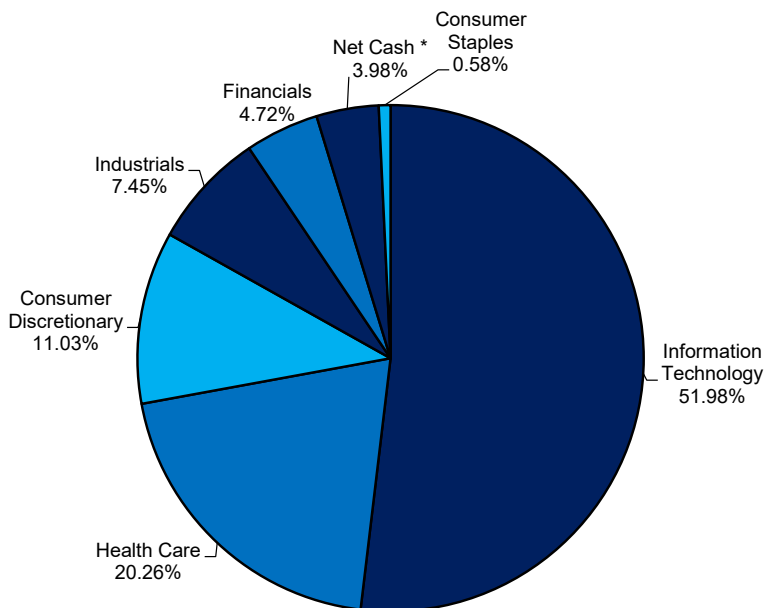
(A) 1 Year, 3 Years and Since Inception returns include change in share prices and in each case includes reinvestment of any dividends and capital gain distributions. The Taylor Frigon Core Growth Fund commenced operations on December 27, 2016.

(B) The S&P Mid Cap 400® Index measures the performance of the midcapitalization segment of the U.S. equity universe. The Index is a capitalization weighted index composed of 400 domestic common stocks.

(C) The S&P 500® Index is a widely recognized unmanaged index of equity prices and is representative of a broader market and range of securities than is found in the Fund's portfolio. The Index is an unmanaged benchmark that assumes reinvestment of all distributions and excludes the effect of taxes and fees.

**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT SHARES, WHEN REDEEMED, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. RETURNS DO NOT REFLECT THE DEDUCTION OF TAXES THAT A SHAREHOLDER WOULD PAY ON FUND DISTRIBUTIONS OR THE REDEMPTION OF FUND SHARES. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA QUOTED. TO OBTAIN PERFORMANCE DATA CURRENT TO THE MOST RECENT MONTH END, PLEASE CALL 1-888-897-4821. AN INVESTMENT IN THE FUND IS SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED. THE FUND'S DISTRIBUTOR IS RAFFERTY CAPITAL MARKETS, LLC.**

**Taylor Frigon Core Growth Fund  
by Sectors (as a percentage of Net Assets)  
November 30, 2021**



\* Net Cash represents cash and other assets in excess of liabilities.

**Availability of Quarterly Schedule of Investments**

The Fund publicly files its complete schedule of portfolio holdings with the Securities and Exchange Commission (“SEC”) for the first and third quarters of each fiscal year on Form N-PORT. The Fund’s Form N-PORT is available on the SEC’s website at <http://www.sec.gov>.

**Proxy Voting Guidelines**

Taylor Frigon Capital Management, LLC, the Fund’s investment adviser (“Adviser”), is responsible for exercising the voting rights associated with the securities held by the Fund. A description of the policies and procedures used by the Adviser in fulfilling this responsibility is available without charge on the Fund’s website at [www.taylorfrigonfunds.com](http://www.taylorfrigonfunds.com). It is also included in the Fund’s Statement of Additional Information, which is available on the SEC’s website at <http://www.sec.gov>.

Information regarding how the Fund voted proxies, Form N-PX, relating to portfolio securities during the most recent period ended June 30th, is available without charge, upon request, by calling our toll free number (1-888-897-4821). This information is also available on the SEC’s website at <http://www.sec.gov>.

**Expense Example**  
(Unaudited)

Shareholders of this Fund incur ongoing costs consisting of management and service fees. Although the Fund charges no sales loads or transaction fees, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by Mutual Shareholder Services, LLC, the Fund's transfer agent. IRA accounts will be charged an \$8.00 annual maintenance fee. If shares are redeemed within 90 days or less of purchase from the Fund, the shares are subject to a 2% redemption fee. Additionally, your account will be indirectly subject to the expenses of any underlying funds. The following example is intended to help you understand your ongoing costs of investing in the Fund and to compare these costs with similar costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested in the Fund on June 1, 2021 and held through November 30, 2021.

