

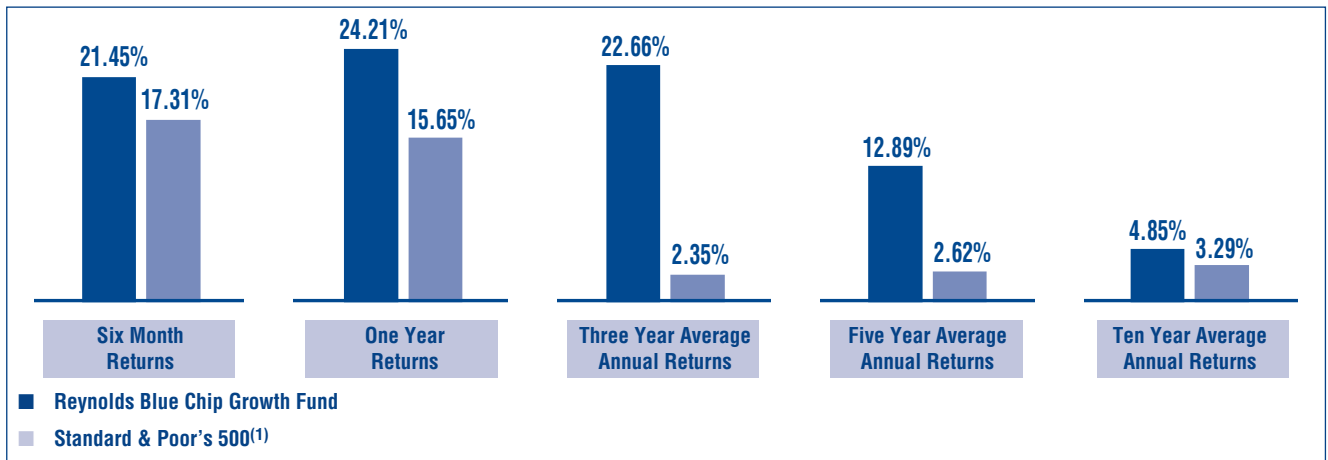
REYNOLDS BLUE CHIP GROWTH FUND

May 16, 2011

Dear Fellow Shareholders:

Performance highlights (March 31, 2011)

The performance of the Reynolds Blue Chip Growth Fund (the “Fund” or the “Blue Chip Fund”) in the six months ended March 31, 2011 was +21.45%. The performance of the Standard & Poor’s 500 Index⁽¹⁾ during that same period was +17.31%. The average total returns of the Reynolds Blue Chip Growth Fund for the one year and annualized 3-year, 5-year and 10-year periods through March 31, 2011 were +24.21%, +22.66%, +12.89% and +4.85%, respectively. The average total returns for the Fund’s benchmark, the Standard & Poor’s 500, for the one year and annualized 3-year, 5-year and 10-year periods through March 31, 2011 were +15.65%, +2.35%, +2.62% and +3.29%, respectively.



(1) The Standard & Poor’s 500 Index consists of 500 selected common stocks, most of which are listed on the New York Stock Exchange. The Standard & Poor’s Ratings Group designates the stocks to be included in the Index on a statistical basis. A particular stock’s weighting in the Index is based on its relative total market value (i.e. its market price per share times the number of shares outstanding.) Stocks may be added or deleted from the Index from time to time.

The performance of the Reynolds Blue Chip Growth Fund during the three months ended March 31, 2011 was +7.12%. The performance of the Standard & Poor’s 500 Index during that same period was +5.92%.

Investment Strategy

Ideally I would always invest in stocks for the long-term and have low turnover. However, it is very important to closely analyze intermediate-term potential economic cycles and resulting stock market problems or positives. In October 2007, I became increasingly concerned regarding several potential economic problems. I believed that one of these potential problems was high housing prices, and the increasingly speculative financial instruments that had evolved in this segment of the economy. As a result, I began implementing a strong “defensive investment strategy” for the Reynolds Blue Chip Growth Fund by selling equities held in the Fund and raising the cash position. The beginning of the implementation of this defensive investment strategy coincided within a few days of the intermediate top of the stock market in October 2007. I began purchasing equities for the Blue Chip Fund in March 2009, as I believed that the prices of many high quality equities had declined to attractive long-term buying ranges and the massive amount of stimulus that was being implemented worldwide would be a positive. The beginning of the implementation of this more “normal investment strategy” also coincided within a few days of the intermediate bottom of the stock market.

The U.S. Economy

The U.S. economic recovery that started in mid-2009 has continued so far in 2011, although at a slow rate. U.S. Gross Domestic Product (GDP), helped by various stimulus measures, expanded at an inflation-adjusted annual rate of 1.8% in the quarter ended March 31, 2011 and is estimated to expand at a 2.0% rate in the quarter ended June 30, 2011. U.S. GDP increased at a 3.1% rate in the quarter ended December 31, 2010; at a 2.6% rate in the quarter ended September 30, 2010; at a 1.7% rate in the quarter ended June 30, 2010; at a 3.7% rate in the quarter ended March 31, 2010, at a 5.0% rate in the quarter ended December 31, 2009; and at a 1.6% rate in the quarter ended September 30, 2009. Prior to that, the economy decreased for four consecutive quarters. The majority of economists are forecasting moderate economic growth with no double-dip recession or v-shaped recovery. For the rest of calendar 2011 the economy should be characterized by economic growth averaging 2.6%, helped by gains in consumer spending and strong gains in manufacturing demand and output. The economy will be characterized by large fiscal deficits. The Fed should complete the second round of monetary easing in June and it is forecast that they will begin raising interest rates in early 2012.

There are some current and potential economic and investment negatives at the present time including: (1) economic forecasts for 2011 have recently been reduced; (2) unemployment at 9% is still high more than one and one half years after the economy started growing; (3) higher oil prices including higher gasoline prices are negatively affecting economic growth; (4) residential and commercial real estate continue to lag; (5) mortgage rates are low, but mortgage credit is still somewhat tight; (6) federal, state and local government spending remains weak; (7) inflation and/or interest rates may be increasing in the future; (8) the U.S. deficit needs to be reduced; (9) the recent earthquake, tsunami and nuclear problems in Japan are negatively affecting the Japanese economy and other economies; (10) economic problems with some individual Euro-zone countries such as Greece, Portugal, Ireland and Spain which may spread to other countries; (11) debt problems in Europe may negatively affect U.S. and/or European economic growth; (12) the recent raising of interest rates by China, India and other countries could slow economic growth; and (13) political unrest in several countries in the Middle East and Northern Africa. In addition, now that global government stimulus programs of more than \$2 trillion have occurred, central banks are starting to withdraw some of the stimulus and guarding against inflation. However, compared with pouring money into the economy, draining money from the economy is a much tougher job for central banks. The near term policy focus is to balance the need to maintain stable and relatively fast growth, the need to adjust the economic structure and the need to manage inflationary expectations.

There are many current and potential economic and investment positives: (1) chain store sales have recently been strong; (2) manufacturing demand and output are showing strong gains; (3) business spending on equipment and software has been strong; (4) nonfarm payrolls have been increasing; (5) there has been an increase in the willingness of companies to commit capital as evidenced by the recent increase in merger and acquisition activity; (6) the economy has grown in the last seven quarters through the March 31, 2011 quarter and should continue growing in the near future; (7) manufacturing employment and payrolls have been increasing, further indicating that a recovery has taken hold; (8) growth in the service sector is gaining momentum and broadening; (9) businesses have been able to use the credit markets to strengthen their balance sheets; (10) interest rates remain low; (11) many companies recently reported better than expected quarterly earnings; (12) many companies reported revenue growth, not just earnings growth from cutting expenses in the most recent quarters; (13) recent productivity gains have been strong; (14) motor vehicle sales have recently been strong; (15) Ben Bernanke, the head of the Federal Reserve, recently predicted that some factors weighing on the economy would prove “transitory”; and (16) oil prices have recently declined.

The U.S. economic recovery is being affected by a number of secular factors that are altering the pace and composition of growth. The economy in 2011 is being affected by greater prudence and less speculation in lending, the importance of exports and jobs and less leverage for consumer spending. GDP increased 2.9% in 2010 after decreasing 2.6% in calendar 2009, after no change (0.0%) in calendar 2008, and increasing 2.1% in 2007, 2.8% in 2006, 3.1% in 2005, 3.9% in 2004, 2.7% in 2003, 1.9% in 2002, 0.8% in 2001 and 3.7% in 2000. GDP is forecast to increase 2.4 % in 2011 and 2.7% in 2012.

U.S. inflation numbers have been helped in the last few years by such factors as: (1) global competition; (2) advances in technology resulting in increasing productivity; and (3) technology innovations that are helping to lower production and distribution costs. Inflation, as measured by the Consumer Price Index, increased 1.6% in 2010 after decreasing 0.3% in 2009, and increasing 3.8% in 2008, 2.9% in 2007, 3.2% in 2006, 3.4% in 2005, 2.7% in 2004, 2.3% in 2003, 1.6% in 2002, 2.8% in 2001 and 3.4% in 2000. U.S. inflation is forecast to increase 3.3% in 2011 and 3.4% in 2012.

The World Economy

The global economic recovery that started in mid-2009 has continued in 2011 at a solid rate. It is forecast that this expansion will continue for the next two years. The expansion today appears to be more sustainable than it was a year ago because domestic demand is strengthening in many economies and accommodative financial conditions remain largely in place in most countries. This strength in foreign economic output has led some central banks, including those of Australia, China and India, to tighten monetary policy to guard against an acceleration of inflation. Dollar weakness has led to worry in some foreign countries regarding their trade competitiveness as their currencies have strengthened. The Bank of Japan and the Brazilian government have enacted measures to attempt to slow the appreciation of their currencies.

Recovery is strongest in Asia with China having the strongest growth. Other Asian countries are having strong growth rates as well. Recovery is also occurring in Latin America and Brazil. Economic growth has also returned to Western Europe, although at a slower pace than other regions. The biggest risk to Euro-zone economic growth is related to the potential sovereign government debt crises that have appeared. Europe will need significant fiscal retrenchment in the next few years which will slow their economic growth. Some developing countries in the world have been growing faster than the U.S. in the last few years. Their economies continued to grow faster than the U.S. during the most recent worldwide economic slowdown and their economies are forecast to grow faster than the U.S. in 2011.

The World Economy increased 4.8% in 2010 after decreasing 0.8% in 2009 and is forecast to increase 4.0% in 2011 and 4.3% in 2012. Among “advanced economies”: (1) Japan increased 4.0% in 2010 after decreasing 5.2% in 2009 and is forecast to increase 0.4% in 2011 and 2.1% in 2012; (2) the Euro-zone increased 1.7% in 2010 after decreasing 4.0% in 2009 and is forecast to increase 1.8% in 2011 and 2.2% in 2012; (3) the United Kingdom increased 1.3% in 2010 after decreasing 4.9% in 2009 and is forecast to increase 1.4% in 2011 and 2.2% in 2012; (4) Canada increased 3.1% in 2010 after decreasing 2.6% in 2009 and is forecast to increase 2.9% in 2011 and 3.1% in 2012; and (5) Korea increased 6.2% in 2010 after increasing 0.2% in 2009 and is forecast to increase 4.3% in 2011 and 4.4% in 2012.

