



ENSEMBLE FUND

ANNUAL REPORT

October 31, 2021

TICKER ENSBX

**Ensemble Fund
Annual Report
October 31, 2021
(Unaudited)**

The Ensemble Fund (the “Fund”) returned 45.21% for the fiscal year ended October 31, 2021. For comparative purposes, the S&P 500® Index, which is the Fund’s benchmark, had a total return of 42.91% over the same time period.

The Fund began the fiscal year outperforming the S&P 500® Index up until the end of February. The Fund then underperformed the market through the middle of June at which point it trailed its benchmark by 2.85%. From mid-June onward, the Fund outperformed as interest rates rose, and we believe our portfolio of high-quality companies is well positioned to manage higher interest costs, higher wages, and inflated input costs given their competitively advantaged business models and strong pricing power that allows them to raise prices as needed to offset increased costs.

During the fiscal year, we owned 24 different companies of which all but one generated a positive return for the Fund.

Significant detractors from the Fund’s total return included the following:

- Nintendo (3.7%* weight in the Fund): Nintendo declined 17.1% during the Fund’s fiscal year. As the company lapped the strong results during the initial phases of COVID driven shelter in place orders, sales of the company’s Switch gaming console reported year over year declines. However, while Switch sales in the most recent quarter declined 22% vs the prior year, they remained up a remarkable 109% above the same quarter in the two years prior. We believe that Switch sales will return to growth and that the market is misinterpreting the recent decline in Switch sales as the beginning of a permanent decline in the Switch sales cycle.
- Mastercard (7.6%* weight in Fund): Mastercard ended the Fund’s fiscal year trading up 16.81% for the year, but slightly below the price it traded at on the eve of COVID. However, the company is reporting revenue more than 10% above pre-COVID levels with a much more robust growth outlook given rapid increase in consumer spending as well as a the COVID driven shift of spending from cash and checks to digital payments. We believe the stock is under pressure primarily due to the perceived threat of emerging Buy Now, Pay Later (BNPL) payment companies. However, we do not believe these companies represent a material threat to Mastercard’s competitive positioning or growth outlook, although we are following the development of the BNPL industry closely to monitor for risks to our Mastercard thesis.
- Masimo (4.8%* weight in the Fund): After being featured last year as one of the Fund’s largest performance contributors, Masimo’s stock took a breather returning “just” 26.68% for the year. The company benefited from strong demand for its non-invasive pulse oximetry technology during periods of elevated COVID hospitalizations. As emergency rooms have stopped being over capacity, Masimo has seen demand cool, but is still above pre-pandemic trends. Importantly, Masimo increased its installed base during the pandemic, and we believe both their core pulse oximeter platform as well as new sensing products leveraging their core technology and deep trust with hospital partners, provides very long duration growth opportunities irrespective of COVID driven demand volatility.

Significant contributors to the Fund’s total return included the following:

- Alphabet (5.9%* weight in Fund): After lagging its big tech peers in the prior year, Alphabet’s stock screamed higher this year, returning 83.21% for the fiscal year. This strength was driven by the company’s robust revenue growth as global businesses pivoted to online ads to drive both eCommerce sales and “omnichannel” (leveraging both

online and physical stores to meet customer needs) efforts. With consumer spending surging, the economic sensitivity of the advertising end market has added to Alphabet's strong secular growth rate to the extent that recent results demonstrate that COVID actually accelerated the company's growth rates measured against 2019, pre-COVID results.

- First Republic (5.7%* weight in Fund): While a low and flat yield curve has pressured First Republic's net interest margin, the stock ripped higher by 72.31% this year. This performance was driven by the company's high net worth customers making record large additions to checking and savings account balances, wealth management assets growing sharply and a newly invigorated housing market driving demand for home loans. The company's focus on the San Francisco Bay Area, in the midst of an explosion of technology related wealth, is driving growth at levels far above most peers, even as the company's notoriously conservative lending practices remain intact.