**Actual Expenses**

The first line of the table below provides information about actual account values and actual expenses. In order to estimate the expenses a shareholder paid during the period covered by this report, shareholders can divide their account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6) and then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period."

**Hypothetical Example for Comparison Purposes**

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses paid by a shareholder for the period. Shareholders may use this information to compare the ongoing costs of investing in this Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in other funds' shareholder reports.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees or the charges assessed by Mutual Shareholder Services, LLC as described above and expenses of any underlying funds. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value <u>June 1, 2021</u>	Ending Account Value <u>November 30, 2021</u>	Expenses Paid During the Period* June 1, 2021 to November 30, 2021
Actual	\$1,000.00	\$1,097.03	\$7.62
Hypothetical (5% annual return before expenses)	\$1,000.00	\$1,017.80	\$7.33

\* Expenses are equal to the Fund's annualized expense ratio of 1.45%, multiplied by the average account value over the period, multiplied by 183/365 (to reflect the one-half year period).

# Taylor Frigon Core Growth Fund

## Schedule of Investments November 30, 2021

Shares	Fair Value	% of Net Assets
<b>COMMON STOCKS</b>		
<b>Biological Products (No Diagnostic Substances)</b>		
134,375 Compugen Ltd. * (Israel)	\$ 593,937	0.98%
<b>Communications Equipment, NEC</b>		
33,831 Napco Security Technologies, Inc. *	1,572,127	2.58%
<b>Computer Communications Equipment</b>		
10,219 Silicom Ltd. * (Israel)	451,986	0.74%
<b>Computer Peripheral Equipment, NEC</b>		
43,981 Radcom Ltd. * (Israel)	496,985	0.82%
<b>Computer Storage Devices</b>		
41,581 Pure Storage, Inc. - Class A *	1,287,764	2.12%
<b>Electromedical &amp; Electrotherapeutic Apparatus</b>		
24,332 InMode Ltd. * (Israel)	1,849,232	3.04%
<b>Electronic Components, NEC</b>		
25,081 Impinj, Inc. *	1,880,323	3.09%
<b>Finance Services</b>		
4,316 Coinbase Global, Inc. - Class A *	1,359,540	
15,445 Green Dot Corporation - Class A *	554,475	
	1,914,015	3.14%
<b>Food and Kindred Products</b>		
43,697 Real Good Food Company, Inc. *	351,761	0.58%
<b>In Vitro &amp; In Vivo Diagnostic Substances</b>		
1,593 IDEXX Laboratories, Inc. *	968,656	1.59%
<b>Industrial Organic Chemicals</b>		
52,621 Codexis, Inc. *	1,826,475	3.00%
<b>Orthopedic, Prosthetic &amp; Surgical Appliances &amp; Supplies</b>		
5,796 Edwards Lifesciences Corporation *	621,969	1.02%
<b>Pharmaceutical Preparations</b>		
17,915 Schrodinger, Inc. *	701,910	1.15%
<b>Printed Circuit Boards</b>		
152,040 Nano Dimension Ltd. * **	728,272	1.20%
<b>Printing Trades Machinery &amp; Equipment</b>		
12,218 Komit Digital Ltd. * (Israel)	1,892,690	3.11%
<b>Radio &amp; TV Broadcasting &amp; Communications Equipment</b>		
47,698 Airgain, Inc. *	455,516	
71,155 Vuzix Corporation *	766,339	
	1,221,855	2.01%
<b>Retail - Auto Dealers &amp; Gasoline Stations</b>		
193,266 CarLotz, Inc. - Class A *	572,067	
8,905 Carvana Co. - Class A *	2,497,140	
	3,069,207	5.04%
<b>Retail - Shoe Stores</b>		
13,034 Boot Barn Holdings, Inc. *	1,594,580	2.62%
<b>Semiconductors &amp; Related Devices</b>		
2,653 Monolithic Power Systems, Inc.	1,468,329	
169,289 QuickLogic Corporation *	966,640	
43,351 Tower Semiconductor Ltd. * (Israel)	1,538,094	
	3,973,063	6.53%
<b>Services - Business Services, NEC</b>		
9,071 Fiverr International Ltd. * (Israel)	1,284,635	
42,752 Repay Holdings Corporation - Class A *	699,423	
	1,984,058	3.26%

\* Non-Income Producing Security.