The biggest developing economies are many times referred to as the “BRIC” economies, which is short for Brazil, Russia, India, and China. China’s population is approximately 20% of the world’s total population of approximately 6.8 billion. Many economists believe that China has a particularly good long-term outlook. In the second quarter of 2010 China overtook Japan and became the world’s second largest economy after the U.S. It is the world’s fastest growing major economy. China was one of the first countries to show a pickup in growth as the recession was ending in 2009 and it helped to lead the world out of recession. The acceleration in China’s growth is resulting in policy makers withdrawing record fiscal and monetary stimulus. For example, bank lending has been tightened and interest rates have recently been raised several times. GDP increased 10.4% in 2010 after increasing 8.5% in 2009 and is forecast to increase 9.3% in 2011 and 9.0% in 2012.

India’s population is approximately 17% of the world’s population. It is the world’s second fastest growing economy. India’s economy increased 8.4% in 2010 after increasing 6.8% in 2009 and is forecast to increase 7.4% in 2011 and 8.3% in 2012.

Brazil is Latin America’s biggest economy. Brazil emerged from its first recession since 2003 in the second quarter of 2009. GDP increased 7.5% in 2010 after decreasing 0.2% in 2009 and is forecast to increase 4.5% in 2011 and 4.9% in 2012. Russia’s economy grew at 4.0% in 2010 after decreasing 7.9% in 2009 and is forecast to increase 4.3% in 2011 and 4.1% in 2012.

Many worldwide larger multinational companies should be well positioned to benefit long-term from worldwide growth. To the extent that some of these companies' U.S. earnings are growing slower, this could be somewhat offset by their possible stronger foreign earnings. The long-term strategy of the Reynolds Blue Chip Growth Fund is to be structured to benefit from this worldwide growth by investing in many of these leading multinational growth companies.

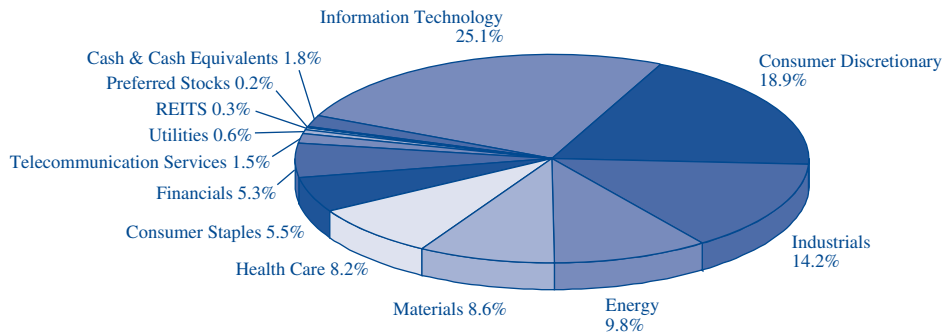
The Blue Chip Fund is positioned to participate in long-term worldwide growth trends through investments in multinational U.S. headquartered companies. In addition, the Fund has investments in leading foreign headquartered companies, whose stocks or American Depositary Receipts (ADRs) trade in the United States. These ADR's are denominated in dollars and they must use GAAP (Generally Accepted Accounting Principles) accounting to qualify as an ADR. The Blue Chip Fund may hold up to 35% of its assets in ADRs.

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

The Reynolds Blue Chip Growth 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 Reynolds Blue Chip Growth Fund is to emphasize investment in worldwide "blue chip" growth companies. These companies are defined as companies with a minimum market capitalization of \$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.

Industry Sectors⁽²⁾ as of March 31, 2011



(2) 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.

Low Long-Term Interest Rates by Historical Standards are a Significant Positive for Stock Valuations

Long-term interest rates remain near historically low 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 and profits.
- (2) Long-term borrowing costs of individuals are lower which increases consumer confidence and spending.
- (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. This 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 Reynolds Blue Chip Growth Fund. This Fund is also included on your quarterly statements.

Information about the Reynolds Blue Chip Growth Fund and the First American Treasury Obligations Fund

Reynoldsfunds.com website: You can access current information about your investment holdings via our website, reynoldsfunds.com. You must first request a personal identification number (PIN) by calling our shareholder service representatives at (800) 773-9665. You will be able to view your account list, account detail (including balances), transaction history, distributions, and the current Reynolds Blue Chip Growth Fund net asset value. Additional information available (PIN number not needed) includes quarterly updates of the returns of the Blue Chip Fund, top ten holdings and industry percentages. Also, detailed statistics and graphs of past performances from a link to Morningstar for the Blue Chip Fund.

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 Reynolds Blue Chip Growth 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 are sent for the Blue Chip Fund or First American Treasury Obligations Fund when a shareholder purchases or redeems shares; (2) Blue Chip Fund statements are sent twice a year 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 Reynolds Blue Chip Growth Fund.

The Reynolds Blue Chip Growth Fund and the First American Treasury Obligations Fund are No-Load: No front-end sales commissions or deferred sales charges (“loads”) are charged. Over 40% of all 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 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. 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. Performance data current to the most recent month end may be obtained by visiting www.reynoldsfunds.com.

Reynolds Blue Chip Growth Fund

COST DISCUSSION (Unaudited)

As a shareholder of the Reynolds Blue Chip Growth Fund, you do not incur (except as described below) transaction costs, including sales charges (loads) on purchase payments, reinvested dividends, or other distributions; redemption fees; and exchange fees, but do incur ongoing costs, including management fees; distribution [and/or service] (12b-1) fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from October 1, 2010 through March 31, 2011.

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

In addition to the costs highlighted and described below, the only Fund transaction costs you might currently incur would be wire fees (\$15 per wire), if you choose to have proceeds from a redemption wired to your bank account instead of receiving a check. Additionally, U.S. Bank charges an annual processing fee (\$15) if you maintain an IRA account with the Fund. To determine your total costs of investing in the Fund, you would need to add any applicable wire or IRA processing fees you’ve incurred during the period to the costs provided in the example below.

Hypothetical Example for Comparison Purposes

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

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

	Beginning Account Value 10/01/10	Ending Account Value 3/31/11	Expenses Paid During Period* 10/01/10-3/31/11
Reynolds Blue Chip Growth Fund Actual	\$1,000.00	\$1,214.50	\$8.56
Hypothetical (5% return before expenses)	\$1,000.00	\$1,017.20	\$7.79

* Expenses are equal to the Fund’s annualized expense ratio of 1.55% multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period between October 1, 2010 and March 31, 2011).

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 (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 <http://www.reynoldsfunds.com> or the website of the Commission 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 on Form N-Q. The Fund’s Form N-Q is available on the Commission’s website. The Fund’s Form N-Q may be reviewed and copied at the Commission’s Public Reference Room in Washington, D.C., and that information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Reynolds Blue Chip Growth Fund

STATEMENT OF ASSETS AND LIABILITIES

March 31, 2011 (Unaudited)

ASSETS:

Investments in securities, at value (cost \$204,625,617)	\$245,453,307
Cash	6,223,505
Receivable from investments sold	110,528
Receivable from shareholders for purchases	3,861,155
Dividends receivable	144,506
Total assets	<u>\$255,793,001</u>

LIABILITIES:

Payable to brokers for investments purchased	\$ 5,452,583
Payable to shareholders for redemptions	202,613
Payable to adviser for management fees	199,722
Payable for distribution expenses	23,385
Other liabilities	46,804
Total liabilities	<u>5,925,107</u>

NET ASSETS:

Capital Stock, \$0.01 par value; 40,000,000 shares authorized; 4,260,163 shares outstanding	221,691,746
Net unrealized appreciation on investments	40,827,690
Accumulated net realized loss on investments	(12,651,542)
Net assets	<u>249,867,894</u>
Total liabilities and net assets	<u>\$255,793,001</u>

CALCULATION OF NET ASSET VALUE PER SHARE:

Net asset value, offering and redemption price per share (\$249,867,894 ÷ 4,260,163 shares outstanding)	<u>\$ 58.65</u>
---	-----------------

The accompanying notes to financial statements are an integral part of this statement.

SCHEDULE OF INVESTMENTS

March 31, 2011 (Unaudited)

Shares	Value	Shares	Value
LONG-TERM INVESTMENTS — 98.2% (a)		Aerospace & Defense — 1.8% (Continued)	
COMMON STOCKS — 97.7% (a)		1,300	Lockheed Martin Corp. \$ 104,520
Aerospace & Defense — 1.8%		2,600	Northrop Grumman Corp. 163,046
5,400	BE Aerospace, Inc.* \$ 191,862	1,200	Precision Castparts Corp. 176,616
6,700	The Boeing Co. 495,331	2,300	Raytheon Co. 117,001
2,700	Embraer S.A. - SP-ADR 90,990	2,400	Rockwell Collins, Inc. 155,592
800	Esterline Technologies Corp.* 56,576	1,600	Spirit AeroSystems Holdings Inc.* ... 41,072
4,500	General Dynamics Corp. 344,520	1,100	Teledyne Technologies Incorporated* 56,881
5,600	Goodrich Corp. 478,968	7,500	TransDigm Group, Inc.* 628,725
5,200	Hexcel Corp.* 102,388	1,400	Triumph Group, Inc. 123,830
6,800	Honeywell International Inc. 406,028	6,200	United Technologies Corp. 524,830
433	Huntington Ingalls Industries Inc.* ... 17,984		
2,900	L-3 Communications Holdings, Inc. ... 227,099		<u>4,503,859</u>