\*\* ADR - American Depositary Receipt.

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

# Taylor Frigon Core Growth Fund

## Schedule of Investments November 30, 2021

Shares	Fair Value	% of Net Assets
<b>COMMON STOCKS</b>		
<b>Services - Computer Integrated Systems Design</b>		
43,727 Ebix, Inc.	\$ 1,336,297	2.20%
<b>Services - Computer Processing &amp; Data Preparation</b>		
152,871 Zix Corporation *	1,294,817	2.13%
<b>Services - Computer Programming Services</b>		
2,605 EPAM Systems, Inc. *	1,585,273	2.60%
<b>Services - Computer Programming, Data Processing, Etc.</b>		
6,826 Wix.com Ltd. * (Israel)	1,043,013	1.71%
<b>Services - Help Supply Services</b>		
12,438 TTEC Holdings, Inc.	1,049,643	1.72%
<b>Services - Miscellaneous Business Services</b>		
14,281 NV5 Global, Inc. *	1,877,952	3.09%
<b>Services - Prepackaged Software</b>		
15,865 Alteryx, Inc. - Class A *	1,054,547	
4,551 Coupa Software Incorporated *	895,000	
8,104 CyberArk Software Ltd. * (Israel)	1,400,776	
76,132 Grid Dynamics Holdings, Inc. - Class A *	2,986,658	
4,773 NICE Ltd. * **	1,393,621	
6,529 Procure Technologies, Inc. *	553,398	
9,317 Splunk Inc. *	1,127,357	
3,916 Twilio Inc. - Class A *	1,120,563	
74,016 Zuora, Inc. - Class A *	1,466,257	
	11,998,177	19.71%
<b>Special Industry Machinery, NEC</b>		
70,406 Velo3D, Inc. *	758,273	1.25%
<b>State Commercial Banks</b>		
4,692 Silvergate Capital Corporation - Class A *	959,420	1.58%
<b>Surgical &amp; Medical Instruments &amp; Apparatus</b>		
123,214 Apyx Medical Corporation *	1,654,764	
27,569 Brainsway Ltd. (Israel) *	214,211	
37,078 ClearPoint Neuro, Inc. *	509,081	
24,172 Glaukos Corporation *	1,040,121	
9,666 NovoCure Limited (Jersey) *	905,124	
36,575 Vapotherm, Inc. *	804,650	
	5,127,951	8.43%
<b>Telephone &amp; Telegraph Apparatus</b>		
105,838 Akoustis Technologies, Inc. *	734,515	
30,189 AudioCodes Ltd. (Israel)	1,046,351	
	1,780,866	2.93%
<b>X-Ray Apparatus &amp; Tubes &amp; Related Irradiation Apparatus</b>		
31,053 Nano-X Imaging Ltd. (Israel) *	640,623	1.05%
<b>Total for Common Stocks (Cost \$34,781,275)</b>	<b>58,433,170</b>	<b>96.02%</b>
<b>Total Investment Securities</b>	<b>58,433,170</b>	
<b>(Cost \$34,781,275)</b>		
<b>Other Assets in Excess of Liabilities</b>	<b>2,422,978</b>	<b>3.98%</b>
<b>Net Assets</b>	<b>\$ 60,856,148</b>	<b>100.00%</b>

\* Non-Income Producing Security.

\*\* ADR - American Depositary Receipt.

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



# Taylor Frigon Core Growth Fund

## Statement of Assets and Liabilities

November 30, 2021

Assets:	
Investment Securities at Fair Value (Cost \$34,781,275)	\$ 58,433,170
Cash	2,496,533
Dividends Receivable	3,279
Receivable for Shareholder Purchases	100
Total Assets	<u>60,933,082</u>
Liabilities:	
Management Fees Payable	53,058
Service Fees Payable	23,876
Total Liabilities	<u>76,934</u>
Net Assets	<u>\$ 60,856,148</u>
Net Assets Consist of:	
Paid In Capital	\$ 32,350,721
Total Distributable Earnings	28,505,427
Net Assets, for 2,008,439 Shares Outstanding (Unlimited shares authorized)	<u>\$ 60,856,148</u>
Net Asset Value and Offering Price Per Share (\$60,856,148/2,008,439 shares)	<u>\$ 30.30</u>
Redemption Price * (\$30.30 x 0.98) (Note 2)	<u>\$ 29.69</u>

## Statement of Operations

For the fiscal year ended November 30, 2021

Investment Income:	
Dividends (Net of Foreign Withholding Taxes of \$3,811)	\$ 60,792
Total Investment Income	60,792
Expenses:	
Management Fees (Note 4)	561,884
Service Fees (Note 4)	252,848
Total Expenses	<u>814,732</u>
Net Investment Income/(Loss)	(753,940)
Net Realized and Unrealized Gain/(Loss) on Investments:	
Net Realized Gain/(Loss) on Investments	6,011,030
Net Change in Unrealized Appreciation/(Depreciation) on Investments	5,970,814
Net Realized and Unrealized Gain/(Loss) on Investments	<u>11,981,844</u>
Net Increase/(Decrease) in Net Assets from Operations	<u>\$ 11,227,904</u>

\* Reflects a 2% redemption fee if shares are redeemed within 90 days or less of purchase.

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

# Taylor Frigon Core Growth Fund

## Statements of Changes in Net Assets

	12/1/2020 to 11/30/2021	12/1/2019 to 11/30/2020
From Operations:		
Net Investment Income/(Loss)	\$ (753,940)	\$ (378,625)
Net Realized Gain/(Loss) on Investments	6,011,030	2,498,128
Net Change in Unrealized Appreciation/(Depreciation) on Investments	<u>5,970,814</u>	<u>14,287,903</u>
Net Increase/(Decrease) in Net Assets from Operations	11,227,904	16,407,406
From Distributions to Shareholders:	(2,355,555)	(335,783)
From Capital Share Transactions:		
Proceeds From Sale of Shares	11,693,236	10,845,955
Proceeds From Redemption Fees (Note 2)	11,139	8,557
Shares Issued on Reinvestment of Dividends	2,355,555	335,783
Cost of Shares Redeemed	<u>(6,507,708)</u>	<u>(2,468,927)</u>
Net Increase/(Decrease) from Shareholder Activity	<u>7,552,222</u>	<u>8,721,368</u>
Net Increase/(Decrease) in Net Assets	16,424,571	24,792,991
Net Assets at Beginning of Year	<u>44,431,577</u>	<u>19,638,586</u>
Net Assets at End of Year	<u><u>\$ 60,856,148</u></u>	<u><u>\$ 44,431,577</u></u>
Share Transactions:		
Issued	390,505	606,242
Reinvested	90,390	21,621
Redeemed	<u>(223,445)</u>	<u>(131,959)</u>
Net Increase/(Decrease) in Shares	257,450	495,904
Shares Outstanding Beginning of Year	<u>1,750,989</u>	<u>1,255,085</u>
Shares Outstanding End of Year	<u><u>2,008,439</u></u>	<u><u>1,750,989</u></u>

## Financial Highlights

Selected data for a share outstanding throughout the period:	12/1/2020 to 11/30/2021	12/1/2019 to 11/30/2020	12/1/2018 to 11/30/2019	12/1/2017 to 11/30/2018	12/27/2016* to 11/30/2017
Net Asset Value -					
Beginning of Period	\$ 25.38	\$ 15.65	\$ 13.83	\$ 12.28	\$ 10.00
Net Investment Income/(Loss) <sup>(a)</sup>	(0.40)	(0.25)	(0.18)	(0.17)	(0.12)
Net Gain/(Loss) on Securities <sup>(b)</sup> (Realized and Unrealized)	<u>6.65</u>	<u>10.23</u>	<u>2.22</u>	<u>1.72</u>	<u>2.40</u>
Total from Investment Operations	6.25	9.98	2.04	1.55	2.28
Distributions (From Net Investment Income)	-	-	-	-	-
Distributions (From Realized Capital Gains)	<u>(1.34)</u>	<u>(0.26)</u>	<u>(0.22)</u>	<u>-</u>	<u>-</u>
Total Distributions	<u>(1.34)</u>	<u>(0.26)</u>	<u>(0.22)</u>	<u>-</u>	<u>-</u>
Proceeds from Redemption Fee (Note 2)	<u>0.01</u>	<u>0.01</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Asset Value -					
End of Period	<u><u>\$ 30.30</u></u>	<u><u>\$ 25.38</u></u>	<u><u>\$ 15.65</u></u>	<u><u>\$ 13.83</u></u>	<u><u>\$ 12.28</u></u>
Total Return <sup>(c)</sup>	25.54%	64.93%	15.43%	12.62%	22.80% **
Ratios/Supplemental Data					
Net Assets - End of Period (Thousands)	\$ 60,856	\$ 44,432	\$ 19,639	\$ 12,469	\$ 6,129
Ratio of Expenses to Average Net Assets	1.45%	1.45%	1.45%	1.45%	1.45% ***
Ratio of Net Investment Income/(Loss) to Average Net Assets	(1.34)%	(1.34)%	(1.27)%	(1.27)%	(1.17)% ***
Portfolio Turnover Rate	17.06%	28.92%	14.73%	26.99%	5.61% **

\* Commencement of Operations. \*\* Not Annualized. \*\*\* Annualized. + Less than \$0.005.