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Automobiles — 0.8%	
COMMON STOCKS — 97.7% (a) (Continued)		32,800	Ford Motor Co.* \$ 489,048
Air Freight & Logistics — 0.5%		800	General Motors Co.* 24,824
4,300	C. H. Robinson Worldwide, Inc. \$ 318,759	6,400	Harley-Davidson, Inc. 271,936
3,200	Expeditors International	7,000	Honda Motor Co., Ltd. - SP-ADR 262,570
	of Washington, Inc. 160,448	25,820	Tata Motors Ltd. - SP-ADR 717,538
3,400	FedEx Corp. 318,070	1,200	Toyota Motor Corp. - SP-ADR 96,300
5,900	United Parcel Service, Inc. CI B 438,488		1,862,216
	1,235,765	Beverages — 1.4%	
Airlines — 0.8%		3,600	Anheuser-Busch
2,700	Alaska Air Group, Inc.* 171,234		InBev N.V. - SP-ADR 205,812
2,700	Allegiant Travel Co. 118,287	4,100	The Boston Beer Company, Inc.* 379,742
18,000	AMR Corp.* 116,280	12,600	The Coca-Cola Co. 836,010
2,800	China Eastern Airlines	3,400	Coca-Cola Enterprises Inc. 92,820
	Corporation Ltd. - SP-ADR* 53,284	2,100	Coca-Cola Femsa,
7,200	China Southern Airlines		S.A.B. de C.V. - SP-ADR 161,679
	Company Ltd. - SP-ADR* 160,128	1,300	Compania Cervecerias
9,100	Delta Air Lines, Inc.* 89,180		Unidas S.A. - SP-ADR 76,830
9,100	GOL - Linhas Aereas	6,500	Constellation Brands, Inc.* 131,820
	Inteligentes S.A. - SP-ADR 124,943	28,500	Cott Corp.* 239,400
7,300	Hawaiian Holdings, Inc.* 43,873	2,200	Craft Brewers Alliance Inc.* 20,042
10,400	JetBlue Airways Corp.* 65,208	4,100	Diageo PLC - SP-ADR 312,502
3,400	Lan Airlines S.A. 87,006	3,700	Dr Pepper Snapple Group, Inc. 137,492
100	Republic Airways Holdings Inc.* 643	2,600	Fomento Economico Mexicano,
3,700	Ryanair Holdings PLC - SP-ADR 102,860		S.A.B. de C.V. - SP-ADR 152,620
26,000	Southwest Airlines Co. 328,380	7,000	Hansen Natural Corp.* 421,610
1,800	Tam S.A. - SP-ADR 35,532	2,000	Molson Coors Brewing Co. 93,780
17,775	United Continental Holdings Inc.* 408,647	4,600	PepsiCo, Inc. 296,286
16,900	US Airways Group, Inc.* 147,199		3,558,445
	2,052,684	Biotechnology — 1.0%	
Auto Components — 0.8%		10,000	Aastrom Biosciences, Inc.* 25,000
5,100	American Axle &	3,300	Alexion Pharmaceuticals, Inc.* 325,644
	Manufacturing Holdings, Inc.* 64,209	7,200	Alkermes, Inc.* 93,240
7,500	BorgWarner, Inc.* 597,675	4,100	Amgen Inc.* 219,145
5,800	China Automotive Systems, Inc.* 51,446	3,900	Amylin Pharmaceuticals, Inc.* 44,343
900	Dorman Products, Inc.* 37,881	13,800	ARIAD Pharmaceuticals, Inc.* 103,776
14,330	The Goodyear Tire & Rubber Co.* 214,664	9,000	AVI BioPharma, Inc.* 16,830
8,100	Johnson Controls, Inc. 336,717	2,200	BioCryst Pharmaceuticals, Inc.* 8,338
600	Magna International Inc. 28,746	4,200	Biogen Idec Inc.* 308,238
8,900	Tenneco Inc.* 377,805	2,500	Celgene Corp.* 143,825
6,600	TRW Automotive Holdings Corp.* 363,528	74,000	Cell Therapeutics, Inc.* 27,528
	2,072,671	600	Cephalon, Inc.* 45,468

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

Shares		Value	Shares		Value
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)			Capital Markets — 1.7% (Continued)		
COMMON STOCKS — 97.7% (a) (Continued)					
Biotechnology — 1.0% (Continued)					
2,900	Dendreon Corp.*	\$ 108,547	4,700	Raymond James Financial, Inc.	\$ 179,728
3,300	Dynavax Technologies Corporation*	9,108	2,000	Safeguard Scientifics, Inc.*	40,700
4,000	Gilead Sciences, Inc.*	169,760	13,400	The Charles Schwab Corporation	241,602
4,900	Human Genome Sciences, Inc.*	134,505	2,400	SEI Investments Co.	57,312
13,400	Incyte Corp.*	212,390	3,600	State Street Corp.	161,784
1,600	Regeneron Pharmaceuticals, Inc.*	71,904	9,900	TD Ameritrade Holding Corp.	206,613
3,300	Savient Pharmaceuticals Inc.*	34,980	2,800	Virtus Investment Partners Inc.*	164,976
4,000	SciClone Pharmaceuticals, Inc.*	16,160	4,400	Waddell & Reed Financial, Inc.	178,684
4,300	United Therapeutics Corporation*	288,186			4,311,655
1,700	Vertex Pharmaceuticals Inc.*	81,481	Chemicals — 3.1%		
4,000	Vical Inc.*	11,840	5,200	Agrium Inc.	479,752
5,400	XOMA Ltd.*	15,228	2,400	Airgas, Inc.	159,408
		2,515,464	4,100	Albemarle Corporation	245,057
Building Products — 0.2%			1,500	CF Industries Holdings, Inc.	205,185
1,500	Armstrong World Industries, Inc.	69,405	2,500	China Agritech, Inc.*(b)	15,625
13,000	Masco Corp.	180,960	2,200	China GengSheng Minerals Inc.*	6,710
3,300	Owens Corning Inc.*	118,767	1,500	Cytec Industries Inc.	81,555
		369,132	8,600	The Dow Chemical Co.	324,650
Capital Markets — 1.7%			10,600	E.I. du Pont de Nemours and Co.	582,682
1,100	Affiliated Managers Group, Inc.*	120,307	2,900	Eastman Chemical Co.	288,028
2,800	Ameriprise Financial, Inc.	171,024	9,300	Ferro Corporation*	154,287
7,000	Bank of New York Mellon Corp.	209,090	3,600	FMC Corporation	305,748
8,400	BGC Partners, Inc.	78,036	8,300	W. R. Grace & Co.*	317,807
700	Credit Suisse Group AG - SP-ADR	29,806	4,000	Huntsman Corporation	69,520
2,100	Deutsche Bank AG	124,047	7,500	International Flavors & Fragrances Inc.	467,250
7,030	E*Trade Financial Corp.*	109,879	8,900	Intrepid Potash, Inc.*	309,898
5,900	Financial Engines, Inc.*	162,604	4,200	Koppers Holdings, Inc.	179,340
2,100	Franklin Resources, Inc.	262,668	8,100	Kraton Performance Polymers, Inc.*	309,825
3,800	The Goldman Sachs Group, Inc.	602,186	4,300	Kronos Worldwide, Inc.	251,335
2,000	Golub Capital BDC Inc.	31,560	5,800	LyondellBasell Industries N.V.*	229,390
3,200	Invesco Limited	81,792	5,600	Monsanto Company	404,656
10,000	Janus Capital Group Inc.	124,700	5,600	The Mosaic Co.	441,000
4,700	Jefferies Group, Inc.	117,218	4,600	Nalco Holding Co.	125,626
3,000	Lazard Ltd.	124,740	600	NewMarket Corporation	94,932
2,100	Legg Mason, Inc.	75,789	7,100	Olin Corp.	162,732
2,300	Morgan Stanley	62,836	6,600	Potash Corporation of Saskatchewan Inc.	388,938
1,000	Northern Trust Corp.	50,750	4,300	PPG Industries, Inc.	409,403
1,200	Piper Jaffray Companies, Inc.*	49,716	1,300	Praxair, Inc.	132,080
7,400	T. Rowe Price Group Inc.	491,508	3,800	RPM International, Inc.	90,174

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Commercial Services & Supplies — 0.7% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)		3,600	Iron Mountain Incorporated \$ 112,428
Chemicals — 3.1% (Continued)		2,700	Herman Miller, Inc. 74,223
1,700	The Scotts Miracle-Gro Company \$ 98,345	1,500	Pitney Bowes Inc. 38,535
2,400	Sigma-Aldrich Corp. 152,736	2,200	Republic Services, Inc. 66,088
7,500	Solutia Inc.* 190,500	13,400	RINO International Corp.* 23,986
500	Syngenta AG - SP-ADR 32,585	10,050	Rollins, Inc. 204,015
2,200	The Valspar Corp. 86,020	25,600	The Standard Register Co. 84,992
1,600	Yara International ASA - SP-ADR 81,280	2,800	Stericycle, Inc.* 248,276
	7,874,059	3,700	Sykes Enterprises, Inc.* 73,149
Commercial Banks — 1.0%		3,100	Waste Connections, Inc. 89,249
2,300	Banco Santander S.A. - SP-ADR 26,956	3,800	Waste Management, Inc. 141,892
1,100	Bank of Hawaii Corp. 52,602		1,783,187
700	Bank of Montreal 45,486	Communications Equipment — 3.2%	
1,900	Bank of Nova Scotia 116,641	3,400	Acme Packet, Inc.* 241,264
1,100	Barclays PLC 19,954	4,100	ADTRAN, Inc. 174,086
4,800	BB&T Corp. 131,760	10,200	Alcatel-Lucent - SP-ADR* 59,262
5,500	CapitalSource Inc. 38,720	5,700	Anaren, Inc.* 114,570
900	CIT Group Inc.* 38,295	13,200	Aruba Networks Inc.* 446,688
7,300	East West Bancorp, Inc. 160,308	1,000	Black Box Corporation 35,150
16,400	Fifth Third Bancorp 227,632	1,000	Blue Coat Systems, Inc.* 28,160
2,600	First Horizon National Corporation 29,146	9,700	Brocade Communications Systems, Inc.* 59,655
7,400	Hudson City Bancorp, Inc. 71,632	23,700	Ciena Corp.* 615,252
21,500	Huntington Bancshares Inc. 142,760	11,800	Cisco Systems, Inc.* 202,370
18,800	KeyCorp 166,944	13,800	L.M. Ericsson Telephone Co. 177,468
3,100	Marshall & Ilsley Corp. 24,769	6,400	F5 Networks, Inc.* 656,448
1,600	PNC Financial Services Group, Inc. 100,784	29,975	Finisar Corp.* 737,385
12,700	Regions Financial Corp. 92,202	3,000	Harmonic Inc.* 28,140
7,400	SunTrust Banks, Inc. 213,416	1,000	Harris Corp. 49,600
9,000	Synovus Financial Corp. 21,600	11,100	Infinera Corporation* 93,129
2,300	The Toronto-Dominion Bank 203,757	5,700	Ituran Location and Control Ltd. 85,500
3,500	U.S. Bancorp 92,505	1,700	Ixia* 26,996
6,900	Wells Fargo & Co. 218,730	35,700	JDS Uniphase Corp.* 743,988
10,700	Zions Bancorporation 246,742	11,400	Juniper Networks, Inc.* 479,712
	2,483,341	600	Loral Space & Communications Inc.* 46,530
Commercial Services & Supplies — 0.7%		3,800	Motorola Mobility Holdings Inc.* 92,720
3,700	Avery Dennison Corp. 155,252	2,600	Motorola Solutions, Inc.* 116,194
1,000	Consolidated Graphics, Inc.* 54,630	7,000	NETGEAR, Inc.* 227,080
4,300	Copart, Inc.* 186,319	6,500	Nokia Corp. - SP-ADR 55,315
7,200	A.T. Cross Company* 76,752	3,200	Plantronics, Inc. 117,184
2,700	R.R. Donnelley & Sons Company 51,084		
4,033	IESI-BFC Ltd. 102,317		