(a) Per share amounts were calculated using the average shares method.

(b) Realized and unrealized gains and losses per share in this caption are balancing amounts necessary to reconcile the change in net asset value for the period, and may not reconcile with the aggregate gains and losses in the Statement of Operations due to share transactions for the period.

(c) Total return represents the rate that the investor would have earned or lost on an investment in the Fund assuming reinvestment of dividends. Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or redemption of Fund shares.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**TAYLOR FRIGON CORE GROWTH FUND**  
**November 30, 2021**

**1.) ORGANIZATION**

The Taylor Frigon Core Growth Fund (the "Fund") was organized as a diversified series of PFS Funds (the "Trust") on December 7, 2016 and commenced operations on December 27, 2016. The Trust was established under the laws of Massachusetts by an Agreement and Declaration of Trust dated January 13, 2000, which was amended and restated as of January 20, 2011. The Trust is registered as an open-end investment company under the Investment Company Act of 1940, as amended (the "1940 Act"). The Trust may offer an unlimited number of shares of beneficial interest in a number of separate series, each series representing a distinct fund with its own investment objectives and policies. As of November 30, 2021, there were thirteen series authorized by the Trust. The Fund's objective is to seek long-term capital appreciation. The investment adviser to the Fund is Taylor Frigon Capital Management, LLC (the "Adviser").

**2.) SIGNIFICANT ACCOUNTING POLICIES**

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946 *Financial Services - Investment Companies*. The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The Fund follows the significant accounting policies described in this section.

**SECURITY VALUATION**

All investments in securities are recorded at their estimated fair value, as described in Note 3.

**SHARE VALUATION**

The net asset value (the "NAV") is generally calculated as of the close of trading on the New York Stock Exchange (the "Exchange") (normally 4:00 p.m. Eastern time) every day the Exchange is open. The NAV is calculated by taking the total value of the Fund's assets, subtracting its liabilities, and then dividing by the total number of shares outstanding, rounded to the nearest cent. The offering price and redemption price per share is equal to the net asset value per share, except that shares of the Fund are subject to a redemption fee of 2% if redeemed within 90 days or less of purchase. During the fiscal year ended November 30, 2021, proceeds from redemption fees were \$11,139.

**FEDERAL INCOME TAXES**

The Fund's policy is to continue to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute all of its taxable income to shareholders. Therefore, no federal income tax provision is required. It is the Fund's policy to distribute annually, prior to the end of the calendar year, dividends sufficient to satisfy excise tax requirements of the Internal Revenue Code. This Internal Revenue Code requirement may cause an excess of distributions over the book year-end accumulated income. In addition, it is the Fund's policy to distribute annually, after the end of the fiscal year, any remaining net investment income and net realized capital gains.

The Fund recognizes the tax benefits of certain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years. The Fund identifies its major tax jurisdictions as U.S. Federal tax authorities; however, the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the fiscal year ended November 30, 2021, the Fund did not incur any interest or penalties.

**DISTRIBUTIONS TO SHAREHOLDERS**

Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date.

The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income tax purposes. The differences between book and tax basis are caused primarily by differences in the timing of the recognition of certain components of income, expense, or realized capital gain for federal income tax purposes. Where such differences are

## Notes to the Financial Statements - continued

permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, result of operations, or net asset value per share of the Fund.

### USE OF ESTIMATES

The financial statements are prepared in accordance with GAAP, which 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 increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

### EXPENSES

Expenses incurred by the Trust that do not relate to a specific fund of the Trust are allocated to the individual funds based on each fund's relative net assets or another appropriate basis.

### OTHER

The Fund records security transactions based on a trade date for financial reporting purposes. Dividend income is recognized on the ex-dividend date, and interest income, if any, is recognized on an accrual basis. The Fund uses the specific identification method in computing gain or loss on the sale of investment securities. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

### 3.) INVESTMENT SECURITIES VALUATIONS

The Fund utilizes various methods to measure the fair value of most of its investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 - Observable inputs other than quoted prices in active markets included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 - Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

### FAIR VALUE MEASUREMENTS

A description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows.

*Equity securities (common stocks).* Equity securities generally are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when the Adviser believes such prices accurately reflect the fair value of such securities. Securities that are traded on any stock exchange or on the NASDAQ over-the-counter market are generally valued by the pricing service at the last quoted sale price. Lacking a last sale price, an equity security is generally valued by the pricing service at its last bid price. Generally, if the security is traded in an active market and is valued at the last sale price, the security is categorized as a level 1 security, and if an equity security is valued by the pricing service at its last bid, it is generally categorized as a level 2 security. When market quotations are not readily available, when the Adviser determines that the market quotation or the price provided by the pricing service does not accurately

## Notes to the Financial Statements - continued

reflect the current fair value, or when restricted securities are being valued, such securities are valued as determined in good faith by the Adviser, subject to review of the Board of Trustees (the "Trustees" or the "Board") and are categorized in level 2 or level 3, when appropriate.

In accordance with the Trust's good faith pricing guidelines, the Adviser is required to consider all appropriate factors relevant to the value of securities for which it has determined other pricing sources are not available or reliable as described above. There is no standard procedure for determining fair value, since fair value depends upon the circumstances of each individual case. As a general principle, the current fair value of an issue of securities being valued by the Adviser would appear to be the amount which the owner might reasonably expect to receive for them upon their current sale. Methods which are in accordance with this principle may, for example, be based on (i) a multiple of earnings; (ii) a discount from market of a similar freely traded security (including a derivative security or a basket of securities traded on other markets, exchanges or among dealers); or (iii) yield to maturity with respect to debt issues, or a combination of these and other methods.

The following table summarizes the inputs used to value the Fund's assets measured at fair value as of November 30, 2021:

<u>Valuation Inputs of Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$58,433,170	\$0	\$0	\$58,433,170

The Fund did not hold any Level 3 assets during the fiscal year ended November 30, 2021.

The Fund did not invest in derivative instruments during the fiscal year ended November 30, 2021.

### 4.) INVESTMENT ADVISORY AGREEMENT

The Fund has entered into an investment advisory agreement ("Management Agreement") with the Adviser. The Adviser manages the investment portfolio of the Fund, subject to policies adopted by the Trust's Board of Trustees. Under the Management Agreement, the Adviser, at its own expense and without reimbursement from the Trust, furnishes office space and all necessary office facilities, equipment, and executive personnel necessary for managing the Fund and pays the operating expenses of the Fund excluding management fees, brokerage fees and commissions, taxes, borrowing costs (such as (a) interest and (b) dividend expenses on securities sold short), ADR fees, fees and expenses of acquired funds, fees pursuant to Rule 12b-1 distribution plans, and extraordinary or non-recurring expenses. For its services, the Adviser receives an investment management fee equal to 1.00% of the average daily net assets of the Fund.

As a result of the above calculation, for the fiscal year ended November 30, 2021, the Adviser earned management fees totaling \$561,884. At November 30, 2021, the Fund owed the Adviser management fees of \$53,058.

Additionally, the Fund has a Services Agreement with the Adviser (the "Services Agreement"). Under the Services Agreement the Adviser receives an additional fee of 0.45% of the average daily net assets up to \$100 million, and 0.25% of such assets in excess of \$100 million and is obligated to pay the operating expenses of the Fund excluding management fees, brokerage fees and commissions, 12b-1 fees (if any), taxes, borrowing costs (such as (a) interest and (b) dividend expenses on securities sold short), ADR fees, the cost of acquired funds and extraordinary expenses.

For the fiscal year ended November 30, 2021, the Adviser earned services fees of \$252,848. At November 30, 2021, the Fund owed the Adviser services fees of \$23,876.

### 5.) RELATED PARTY TRANSACTIONS

Jeffrey R. Provence of Premier Fund Solutions, Inc. (the "Administrator") also serves as trustee/officer of the Fund. Mr. J. Provence, as an owner of the Administrator, receives benefits from the administration fees paid by the Adviser.

The Trustees who are not interested persons of the Fund were each paid \$1,500, for a total of \$4,500, in Trustees' fees for their services to the Fund for the fiscal year ended November 30, 2021. These fees were paid by the Adviser.