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

Shares	Value	Shares	Value
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Construction & Engineering — 0.6% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)		2,000	Jacobs Engineering Group Inc.* \$ 102,860
Communications Equipment — 3.2% (Continued)		1,400	Quanta Services, Inc.* 31,402
2,900	Polycom, Inc.* \$ 150,365	2,300	The Shaw Group Inc.* 81,443
12,000	QUALCOMM, Inc. 657,960		1,434,535
800	RADWARE Ltd.* 28,352	Construction Materials — 0.0%	
7,300	Research In Motion Ltd.* 412,961	1,800	Vulcan Materials Company 82,080
10,000	Riverbed Technology, Inc.* 376,500	Consumer Finance — 0.5%	
17,000	Sierra Wireless Inc.* 185,810	4,930	American Express Co. 222,836
10,000	Sonus Networks, Inc.* 37,600	5,100	Capital One Financial Corp. 264,996
2,800	Sycamore Networks, Inc. 68,404	19,500	Discover Financial Services 470,340
9,700	Tellabs, Inc. 50,828	4,100	World Acceptance Corporation* 267,320
2,900	ViaSat, Inc.* 115,536		1,225,492
20,600	Westell Technologies, Inc.* 72,100	Consumer Services – Diversified — 0.1%	
	7,866,262	3,800	Coinstar, Inc.* 174,496
Computers & Peripherals — 4.3%		2,300	H&R Block, Inc. 38,502
21,450	Apple Inc.* 7,474,253	500	New Oriental Education & Technology Group, Inc. - SP-ADR* . 50,035
2,900	Concurrent Computer Corporation* . . . 18,444	700	Pre-Paid Legal Services, Inc.* 46,200
4,400	Dell Inc.* 63,844	1,000	Sotheby's 52,600
1,500	Electronics for Imaging, Inc.* 22,065		361,833
17,000	EMC Corp.* 451,350	Containers & Packaging — 0.4%	
6,100	Hewlett-Packard Co. 249,917	4,400	Ball Corp. 157,740
5,900	Hutchinson Technology Inc.* 16,638	51,700	Boise, Inc. 290,372
4,400	International Business Machines Corp. 717,508	6,600	Crown Holdings, Inc.* 254,628
1,200	Lexmark International, Inc.* 44,448	3,500	Owens-Illinois, Inc.* 105,665
4,900	Logitech International S. A.* 88,837	7,100	Sealed Air Corp. 189,286
6,700	NetApp, Inc.* 322,806		997,691
3,800	QLogic Corp.* 70,490	Distributors — 0.1%	
7,500	SanDisk Corp.* 345,675	4,100	Genuine Parts Co. 219,924
9,600	Seagate Technology PLC* 138,240	Electric Utilities — 0.1%	
1,200	Silicon Graphics International Corporation* 25,680	700	CPFL Energia S.A. - SP-ADR 61,187
9,100	STEC Inc.* 182,819	1,000	Exelon Corp 41,240
6,100	Teradata Corp.* 309,270	1,000	Progress Energy, Inc. 46,140
7,100	Western Digital Corp.* 264,759	5,000	Westar Energy, Inc. 132,100
	10,807,043		280,667
Construction & Engineering — 0.6%		Electrical Equipment — 1.3%	
6,000	Chicago Bridge & Iron Company N. V. NYS 243,960	2,000	A123 Systems Inc.* 12,700
9,200	Fluor Corp. 677,672	4,100	ABB Limited - SP-ADR 99,179
7,900	Foster Wheeler AG* 297,198		

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Electronic Equipment, Instruments & Components — 1.6% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)		14,200	Vishay Intertechnology, Inc.* \$ 251,908
Electrical Equipment — 1.3% (Continued)		6,642	Vishay Precision Group Inc.* 104,080
8,100	Babcock & Wilcox Co.* \$ 270,378		3,999,304
3,800	Cooper Industries PLC 246,620	Energy Equipment & Services — 3.2%	
3,200	Emerson Electric Co. 186,976	5,200	Atwood Oceanics, Inc.* 241,436
6,900	Hubbell Incorporated, CL B 490,107	6,200	Baker Hughes Inc. 455,266
3,700	Polypore International, Inc.* 213,046	7,800	Cameron International Corp.* 445,380
5,900	Rockwell Automation, Inc. 558,435	14,100	CGG-Veritas - SP-ADR* 510,279
5,200	Roper Industries, Inc. 449,592	800	Dawson Geophysical Company* 35,104
10,200	Satcon Technology Corporation* 39,372	3,900	Diamond Offshore Drilling, Inc. 303,030
6,600	Sensata Technologies Holding N.V.* .. 229,218	2,400	Dresser-Rand Group, Inc.* 128,688
3,550	A.O. Smith Corp. 157,407	1,300	Dril-quip, Inc.* 102,739
4,400	Thomas & Betts Corp.* 261,668	2,000	Ensco PLC - SP-ADR 115,680
	3,214,698	2,400	FMC Technologies, Inc.* 226,752
Electronic Equipment, Instruments & Components — 1.6%		8,000	Halliburton Co. 398,720
7,700	Agilent Technologies, Inc.* 344,806	3,200	Helmerich & Payne, Inc. 219,808
1,200	Arrow Electronics, Inc.* 50,256	5,300	Lufkin Industries, Inc. 495,391
5,100	Avnet, Inc.* 173,859	9,000	Nabors Industries Ltd.* 273,420
2,500	AVX Corporation 37,275	8,000	National-Oilwell Varco Inc. 634,160
4,500	Brightpoint, Inc.* 48,780	2,500	Newpark Resources, Inc.* 19,650
5,000	Coherent, Inc.* 290,550	1,000	Oil States International, Inc.* 76,140
9,500	Corning Inc. 195,985	14,300	Parker Drilling Co.* 98,813
1,000	Dolby Laboratories Inc.* 49,210	8,300	Patterson-UTI Energy, Inc. 243,937
1,700	DTS, Inc.* 79,271	6,000	Precision Drilling Corporation* 81,240
8,800	Fabrinet* 177,408	10,000	Rowan Companies, Inc.* 441,800
10,900	Flextronics International Ltd.* 81,423	11,200	RPC, Inc. 283,584
3,900	FLIR Systems, Inc. 134,979	13,889	Schlumberger Ltd. 1,295,288
6,000	Hitachi, Ltd. 309,780	4,700	Tenaris S.A. - SP-ADR 232,462
3,000	Itron, Inc.* 169,320	6,400	Transocean Ltd.* 498,880
6,400	Jabil Circuit, Inc. 130,752	9,000	Weatherford International Ltd.* 203,400
18,100	LeCroy Corporation* 241,997		8,061,047
3,700	Mercury Computer Systems, Inc.* .. 78,292	Financial Services – Diversified — 0.6%	
6,000	Molex Inc. 150,720	16,800	Bank of America Corp. 223,944
4,300	Power-One, Inc.* 37,625	1,200	CBOE Holdings Inc. 34,764
13,600	Sanmina-SCI Corp.* 152,456	54,200	Citigroup Inc.* 239,564
5,800	TE Connectivity Limited 201,956	300	IntercontinentalExchange Inc.* 37,062
3,800	Tech Data Corp.* 193,268	7,100	JPMorgan Chase & Co. 327,310
6,200	Trimble Navigation Ltd.* 313,348	8,700	Leucadia National Corporation 326,598
		2,400	Moody's Corporation 81,384
		2,500	The NASDAQ OMX Group, Inc.* 64,600

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Food Products — 1.4% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)		4,400	The J.M. Smucker Co. \$ 314,116
Financial Services – Diversified — 0.6% (Continued)		2,300	TreeHouse Foods, Inc.* 130,801
13,800	NewStar Financial, Inc.* \$ 150,696	2,000	Tyson Foods, Inc. 38,380
1,500	NYSE Euronext 52,755	1,500	Unilever PLC - SP-ADR 45,930
	1,538,677		3,479,313
Food & Staples Retailing — 1.4%		Gas Utilities — 0.2%	
1,000	BJ's Wholesale Club, Inc.* 48,820	7,700	ONEOK, Inc. 514,976
17,500	Costco Wholesale Corp. 1,283,100		
10,400	CVS Caremark Corp. 356,928	Health Care Equipment & Supplies — 1.6%	
13,800	The Great Atlantic & Pacific	1,100	C.R. Bard, Inc. 109,241
	Tea Company, Inc.* 3,174	3,800	Baxter International Inc. 204,326
1,200	The Kroger Co. 28,764	2,700	Becton, Dickinson & Co. 214,974
4,600	PriceSmart, Inc. 168,544	6,800	Boston Scientific Corporation* 48,892
2,900	Safeway Inc. 68,266	5,700	BSD Medical Corporation* 25,536
9,700	SUPERVALU Inc. 86,621	6,000	Cyberonics, Inc.* 190,860
5,100	United Natural Foods, Inc.* 228,582	5,200	Delcath Systems Inc.* 38,324
6,000	Walgreen Co. 240,840	1,200	DENTSPLY International Inc. 44,388
2,200	Wal-Mart Stores, Inc. 114,510	3,400	Edwards Lifesciences Corp.* 295,800
11,200	Whole Foods Market, Inc. 738,080	3,000	Gen-Probe Incorporated* 199,050
3,200	Winn-Dixie Stores, Inc.* 22,848	2,400	Haemonetics Corporation* 157,296
	3,389,077	6,200	Hologic, Inc.* 137,640
Food Products — 1.4%		2,300	Hospira, Inc.* 126,960
6,570	Archer-Daniels-Midland Co. 236,586	3,100	IDEXX Laboratories, Inc.* 239,382
13,800	B & G Foods Inc. 259,026	1,700	Immucor, Inc.* 33,626
2,900	Bunge Limited 209,757	2,000	Kinetic Concepts, Inc.* 108,840
4,400	Chiquita Brands International, Inc.* 67,496	4,400	Medtronic, Inc. 173,140
1,500	ConAgra Foods, Inc. 35,625	4,100	ResMed Inc.* 123,000
2,500	Dean Foods Company* 25,000	2,700	Sirona Dental Systems, Inc.* 135,432
2,000	Diamond Foods, Inc. 111,600	1,000	Smith & Nephew PLC - SP-ADR 56,410
2,000	Dole Food Company, Inc.* 27,260	5,000	St. Jude Medical, Inc.* 256,300
9,100	Green Mountain Coffee Roasters, Inc.* 587,951	4,300	Stryker Corp. 261,440
9,600	The Hain Celestial Group, Inc.* 309,888	7,400	Varian Medical Systems, Inc.* 500,536
4,000	The Hershey Co. 217,400	1,700	Zimmer Holdings, Inc.* 102,901
8,000	Hormel Foods Corporation 222,720	8,000	Zoll Medical Corporation* 358,480
600	Kellogg Co. 32,388		4,142,774
1,200	Kraft Foods Inc. 37,632	Health Care Providers & Services — 2.7%	
3,000	McCormick & Company, Inc. 143,490	2,400	Aetna Inc. 89,832
1,200	Mead Johnson Nutrition Company 69,516	2,900	Air Methods Corporation* 195,025
1,200	Ralcorp Holdings, Inc.* 82,116	5,100	AMERIGROUP Corporation* 327,675
13,500	Sara Lee Corp. 238,545	10,300	AmerisourceBergen Corp. 407,468
1,500	Smithfield Foods, Inc.* 36,090	1,500	Brookdale Senior Living Inc.* 42,000