### 6.) PURCHASES AND SALES OF SECURITIES

For the fiscal year ended November 30, 2021, purchases and sales of investment securities other than short-term investments and U.S. Government obligations aggregated \$13,993,530 and \$9,051,218, respectively.

## Notes to the Financial Statements - continued

### 7.) CONTROL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of that fund, under Section 2(a)(9) of the Investment Company Act of 1940. As of November 30, 2021, Charles Schwab & Co., Inc. ("Schwab"), for the benefit of its customers, held, in aggregate, 83.33% of the shares in the Fund. The Trust does not know whether any underlying accounts held at Schwab, owned or controlled 25% or more of the voting securities of the Fund.

### 8.) TAX MATTERS

For Federal income tax purposes, the cost of securities owned at November 30, 2021 was \$34,828,156. At November 30, 2021, the composition of unrealized appreciation (the excess of value over tax cost) and depreciation (the excess of tax cost over value) on a tax basis was as follows:

<u>Appreciation</u>	<u>(Depreciation)</u>	<u>Net Appreciation/(Depreciation)</u>
\$27,860,105	(\$4,255,091)	\$23,605,014

The tax character of distributions was as follows:

	<u>Fiscal Year Ended November 30, 2021</u>	<u>Fiscal Year Ended November 30, 2020</u>
Ordinary Income	\$ -0-	\$ -0-
Long-term Capital Gain	<u>2,355,555</u>	<u>335,783</u>
	\$ 2,355,555	\$ 335,783

Subsequent to November 30, 2021, there were distributions paid on December 29, 2021 to the shareholders of record on December 28, 2021 of \$2.720389 per share from long-term capital gains.

As of November 30, 2021, the components of distributable earnings (accumulated losses) on a tax basis were as follows:

Other Accumulated Losses	\$ (573,407)
Undistributed Long-Term Capital Gains	5,473,820
Unrealized Appreciation on Investments - Net	<u>23,605,014</u>
	\$28,505,427

As of November 30, 2021, the difference between book and tax basis unrealized appreciation was attributed to the tax treatment of passive foreign investment companies ("PFICs") and the deferral of wash sales. Under current tax law, late-year ordinary losses incurred after December 31 of a Fund's fiscal year may be deferred and treated as occurring on the first business day of the following fiscal year for tax purposes. As of November 30, 2021, other accumulated losses included deferred late year ordinary losses of \$573,407.

### 9.) CONCENTRATION OF SECTOR RISK

If a Fund has significant investments in the securities of issuers in industries within a particular sector, any development affecting that sector will have a greater impact on the value of the net assets of the Fund than would be the case if the Fund did not have significant investments in that sector. In addition, this may increase the risk of loss of an investment in the Fund and increase the volatility of the Fund's NAV per share. From time to time, circumstances may affect a particular sector and the companies within such sector. For instance, economic or market factors, regulation or deregulation, and technological or other developments may negatively impact all companies in a particular sector and therefore the value of a Fund's portfolio will be adversely affected. As of November 30, 2021, the Fund had 51.98% of the value of its net assets invested in stocks within the Information Technology sector.

### 10.) CASH – CONCENTRATION IN UNINSURED ACCOUNT

For cash management purposes, the Fund may concentrate cash with the Fund's custodian. This may result in cash balances exceeding the Federal Deposit Insurance Corporation ("FDIC") insurance limits. As of November 30, 2021, the Fund held \$2,496,533 in cash at US Bank, N. A. that exceeded the FDIC insurance limit of \$250,000.

## Notes to the Financial Statements - continued

### 11.) COVID-19 RISKS

Unexpected local, regional or global events, such as war; acts of terrorism; financial, political or social disruptions; natural, environmental or man-made disasters; the spread of infectious illnesses or other public health issues; and recessions and depressions could have a significant impact on the Fund and its investments and may impair market liquidity. Such events can cause investor fear, which can adversely affect the economies of nations, regions and the market in general, in ways that cannot necessarily be foreseen. An outbreak of infectious respiratory illness known as COVID-19, which is caused by a novel coronavirus (SARS-CoV-2), was first detected in China in December 2019 and subsequently spread globally. This coronavirus has resulted in, among other things, travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, significant disruptions to business operations, market closures, cancellations and restrictions, supply chain disruptions, lower consumer demand, and significant volatility and declines in global financial markets, as well as general concern and uncertainty. The impact of COVID-19 has adversely affected, and other infectious illness outbreaks that may arise in the future could adversely affect, the economies of many nations and the entire global economy, individual issuers and capital markets in ways that cannot necessarily be foreseen. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

### 12.) SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of issuance of these financial statements and has noted no such events except for the December 29, 2021 distributions reported in Note 8 herein.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Taylor Frigon Core Growth Fund and  
Board of Trustees of PFS Funds

### Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Taylor Frigon Core Growth Fund (the "Fund"), a series of PFS Funds, as of November 30, 2021, 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 periods 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 November 30, 2021, 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 periods 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 November 30, 2021, by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Fund's auditor since 2016.