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Health Care Technology — 0.3% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)		3,400	Quality Systems, Inc. \$ 283,356
Health Care Providers & Services — 2.7% (Continued)			756,292
3,000	Cardinal Health, Inc. \$ 123,390	Home Building — 0.5%	
5,200	CIGNA Corp. 230,256	8,000	Beazer Homes USA, Inc.* 36,560
1,400	Community Health Systems Inc.* 55,986	10,100	D.R. Horton, Inc. 117,665
3,000	CorVel Corporation* 159,540	3,500	Gafisa S.A. - SP-ADR 44,940
9,500	Coventry Health Care, Inc.* 302,955	21,500	Hovnanian Enterprises, Inc.* 75,895
1,000	DaVita, Inc.* 85,510	11,200	KB Home 139,328
2,900	Ensign Group, Inc. 92,597	10,400	Lennar Corp. 188,448
5,400	Express Scripts, Inc.* 300,294	5,100	Meritage Homes Corp.* 123,063
6,300	Fresenius Medical Care AG & Co. KGaA - SP-ADR 425,376	8,875	Pulte Group Inc.* 65,675
15,400	Health Management Associates, Inc.* 167,860	5,900	The Ryland Group, Inc. 93,810
6,000	Health Net Inc.* 196,200	18,300	Standard Pacific Corp.* 68,259
1,200	HEALTHSOUTH Corp.* 29,976	12,200	Toll Brothers, Inc.* 241,194
4,300	Healthspring, Inc.* 160,691		1,194,837
7,700	Humana Inc.* 538,538	Hotels, Restaurants & Leisure — 3.9%	
500	Laboratory Corporation of America Holdings* 46,065	5,300	7 Days Group Holdings Ltd. - SP-ADR* 107,484
600	Lincare Holdings Inc. 17,796	1,000	BJ's Restaurants Inc.* 39,330
1,600	Magellan Health Services, Inc.* 78,528	19,900	Boyd Gaming Corp.* 186,463
4,600	McKesson Corp. 363,630	9,000	Brinker International, Inc. 227,700
2,100	Medco Health Solutions, Inc.* 117,936	700	Buffalo Wild Wings Inc.* 38,101
10,800	Molina Healthcare Inc.* 432,000	12,400	Caribou Coffee Company, Inc.* 126,108
2,000	Patterson Companies Inc. 64,380	2,000	Carnival Corp. 76,720
1,700	PSS World Medical, Inc.* 46,155	5,600	The Cheesecake Factory Inc.* 168,504
2,200	Quest Diagnostics Inc. 126,984	1,400	Chipotle Mexican Grill, Inc.* 381,318
7,800	Rural/Metro Corp.* 132,912	2,800	Choice Hotels International, Inc. 108,780
1,800	Henry Schein, Inc.* 126,306	4,900	Cracker Barrel Old Country Store, Inc. 240,786
24,500	Tenet Healthcare Corp.* 182,525	10,000	Ctrip.com International, Ltd. - SP-ADR* 414,900
5,200	UnitedHealth Group Inc. 235,040	5,800	Darden Restaurants, Inc. 284,954
4,500	Universal Health Services, Inc. 222,345	3,300	Denny's Corp.* 13,398
3,800	WellCare Health Plans Inc.* 159,410	2,900	DineEquity, Inc.* 159,442
4,200	WellPoint Inc. 293,118	14,100	Domino's Pizza, Inc.* 259,863
	6,576,299	4,300	Home Inns & Hotels Management, Inc. - SP-ADR* 170,151
Health Care Technology — 0.3%		4,100	Hyatt Hotels Corp.* 176,464
2,400	Allscripts Healthcare Solutions, Inc.* 50,376	2,000	InterContinental Hotels Group PLC - SP-ADR 41,460
3,800	Cerner Corp.* 422,560	6,200	International Game Technology 100,626

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Household Durables — 1.0% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)		12,100	Tempur-Pedic International Inc.* \$ 612,986
Hotels, Restaurants & Leisure — 3.9% (Continued)		4,400	Tupperware Brands Corp. 262,724
61,130	Jamba, Inc.* \$ 134,486	2,000	Whirlpool Corp. 170,720
19,250	Krispy Kreme Doughnuts, Inc.* 135,520		2,491,511
24,700	Las Vegas Sands Corp.* 1,042,834	Household Products — 0.5%	
7,921	Marriott International Inc. 281,829	2,800	Church & Dwight Co., Inc. 222,152
7,200	McDonald's Corp. 547,848	2,600	The Clorox Co. 182,182
29,200	MGM Resorts International* 383,980	3,400	Colgate-Palmolive Co. 274,584
2,800	Panera Bread Co.* 355,600	1,000	Energizer Holdings, Inc.* 71,160
3,900	Papa John's International, Inc.* 123,513	2,500	Kimberly-Clark Corp. 163,175
4,100	Peet's Coffee & Tea Inc.* 197,169	5,500	The Procter & Gamble Co. 338,800
5,500	P.F. Chang's China Bistro, Inc. 254,045	1,900	WD-40 Co. 80,446
6,500	Royal Caribbean Cruises Ltd.* 268,190		1,332,499
2,200	Ruby Tuesday, Inc.* 28,842	Independent Power Producers & Energy Traders — 0.1%	
32,090	Ruth's Hospitality Group Inc.* 165,584	4,700	Calpine Corporation* 74,589
2,500	Shuffle Master, Inc.* 26,700	1,800	Constellation Energy Group Inc. 56,034
11,900	Starbucks Corp. 439,705		130,623
5,700	Starwood Hotels & Resorts Worldwide, Inc. 331,284	Industrial Conglomerates — 0.7%	
10,700	Tim Hortons, Inc. 484,817	4,600	3M Co. 430,100
9,400	Wendy's/Arby's Group, Inc. 47,282	29,100	General Electric Co. 583,455
5,500	Wyndham Worldwide Corp. 174,955	1,000	Koninklijke Philips Electronics N.V. NYS 32,170
4,450	Wynn Resorts Ltd. 566,263	13,400	McDermott International, Inc.* 340,226
8,900	Yum! Brands, Inc. 457,282	700	Siemens AG - SP-ADR 96,138
	9,770,280	8,800	Textron Inc. 241,032
Household Durables — 1.0%		1,200	Tyco International Ltd. 53,724
1,000	American Greetings Corporation 23,600		1,776,845
1,000	Ethan Allen Interiors Inc. 21,900	Insurance — 1.4%	
2,300	Garmin Ltd. 77,878	4,000	Aflac, Inc. 211,120
3,200	Harman International Industries, Inc.* 149,824	2,000	The Allstate Corporation 63,560
5,300	iRobot Corporation* 174,317	25,000	Ambac Financial Group, Inc.* 3,850
15,500	La-Z-Boy Inc.* 148,025	6,700	American International Group, Inc.* 235,438
1,200	Leggett & Platt, Incorporated 29,400	3,200	Aon Corporation 169,472
1,100	Mohawk Industries, Inc.* 67,265	1,600	Assurant, Inc. 61,616
13,700	Newell Rubbermaid Inc. 262,081	5,400	Berkshire Hathaway Inc. Cl B* 451,602
1,800	Panasonic Corporation 22,662	5,400	Brown & Brown, Inc. 139,320
2,000	SodaStream International Ltd.* 87,620	1,100	China Life Insurance Company, Ltd. - SP-ADR 61,655
3,700	Sony Corp. - SP-ADR 117,771	900	The Chubb Corporation 55,179
3,430	Stanley Black & Decker Inc. 262,738		

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Internet Software & Services — 4.2% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)			
Insurance — 1.4% (Continued)			
10,900	Genworth Financial Inc.*	2,000	Saba Software, Inc.*
5,400	Hartford Financial	6,900	SAVVIS, Inc.*
	Services Group, Inc.	5,600	SINA Corp.*
1,400	Lincoln National Corp.	4,700	Sohu.com Inc.*
5,000	Marsh & McLennan	5,200	Travelzoo Inc.*
	Companies, Inc.	21,500	ValueClick, Inc.*
22,600	MBIA Inc.*	7,700	VeriSign, Inc.
2,500	MetLife, Inc.	5,600	VistaPrint N.V.*
5,700	Prudential Financial, Inc.	19,700	Yahoo! Inc.*
5,300	Torchmark Corp.		
4,100	The Travelers Companies, Inc.		
	3,222,001		10,378,759
Internet & Catalog Retail — 1.4%		IT Services — 1.9%	
3,900	Amazon.com, Inc.*	3,700	Accenture PLC
700	Blue Nile, Inc.*	4,100	Acxiom Corp.*
14,300	Expedia, Inc.	800	Alliance Data Systems Corporation* ..
1,200	Makemytrip Ltd.*	5,500	Automatic Data Processing, Inc.
3,900	Netflix Inc.*	2,400	Broadridge Financial Solutions Inc. ...
2,300	Overstock.com, Inc.*	2,300	Camelot Information Systems, Inc.* ..
2,400	Priceline.com Inc.*	4,400	CIBER, Inc.*
4,700	Shutterstock, Inc.*	8,200	Cognizant Technology
			Solutions Corp.*
	3,522,801	1,800	Computer Sciences Corp.
Internet Software & Services — 4.2%		2,100	DST Systems, Inc.
15,300	Akamai Technologies, Inc.*	1,700	Fiserv, Inc.*
7,800	Ancestry.com, Inc.*	9,200	Gartner, Inc.*
22,400	Baidu, Inc. - SP-ADR*	2,300	The Hackett Group, Inc.*
4,700	Digital River, Inc.*	4,300	iGATE Corporation
16,100	eBay Inc.*	6,800	Infosys Technologies Ltd. - SP-ADR ..
2,500	Google Inc.*	600	Mastercard, Inc.
7,500	IAC/InterActiveCorp*	1,200	MAXIMUS, Inc.
5,300	Internet Initiative	4,600	Paychex, Inc.
	Japan Inc. - SP-ADR*	12,000	Sapient Corp.*
1,700	MercadoLibre Inc.*	5,200	Satyam Computer
7,100	Monster Worldwide, Inc.*		Services Ltd. - SP-ADR*
4,800	NetEase.com Inc. - SP-ADR*	3,900	Unisys Corp.*
1,000	Open Text Corporation*	19,400	VeriFone Systems, Inc.*
3,600	OpenTable, Inc.*	5,100	Visa Inc.
5,200	Rackspace Hosting, Inc.*	1,600	Western Union Company
2,000	Rediff.com India Limited - SP-ADR* ..		
			4,810,719
		Leisure Equipment & Products — 0.2%	
		20,700	Eastman Kodak Co.*
		2,600	Hasbro, Inc.

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Machinery — 4.7% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)			
Leisure Equipment & Products — 0.2% (Continued)			
10,400	Mattel, Inc. \$ 259,272	1,200	Oshkosh Corp.* \$ 42,456
6,100	Sturm, Ruger & Company, Inc. 140,117	3,400	PACCAR Inc. 177,990
	588,034	5,700	Pall Corp. 328,377
Life Sciences Tools & Services — 0.7%		5,800	Parker Hannifin Corp. 549,144
3,300	Affymetrix, Inc.* 17,193	1,000	Pentair, Inc. 37,790
12,000	Bruker Corp.* 250,200	2,000	Robbins & Myers, Inc. 91,980
6,200	Illumina, Inc.* 434,434	5,000	Snap-On, Inc. 300,300
2,500	Life Technologies Corporation* 131,050	12,700	Terex Corp.* 470,408
1,000	Mettler-Toledo International Inc.* 172,000	6,300	The Timken Company 329,490
5,100	Parexel International Corp.* 126,990	2,200	Titan International, Inc. 58,542
2,400	PerkinElmer, Inc. 63,048	1,500	Valmont Industries, Inc. 156,555
4,700	Sequenom Inc.* 29,751	1,000	Wabtec Corporation 67,830
4,400	Waters Corp.* 382,360		11,787,850
	1,607,026	Marine — 0.1%	
Machinery — 4.7%		14,900	DryShips Inc.* 73,755
5,100	AGCO Corporation* 280,347	1,000	Kirby Corporation* 57,290
5,400	Alamo Group Inc. 148,230		131,045
2,200	Briggs & Stratton Corp. 49,830	Media — 3.0%	
18,800	Caterpillar Inc. 2,093,380	22,100	Belo Corp.* 194,701
3,200	China Yuchai International Ltd.* 93,856	3,500	Cablevision Systems Corporation 121,135
3,600	CNH Global N.V.* 174,780	23,500	CBS Corp. Cl B Non-Voting 588,440
3,300	Crane Co. 159,819	13,300	Comcast Corp. 328,776
4,700	Cummins Inc. 515,214	10,000	DIRECTV* 468,000
4,200	Danaher Corp. 217,980	2,600	Discovery Communications, Inc.* 103,740
13,800	Deere & Co. 1,337,082	3,700	DISH Network Corp.* 90,132
3,800	Donaldson Company, Inc. 232,902	17,100	The Walt Disney Co. 736,839
2,000	Dover Corporation 131,480	10,900	Entercom Communications Corp.* 120,118
8,600	Eaton Corp. 476,784	7,400	Focus Media Holding Limited - ADR* 226,958
6,400	Gardner Denver Inc. 499,392	19,100	Gannett Co., Inc. 290,893
1,400	Hurco Companies, Inc.* 42,700	2,700	Grupo Televisa S.A. - SP-ADR* 66,231
3,700	IDEX Corporation 161,505	11,700	IMAX Corp.* 374,166
6,500	Illinois Tool Works Inc. 349,180	12,300	The Interpublic Group of Companies, Inc.* 154,611
7,900	Ingersoll-Rand PLC 381,649	3,200	Lamar Advertising Co.* 118,208
11,500	Joy Global Inc. 1,136,315	1,200	Liberty Global, Inc.* 49,692
5,400	Kennametal Inc. 210,600	8,800	Liberty Media Corp. - Capital Series A* 648,296
4,600	Manitowoc, Inc. 100,648	6,300	Live Nation Entertainment, Inc.* 63,000
1,100	Meritor, Inc.* 18,667	4,000	Martha Stewart Living Omnimedia, Inc.* 14,840
3,600	Navistar International Corp.* 249,588		
1,000	Nordson Corporation 115,060		

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

Shares		Value	Shares		Value
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)			Metals & Mining — 4.6% (Continued)		
COMMON STOCKS — 97.7% (a) (Continued)					
Media — 3.0% (Continued)					
16,900	The McClatchy Co.*	\$ 57,460	9,800	Gold Fields Ltd. - SP-ADR	\$ 171,108
4,100	The McGraw-Hill Companies, Inc.	161,540	4,920	Goldcorp, Inc.	245,016
4,300	Morningstar, Inc.	251,034	32,900	Golden Star Resources Ltd.*	97,713
22,300	The New York Times Co.*	211,181	14,900	Harmony Gold Mining Company Ltd. - SP-ADR	221,563
17,400	News Corp. CI B	323,988	17,700	Hecla Mining Co.*	160,716
2,900	Omnicom Group Inc.	142,274	6,200	IAMGOLD Corp.	136,524
4,000	Regal Entertainment Group	54,000	7,705	Ivanhoe Mines Ltd.*	211,579
1,200	Shaw Communications, Inc.	25,284	9,200	Kinross Gold Corp.	144,900
158,000	Sirius XM Radio Inc.*	262,280	3,100	Mechel - SP-ADR	95,449
6,000	Time Warner Cable Inc.	428,040	4,000	Molycorp, Inc.*	240,080
2,300	Time Warner Inc.	82,110	13,900	New Gold Inc.*	162,769
10,600	Viacom, Inc. CI B	493,112	4,400	Newmont Mining Corp.	240,152
12,100	Virgin Media Inc.	336,259	39,000	Northgate Minerals Corp.*	105,300
			25,300	NovaGold Resources Inc.*	328,900
		7,587,338	5,300	Nucor Corp.	243,906
			7,500	Pan American Silver Corp.	278,475
Metals & Mining — 4.6%			11,500	Paramount Gold and Silver Corporation*	44,620
1,100	Agnico-Eagle Mines Ltd.	72,985	700	Randgold Resources Ltd.*	57,078
5,500	AK Steel Holding Corp.	86,790	5,800	Rare Element Resources Ltd.*	76,386
20,500	Alcoa Inc.	361,825	2,600	Rio Tinto PLC - SP-ADR	184,912
3,300	Allegheny Technologies, Inc.	223,476	6,600	RTI International Metals, Inc.*	205,590
3,700	Aluminum Corporation of China Ltd. - SP-ADR*	87,579	9,900	Silver Standard Resources Inc.*	310,662
1,500	AngloGold Ashanti Ltd. - SP-ADR	71,925	11,500	Silver Wheaton Corp.	498,640
280	APERAM NYS	11,197	2,300	Silvercorp Metals Inc.	33,511
7,000	ArcelorMittal NYS	253,050	8,500	Southern Copper Corp.	342,295
7,600	Barrick Gold Corp.	394,516	5,100	Steel Dynamics, Inc.	95,727
2,300	BHP Billiton Ltd. - SP-ADR	220,524	2,900	Stillwater Mining Company*	66,497
23,200	China Precision Steel, Inc.*	39,440	24,000	Taseko Mines Ltd.*	142,320
5,400	Cliffs Natural Resources Inc.	530,712	7,100	Teck Resources Ltd. CI B	376,442
10,200	Coeur d' Alene Mines Corp.*	354,756	3,300	Ternium S.A. - SP-ADR	118,602
7,600	Commercial Metals Co.	131,252	4,800	Thompson Creek Metals Company, Inc.*	60,192
7,100	Companhia Siderurgica Nacional S.A. - SP-ADR	118,286	13,000	Titanium Metals Corp.*	241,540
1,700	Compass Minerals International, Inc.	159,001	7,900	United States Steel Corp.	426,126
9,100	Eldorado Gold Corp.	147,966	13,000	Vale S.A. - SP-ADR	433,550
16,700	Freeport-McMoRan Copper & Gold Inc.	927,685	2,400	Walter Energy, Inc.	325,032
4,700	Fronteer Gold, Inc.*	70,829	11,500	Yamana Gold Inc.	141,565
6,700	Gammon Gold, Inc.*	70,015			11,599,246

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

Shares	Value	Shares	Value
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Oil, Gas & Consumable Fuels — 6.4% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)			
Multiline Retail — 1.3%			
3,400	Big Lots, Inc.*	\$	147,662
11,800	Dillard's, Inc.		473,416
2,100	Dollar General Corp.*		65,835
8,950	Dollar Tree, Inc.*		496,904
6,100	Family Dollar Stores, Inc.		313,052
2,900	Kohl's Corp.		153,816
11,500	Macy's, Inc.		278,990
11,500	Nordstrom, Inc.		516,120
4,900	J.C. Penney Company, Inc.		175,959
5,400	Retail Ventures, Inc.*		93,150
27,000	Saks, Inc.*		305,370
400	Sears Holdings Corp.*		33,060
5,400	Target Corp.		270,054
8,300	Tuesday Morning Corp.*		40,670
			3,364,058
Multi-Utilities — 0.1%			
4,200	CMS Energy Corporation		82,488
1,100	Dominion Resources, Inc.		49,170
8,400	NiSource Inc.		161,112
2,400	Wisconsin Energy Corporation		73,200
			365,970
Office Electronics — 0.2%			
1,900	CANON INC. - SP-ADR		82,365
16,067	Xerox Corp.		171,114
4,300	Zebra Technologies Corporation*		168,732
			422,211
Oil, Gas & Consumable Fuels — 6.4%			
3,600	Alpha Natural Resources, Inc.*		213,732
3,500	Anadarko Petroleum Corp.		286,720
2,100	Apache Corp.		274,932
5,800	Arch Coal, Inc.		209,032
4,036	BP- PLC - SP-ADR		178,148
4,000	BPZ Resources, Inc.*		21,240
28,300	Brigham Exploration Co.*		1,052,194
5,400	Cabot Oil & Gas Corp.		286,038
2,200	Cameco Corporation		66,088
8,000	Canadian Natural Resources Ltd.		395,440
1,100	Carrizo Oil & Gas, Inc.*		40,623
7,410	Cenovus Energy Inc.		291,806
4,050	Chesapeake Energy Corp.	\$	135,756
4,100	Chevron Corp.		440,463
2,600	Cimarex Energy Co.		299,624
600	CNOOC Ltd.		151,824
4,400	Concho Resources Inc.*		472,120
5,100	ConocoPhillips		407,286
1,800	Continental Resources, Inc.*		128,646
5,900	Devon Energy Corp.		541,443
15,200	El Paso Corp.		273,600
4,100	Enbridge Inc.		251,945
4,500	EnCana Corp.		155,385
1,500	EOG Resources, Inc.		177,765
2,625	Exxon Mobil Corp.		220,841
3,200	Forest Oil Corp.*		121,056
4,300	Frontier Oil Corp.		126,076
8,100	GeoResources, Inc.*		253,287
2,500	Gulfport Energy Corporation*		90,375
3,000	Hess Corp.		255,630
6,800	Holly Corp.		413,168
4,800	International Coal Group, Inc.*		54,240
25,500	Ivanhoe Energy, Inc.*		71,655
3,800	James River Coal Company*		91,846
22,100	Kodiak Oil & Gas Corp.*		148,070
5,700	Linn Energy LLC		221,901
4,100	Marathon Oil Corp.		218,571
8,200	Massey Energy Co.		560,552
2,400	McMoRan Exploration Co.*		42,504
1,000	Murphy Oil Corp.		73,420
2,200	Newfield Exploration Co.*		167,222
3,000	Nexen Inc.		74,760
3,000	Noble Energy, Inc.		289,950
3,800	Occidental Petroleum Corp.		397,062
10,300	Patriot Coal Corp.*		266,049
9,400	Peabody Energy Corp.		676,424
600	PetroChina Company Ltd.		91,350
4,200	Petroleo Brasileiro S.A. - SP-ADR		169,806
1,600	Petroleum Development Corporation*		76,816
3,100	Pioneer Natural Resources Co.		315,952
1,200	Plains Exploration & Production Company*		43,476
1,400	Range Resources Corp.		81,844