*Cohen & Company, Ltd.*

COHEN & COMPANY, LTD.  
Milwaukee, Wisconsin  
January 25, 2022



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## Trustees and Officers (Unaudited)

The Board of Trustees supervises the business activities of the Trust. The names of the Trustees and executive officers of the Trust are shown below. For more information regarding the Trustees, please refer to the Statement of Additional Information, which is available upon request by calling 1-888-897-4821. Each Trustee serves until the Trustee sooner dies, resigns, retires, or is removed.

The Trustees and Officers of the Trust and their principal business activities during the past five years are:

### Interested Trustees and Officers

Name, Address <sup>(1)</sup> , and Year of Birth	Position(s) Held With the Trust	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios In Fund Complex Overseen By Trustee	Other Directorships Held By Trustee
Ross C. Provence, Year of Birth: 1938	President	Indefinite Term; Since 2000	General Partner and Portfolio Manager for Value Trend Capital Management, LP (1995 to current). Estate planning attorney (1963 to current).	N/A	N/A
Jeffrey R. Provence <sup>(2)</sup> , Year of Birth: 1969	Trustee, Secretary and Treasurer	Indefinite Term; Since 2000	CEO, Premier Fund Solutions, Inc. (2001 to current). General Partner and Portfolio Manager for Value Trend Capital Management, LP (1995 to current).	13	Blue Chip Investor Funds, Meeder Funds
Julian G. Winters, Year of Birth: 1968	Chief Compliance Officer	Indefinite Term; Since 2010	Managing Member, Watermark Solutions LLC (investment compliance and consulting) (2007 to current).	N/A	N/A

<sup>(1)</sup> The address of each trustee and officer is c/o PFS Funds, 1939 Friendship Drive, Suite C, El Cajon, California 92020.

<sup>(2)</sup> Jeffrey R. Provence is considered an "interested person" as defined in Section 2(a)(19) of the Investment Company Act of 1940 by virtue of his position with the Trust.

### Independent Trustees

Name, Address <sup>(1)</sup> , and Year of Birth	Position Held With the Trust	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios In Fund Complex Overseen By Trustee	Other Directorships Held By Trustee
Thomas H. Addis III, Year of Birth: 1945	Independent Trustee	Indefinite Term; Since 2000	Executive Director/CEO, Southern California PGA (2006 to current).	13	None
Allen C. Brown, Year of Birth: 1943	Independent Trustee	Indefinite Term; Since 2010	Law Office of Allen C. Brown, estate planning and business attorney (1970 to current).	13	Blue Chip Investor Funds
George Cossolias, CPA, Year of Birth: 1935	Independent Trustee	Indefinite Term; Since 2000	Partner of CWDL, CPAs (February 1, 2014 to current). Owner of George Cossolias & Company, CPAs (1972 to January 31, 2014). President of Lubrication Specialists, Inc. (1996 to current).	13	Blue Chip Investor Funds, Neiman Funds

<sup>(1)</sup> The address of each trustee and officer is c/o PFS Funds, 1939 Friendship Drive, Suite C, El Cajon, California 92020.

**Investment Adviser**  
Taylor Frigon Capital Management, LLC

**Legal Counsel**  
Practus, LLP

**Custodian**  
US Bank, N.A.

**Distributor**  
Rafferty Capital Markets, LLC

**Dividend Paying Agent,  
Shareholders' Servicing Agent,  
Transfer Agent**  
Mutual Shareholder Services, LLC

**Fund Administrator**  
Premier Fund Solutions, Inc.

**Independent Registered Public Accounting Firm**  
Cohen & Company, Ltd.

This report is provided for the general information of the shareholders of the Taylor Frigon Core Growth Fund. This report is not intended for distribution to prospective investors in the Fund, unless preceded or accompanied by an effective prospectus.

**Taylor Frigon Core Growth Fund**  
[www.taylorfrigonfunds.com](http://www.taylorfrigonfunds.com)  
1-888-897-4821