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Semiconductors & Semiconductor Equipment — 4.8% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)			
Real Estate Management & Development — 0.2%			
7,900	CB Richard Ellis Group, Inc.*	1,600	Canadian Solar Inc.*
600	Jones Lang LaSalle Incorporated	1,000	Cavium Networks, Inc.*
5,100	The St. Joe Company*	12,700	Cirrus Logic, Inc.*
	\$ 210,930	26,900	Conexant Systems, Inc.*
	59,844	5,100	Cree, Inc.*
	127,857	1,400	Cymer, Inc.*
	398,631	24,700	Cypress Semiconductor Corp.*
Road & Rail — 1.8%		8,800	Entegris Inc.*
1,200	Arkansas Best Corp.	17,500	Entropic Communications, Inc.*
5,900	Avis Budget Group, Inc.*	1,500	Evergreen Solar, Inc.*
5,200	Canadian National Railway Company	2,700	EZchip Semiconductor Ltd.*
700	Canadian Pacific Railway Limited	17,200	Fairchild Semiconductor International, Inc.*
11,400	CSX Corp.	3,900	GT Solar International Inc.*
4,000	Dollar Thrifty Automotive Group, Inc.*	5,200	Integrated Device Technology, Inc.*
1,900	Genesee & Wyoming, Inc.*	2,600	Intel Corporation
14,000	Hertz Global Holdings, Inc.*	2,900	JinkoSolar Holding Company Limited - ADR*
3,100	J.B. Hunt Transportation Services, Inc.	7,800	KLA-Tencor Corp.
8,600	Kansas City Southern*	14,200	Kulicke and Soffa Industries, Inc.*
9,100	Norfolk Southern Corp.	5,000	Lam Research Corp.*
3,700	Old Dominion Freight Line, Inc.*	35,100	Lattice Semiconductor Corp.*
4,000	RailAmerica Inc.*	1,000	Linear Technology Corporation
7,200	Ryder Systems, Inc.	16,500	LSI Corp.*
6,700	Union Pacific Corp.	6,599	LTX-Credence Corporation*
2,400	YRC Worldwide, Inc.*	7,400	Marvell Technology Group Ltd.*
	4,224	9,000	Mattson Technology, Inc.*
	4,530,352	4,300	Maxim Integrated Products, Inc.
Semiconductors & Semiconductor Equipment — 4.8%		4,600	MEMC Electronic Materials, Inc.*
19,500	Advanced Micro Devices, Inc.*	1,800	Micrel, Inc.
11,500	Altera Corp.	5,100	Microchip Technology Inc.
5,400	Amkor Technology, Inc.*	25,100	Micron Technology, Inc.*
3,700	Analog Devices, Inc.	11,400	Mindspeed Technologies Inc.*
15,700	Applied Materials, Inc.	17,500	MIPS Technologies, Inc.*
5,300	Applied Micro Circuits Corp.*	2,500	Nanometrics Incorporated*
6,100	ARM Holdings PLC - SP-ADR	8,800	Netlogic Microsystems Inc.*
4,300	ASM International N.V.*	6,700	Novellus Systems, Inc.*
7,400	ASML Holding N.V. NYS	14,800	NVIDIA Corp.*
1,800	Atheros Communications, Inc.*	6,100	OmniVision Technologies, Inc.*
38,300	Atmel Corp.*	38,200	ON Semiconductor Corp.*
8,200	Broadcom Corp.		

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Specialty Retail — 4.3% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)			
Solar — 0.4% (Continued)			
9,700 Suntech Power Holdings Co., Ltd. - SP-ADR*	\$ 95,642	12,700 Limited Brands, Inc.	\$ 417,576
3,400 Trina Solar Ltd.*	102,408	4,400 Lithia Motors, Inc.	64,152
11,000 Yingli Green Energy Holding Company Ltd. - SP-ADR*	141,900	12,200 Lowe's Companies, Inc.	322,446
	<u>973,310</u>	3,300 O'Reilly Automotive, Inc.*	189,618
		37,000 Office Depot, Inc.*	171,310
		15,100 OfficeMax Inc.*	195,394
		11,700 The Pep Boys-Manny Moe & Jack	148,707
		8,900 PetSmart, Inc.	364,455
		48,300 Pier 1 Imports, Inc.*	490,245
		3,300 RadioShack Corp.	49,533
		6,500 Rent-A-Center, Inc.	226,915
		4,100 Ross Stores, Inc.	291,592
		2,900 The Sherwin-Williams Co.	243,571
		3,800 Signet Jewelers Ltd.*	174,876
		5,000 Staples, Inc.	97,100
		7,000 Stein Mart, Inc.	70,770
		3,100 Talbots, Inc.*	18,724
		4,200 Tiffany & Co.	258,048
		2,800 The TJX Companies, Inc.	139,244
		5,300 Tractor Supply Company	317,258
		8,100 Ulta Salon, Cosmetics & Fragrance, Inc.*	389,853
		4,900 Urban Outfitters, Inc.*	146,167
		5,100 West Marine, Inc.*	53,193
		6,700 Williams-Sonoma, Inc.	271,350
		3,300 Zale Corporation*	13,167
		4,800 Zumiez Inc.*	<u>126,864</u>
			10,815,594
		Telecommunication Services – Diversified — 0.8%	
		29,600 8x8, Inc.*	83,176
		6,300 AT&T Inc.	192,780
		5,500 BT Group PLC - SP-ADR	165,440
		2,100 CenturyTel, Inc.	87,255
		8,300 China Unicom (Hong Kong) Ltd. - SP-ADR	137,780
		1,880 Chunghwa Telecom Co., Ltd. - SP-ADR	58,581
		4,200 City Telecom (H.K.) Ltd. - SP-ADR	63,546
		6,488 Frontier Communications Corporation	53,331
		34,500 Level 3 Communications, Inc.*	50,715

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)		Textiles, Apparel & Luxury Goods — 1.6% (Continued)	
COMMON STOCKS — 97.7% (a) (Continued)			
Telecommunication Services – Diversified — 0.8% (Continued)			
29,600	Qwest Communications International Inc. \$ 202,168	3,600	NIKE, Inc. Cl B \$ 272,520
10,300	tw telecom inc.* 197,760	3,600	Phillips-Van Heusen Corp. 234,108
11,100	Verizon Communications Inc. 427,794	2,000	Polo Ralph Lauren Corp. 247,300
8,900	VimpelCom Ltd. 125,668	1,600	Skechers U.S.A., Inc.* 32,864
2,800	VocalTec Communications Ltd.* 60,480	7,400	The Timberland Co.* 305,546
11,400	Windstream Corporation 146,718	1,500	True Religion Apparel, Inc.* 35,205
	2,053,192	4,500	Under Armour, Inc.* 306,225
Telecommunication Services – Wireless — 0.7%		1,800	VF Corp. 177,354
6,620	American Tower Corp.* 343,048		3,898,321
600	Crown Castle International Corp.* 25,530	Thrifts & Mortgage Finance — 0.0%	
4,500	Leap Wireless International, Inc.* 69,705	4,100	First Niagara Financial Group, Inc. 55,678
17,200	MetroPCS Communications, Inc.* 279,328	1,700	NewAlliance Bancshares, Inc. 25,228
900	Millicom International Cellular S.A. 86,553		80,906
7,700	Mobile TeleSystems - SP-ADR 163,471	Tobacco — 0.3%	
4,200	NII Holdings Inc.* 175,014	7,800	Altria Group Inc. 203,034
4,000	NTT DOCOMO, Inc. - SP-ADR 70,360	7,000	Philip Morris International Inc. 459,410
34,500	Sprint Nextel Corp.* 160,080	3,900	Reynolds American Inc. 138,567
1,900	Turkcell Iletisim Hizmetleri AS - SP-ADR 28,557		801,011
1,000	Vivo Participacoes S.A. - SP-ADR 40,380	Trading Companies & Distributors — 0.4%	
9,300	Vodafone Group PLC - SP-ADR 267,375	6,300	Fastenal Co. 408,429
	1,709,401	700	W.W. Grainger, Inc. 96,376
Textiles, Apparel & Luxury Goods — 1.6%		1,400	TAL International Group, Inc. 50,778
4,500	Coach, Inc. 234,180	10,020	Titan Machinery, Inc.* 253,005
2,200	Kenneth Cole Productions, Inc.* 28,534	4,900	United Rentals, Inc.* 163,072
32,900	Crocs, Inc.* 586,936	1,000	WESCO International, Inc.* 62,500
5,300	Deckers Outdoor Corp.* 456,595		1,034,160
3,000	Fossil, Inc.* 280,950	Water Utilities — 0.1%	
1,200	G-III Apparel Group, Ltd.* 45,096	8,800	American Water Works Co., Inc. 246,840
400	Gildan Activewear Inc. 13,108	Total common stocks (cost \$203,342,999) 244,241,482	
2,200	Iconix Brand Group, Inc.* 47,256		
13,000	Joe's Jeans, Inc.* 13,780		
2,200	The Jones Group Inc. 30,250		
12,500	Liz Claiborne, Inc.* 67,375		
2,300	Lululemon Athletica Inc.* 204,815		
6,200	Luxtistica Group SPA - SP-ADR 203,236		
1,600	Steven Madden, Ltd.* 75,088		

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

SCHEDULE OF INVESTMENTS (Continued)

March 31, 2011 (Unaudited)

<u>Shares</u>	<u>Value</u>
LONG-TERM INVESTMENTS — 98.2% (a) (Continued)	
REITS — 0.3% (a)	
Real Estate Investment Trusts — 0.3%	
1,800 Annaly Capital Management Inc.	\$ 31,410
7,200 Chimera Investment Corporation	28,512
1,000 Hatteras Financial Corp.	28,120
4,400 Host Hotels & Resorts Inc.	77,484
2,800 OMEGA Healthcare Investors, Inc.	62,552
1,000 Rayonier Inc.	62,310
1,000 Ventas, Inc.	54,300
17,700 Weyerhaeuser Co.	435,420
	<u>780,108</u>
Total REITS	
(cost \$862,343)	<u>780,108</u>
WARRANTS — 0.0% (a)	
3,150 American International Group, Inc.,*	
Expiration Date - 01/19/21,	
Exercise Price - \$45.00	35,060
70 Krispy Kreme Doughnuts, Inc.,*	
Expiration Date - 03/02/12,	
Exercise Price - \$12.21	12
	<u>35,072</u>
Total warrants	
(cost \$47,259)	<u>35,072</u>

<u>Shares</u>	<u>Value</u>
PREFERRED STOCKS — 0.2% (a)	
Beverages — 0.1%	
8,800 Companhia de Bebidas das Americas	
Preferred - SP-ADR	\$ 249,128
Commercial Banks — 0.1%	
4,300 Banco Bradesco S.A. - SP-ADR	89,225
700 Bancolombia S.A. - SP-ADR	43,862
600 Itau Unibanco Holding	
S.A. - SP-ADR	14,430
	<u>147,517</u>
Total preferred stocks	
(cost \$373,016)	<u>396,645</u>
Total investments — 98.2%	
(cost \$204,625,617)	245,453,307
Cash and receivables,	
less liabilities — 1.8% (a)	<u>4,414,587</u>
TOTAL NET ASSETS — 100.0% ...	<u><u>\$249,867,894</u></u>

* Non-income producing security.

(a) Percentages for the various classifications relate to net assets.
 (b) These securities were fair valued as determined by the adviser using procedures approved by the Board of Directors. The total fair value of China Agritech, Inc. and J. Crew Group Escrow at March 31, 2011 is \$15,625 which represents 0.0% of total net assets.

NYS – New York Registered Shares

SP-ADR – Sponsored American Depositary Receipts

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.

The accompanying notes to financial statements are an integral part of this schedule.

Reynolds Blue Chip Growth Fund

STATEMENT OF OPERATIONS

For the Six Months Ending March 31, 2011 (Unaudited)

INVESTMENT INCOME:

Dividends (net of foreign withholding tax of \$10,949)	\$ 885,414
Total investment income	<u>885,414</u>

EXPENSES:

Management fees	887,735
Administrative and accounting services	105,727
Transfer agent fees	100,125
Distribution fees	79,550
Custodian fees	59,350
Registration fees	40,965
Professional fees	27,920
Insurance expense	25,480
Printing and postage expense	24,075
Board of Directors fees	11,976
Chief Compliance Officer fees	10,500
Other expenses	7,020
Net expenses	<u>1,380,423</u>

NET INVESTMENT LOSS

	<u>(495,009)</u>
--	------------------

NET REALIZED GAIN ON INVESTMENTS

	4,135,142
--	-----------

NET INCREASE IN UNREALIZED APPRECIATION ON INVESTMENTS

	27,397,256
--	------------

NET GAIN ON INVESTMENTS

	<u>31,532,398</u>
--	-------------------

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS

	<u>\$31,037,389</u>
--	---------------------

STATEMENTS OF CHANGES IN NET ASSETS

For the Six Months Ending March 31, 2011 (Unaudited) and For the Year Ended September 30, 2010

	<u>2011</u>	<u>2010</u>
OPERATIONS:		
Net investment loss	\$ (495,009)	\$ (415,149)
Net realized gain on investments	4,135,142	5,960,177
Net increase in unrealized appreciation on investments	27,397,256	4,829,266
Net increase in net assets from operations	<u>31,037,389</u>	<u>10,374,294</u>
FUND SHARE ACTIVITIES:		
Proceeds from shares issued (2,428,700 and 1,781,997 shares, respectively)	134,043,664	80,933,456
Cost of shares redeemed (571,699 and 538,546 shares, respectively)	<u>(31,255,663)</u>	<u>(23,818,278)</u>
Net increase in net assets derived from Fund share activities	<u>102,788,001</u>	<u>57,115,178</u>
TOTAL INCREASE	133,825,390	67,489,472
NET ASSETS AT THE BEGINNING OF THE PERIOD	<u>116,042,504</u>	<u>48,553,032</u>
NET ASSETS AT THE END OF THE PERIOD (Includes accumulated net investment income of \$0 and \$0, respectively)	<u>\$249,867,894</u>	<u>\$116,042,504</u>

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

Reynolds Blue Chip Growth Fund
FINANCIAL HIGHLIGHTS

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

	(Unaudited) For the Six Months Ending March 31, 2011	Years Ended September 30,				
		2010	2009	2008	2007	2006
PER SHARE OPERATING PERFORMANCE:						
Net asset value, beginning of period	\$48.29	\$41.87	\$31.85	\$32.05	\$28.98	\$29.48
Income from investment operations:						
Net investment (loss) income (a)	(0.15)	(0.25)	(0.42)	(0.01)	0.17	(0.17)
Net realized and unrealized gains (loss) on investments	10.51	6.67	10.44	0.02	2.90	(0.33)
Total from investment operations	10.36	6.42	10.02	0.01	3.07	(0.50)
Less distributions:						
Distributions from net investment income	—	—	—	(0.21)	—	—
Distributions from net realized gains	—	—	—	—	—	—
Total from distributions	—	—	—	(0.21)	—	—
Net asset value, end of period	<u>\$58.65</u>	<u>\$48.29</u>	<u>\$41.87</u>	<u>\$31.85</u>	<u>\$32.05</u>	<u>\$28.98</u>
TOTAL RETURN	21.45%(1)	15.33%	31.46%	(0.00%)	10.59%	(1.70%)
RATIOS/SUPPLEMENTAL DATA:						
Net assets, end of period (in 000's \$)	249,868	116,043	48,553	22,151	26,670	38,288
Ratio of expenses (after reimbursement) to average net assets*	1.55%(2)	1.80%	2.00%	2.00%	2.02%	2.01%
Ratio of net investment (loss) income to average net assets**	(0.56%)(2)	(0.55%)	(1.24%)	(0.03%)	0.55%	(0.55%)
Portfolio turnover rate	13%	80%	527%	364%	313%	281%

(a) Amount calculated based on average shares outstanding throughout the period.

(1) Not annualized.

(2) Annualized.

* Computed after giving effect to adviser's expense limitation undertaking. If the Fund had paid all of its expenses for the years ended September 30, 2009, 2008 and 2007, the ratios would have been 2.51%, 2.67% and 2.25%, respectively.

** If the Fund had paid all of its expenses for the years ended September 30, 2009, 2008 and 2007, the ratios would have been (1.75%), (0.70%) and 0.32%, respectively.

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

March 31, 2011 (Unaudited)

(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. This Company consists of one fund: the Reynolds Blue Chip Growth Fund (the "Fund"). The Company was incorporated under the laws of Maryland on April 28, 1988.

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.

(a) Each security, excluding short-term investments, is valued at the last sale price reported by the principal security exchange on which the issue is traded, or if no sale is reported, the latest bid price. Securities which are traded on the Nasdaq National Markets are valued

NOTES TO FINANCIAL STATEMENTS (Continued)

March 31, 2011 (Unaudited)

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

at the Nasdaq Official Closing Price, or if no sale is reported, the latest bid price. Short-term investments with maturities of 60 days or less are valued at amortized cost which approximates value. 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 New York Stock Exchange. Variable rate demand notes are recorded at par value which approximates fair value.

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.

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 March 31, 2011, based on the inputs used to value them:

Valuation Inputs	Investments in Securities
Level 1—Common Stocks	\$244,225,857
REITS	780,108
Warrants	35,072
Preferred Stocks	<u>396,645</u>
Total Level 1	245,437,682
Level 2—Common Stocks	15,625
Level 3—	—
Total	<u>\$245,453,307*</u>

It is the Fund's policy to recognize transfers between levels at the end of the quarterly reporting period. There were no significant transfers between levels during the six month period ending March 31, 2011.

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

(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 identified 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.

NOTES TO FINANCIAL STATEMENTS (Continued)

March 31, 2011 (Unaudited)

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

(d) The Fund may have investments in short-term variable rate demand notes, which are unsecured instruments. The Fund may be susceptible to credit risk with respect to these notes to the extent the issuer defaults on its payment obligation. The Fund's policy is to monitor the creditworthiness of the issuer and nonperformance by these issuers is not anticipated.

(e) GAAP requires that permanent differences between income for financial reporting and tax purposes be reclassified in the capital accounts. For the six months ending March 31, 2011, the Fund reclassified \$495,009 of net investment loss to capital stock.

(f) 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.

(g) 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.

(h) 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. Open tax years are those that are open for exam by taxing authorities and, as of March 31, 2011, open Federal tax years include the tax years ended September 30, 2007 through 2010. 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 six months ending March 31, 2011, 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.

(2) **Investment Adviser and Management Agreement and Transactions With Related Parties —**

The Fund has a management agreement with Reynolds Capital Management, LLC ("RCM"), to serve as investment adviser and manager. The sole owner of RCM is Mr. Frederick L. Reynolds. RCM is the successor to Reynolds Capital Management, a sole proprietorship for which Mr. Reynolds was sole proprietor. Mr. Reynolds is also an officer and interested director of the Fund. Under the terms of the agreement, the Fund will pay RCM a monthly management fee at the annual rate of 1% of the daily net assets.

The agreement further stipulates that RCM will reimburse the Fund for all expenses exceeding 2% of its daily average net assets (excluding interest, taxes, brokerage commissions and extraordinary items). The Fund is not obligated to reimburse RCM for any expenses reimbursed in previous fiscal years. No such reimbursements were required for the six months ending March 31, 2011.

The Fund has adopted a Service and Distribution 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.

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.

(4) **Investment Transactions —**

For the six months ending March 31, 2011, purchases and proceeds of sales of investment securities (excluding short-term securities) were \$126,812,404 and \$23,253,827, respectively.

NOTES TO FINANCIAL STATEMENTS (Continued)

March 31, 2011 (Unaudited)

(5) **Income Tax Information —**

The following information for the Fund is presented on an income tax basis as of September 30, 2010:

<u>Cost of Investments</u>	<u>Gross Unrealized Appreciation</u>	<u>Gross Unrealized Depreciation</u>	<u>Net Unrealized Appreciation on Investments</u>	<u>Distributable Ordinary Income</u>	<u>Distributable Long-Term Capital Gains</u>
\$98,548,308	\$17,644,617	(\$5,382,496)	\$12,262,121	\$ —	\$ —

The difference, if any, 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 year ended September 30, 2010, capital loss carryovers, which may be used to offset future capital gains, subject to Internal Revenue Code limitations (\$4,248,056 expiring on September 30, 2011 and \$11,370,315 expiring on September 30, 2013), as of September 30, 2010, and tax basis post-October losses as of September 30, 2010, which are not recognized for tax purposes until the first day of the following fiscal year are:

<u>September 30, 2010</u>				<u>September 30, 2009</u>	
<u>Ordinary Income Distributions</u>	<u>Long-Term Capital Gains Distributions</u>	<u>Net Capital Loss Carryovers</u>	<u>Post-October Losses</u>	<u>Ordinary Income Distributions</u>	<u>Long-Term Capital Gains Distributions</u>
\$ —	\$ —	\$15,618,371	\$ —	\$ —	\$ —

The Fund has utilized \$6,309,276 of its capital loss carryovers during the year ended September 30, 2010.

Since there were no ordinary distributions paid for the year ended September 30, 2010, there were no distributions designated as qualifying for the dividends received deduction for corporate shareholders nor as qualified dividend income under the Jobs and Growth Tax Relief Act of 2003.

ADVISORY AGREEMENT

On December 1, 2010, the Board of Directors (“Directors”) of Reynolds Funds, Inc. approved the continuation of the Reynolds Blue Chip Growth Fund’s (“Fund”) investment advisory agreement with Reynolds Capital Management, LLC. Prior to approving the continuation of the advisory agreement, the Directors considered:

- the nature, extent and quality of the services provided by Reynolds Capital Management, LLC
- the investment performance of the Fund
- the costs of the services to be provided and profits to be realized by Reynolds Capital Management, LLC from its relationship with the Fund
- the extent to which economies of scale would be realized as the Fund grew and whether fee levels reflect any economies of scale
- the expense ratio of the Fund

In considering the nature, extent and quality of the services provided by Reynolds Capital Management, LLC, the Directors reviewed a report describing the portfolio management, shareholder communication and servicing services provided by Reynolds Capital Management, LLC to the Fund. The Directors concluded that Reynolds Capital Management, LLC was providing essential services to the Fund as well as services that were in addition to services typically provided non-mutual fund clients.

The Directors compared the performance of the Fund to benchmark indices over various periods of time and concluded that the overall performance of the Fund warranted the continuation of the advisory agreement.

In concluding that the advisory fees payable by the Fund were reasonable, the Directors reviewed reports of the costs of services provided, and the profits realized, by Reynolds Capital Management, LLC, from its relationship with the Fund and concluded that such profits were reasonable and not excessive. The Directors also reviewed reports comparing the expense ratio of, and the advisory fees paid by, the Fund, to those of, and paid by, other comparable mutual funds and concluded that the advisory fees paid by the Fund and the expense ratio of the Fund was comparable to those of comparable mutual funds.

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

Board of Directors

DENNIS N. MOSER
FREDERICK L. REYNOLDS
ROBERT E. STAUDER

Investment Adviser

REYNOLDS CAPITAL MANAGEMENT, LLC
3565 South Las Vegas Boulevard, #403
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
1-414-765-4124

Custodian

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

Independent Registered Public Accounting Firm

COHEN FUND AUDIT SERVICES, LTD.
800 Westpoint Parkway, Suite 1100
Westlake, Ohio 44145

Legal Counsel

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

**REYNOLDS
BLUE CHIP
GROWTH FUND**

Seeking Long-Term Capital Appreciation

A No-Load Mutual Fund

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