- Charles Schwab & Co (4.4%* weight in Fund): Our best performing stock, returning 101.98% during our fiscal year, Charles Schwab & Co is benefiting on the one hand from strong investor engagement, growth in assets under management, and synergies from its merger with TD Ameritrade, while also seeing its multiple expand as investors begin to price in a higher net interest margin in future years as inflation worries rattle fixed income markets. While the stock now trades more than 60% above where it traded on the eve of COVID, we believe the stock entered COVID at an extremely cheap valuation and has only more recently started to trade back towards more reasonable levels.

The economic expansion that played out in 2021 was the strongest expansion since WWII. Our portfolio of competitively advantaged companies, many of which benefit from economically sensitive business models, saw rapid growth in revenue and earnings. As global supply chains struggle to keep up with surging demand and employers battle for scarce labor to support their growth, competitive advantages will be even more important than in normal times.

You can read more about our views on the economy and markets, as well find in depth profiles of our portfolio holdings, in our quarterly letters posted to www.EnsembleFund.com/news/investor-communications, as well as by following the Intrinsic Investing blog, published by Ensemble Capital Management, the Adviser to the Fund, at www.IntrinsicInvesting.com.

Sincerely,

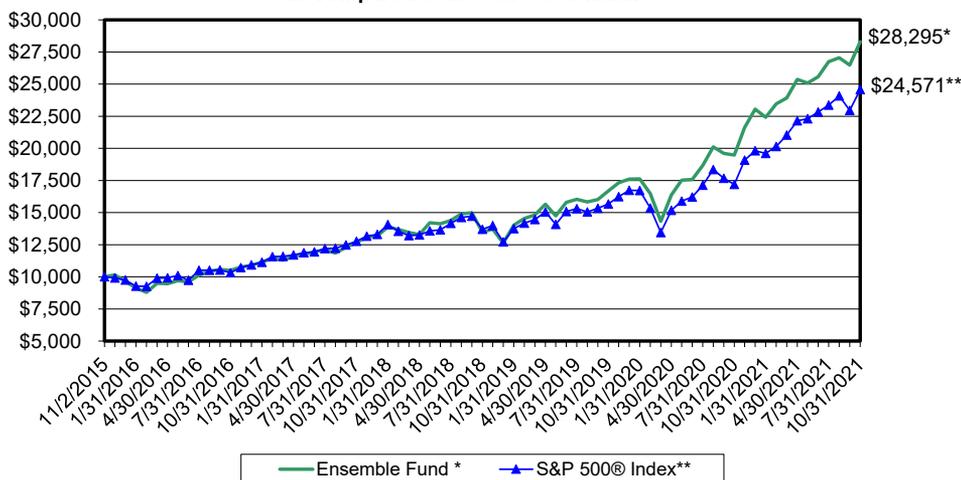
Sean Stannard-Stockton

Past performance does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data current to the most recent month end are available by calling 1-800-785-8165.

The Ensemble Fund's prospectus contains important information about the Fund's investment objectives, potential risks, management fees, charges and expenses, and other information and should be read and considered carefully before investing. You may obtain a current copy of the Fund's prospectus by calling 1-800-785-8165. Distributed by Rafferty Capital Markets, LLC-Garden City, NY 11530.

Ensemble Fund (Unaudited)

The Value of a \$10,000 Investment in the Ensemble Fund from November 2, 2015 to October 31, 2021 as Compared to the S&P 500® Index



PERFORMANCE INFORMATION

October 31, 2021 NAV \$21.67

AVERAGE ANNUAL TOTAL RETURNS AS OF OCTOBER 31, 2021

	1 Year ^(A)	3 Years ^(A)	5 Years ^(A)	Since Inception ^(A)
Ensemble Fund	45.21%	28.01%	21.93%	18.94%
S&P 500® Index ^(B)	42.91%	21.48%	18.93%	16.16%

Annual Fund Operating Expense Ratio (from 2/26/2021 Prospectus): 1.00%

The Fund's expense ratio for the year ended October 31, 2021 can be found in the financial highlights included within this report.

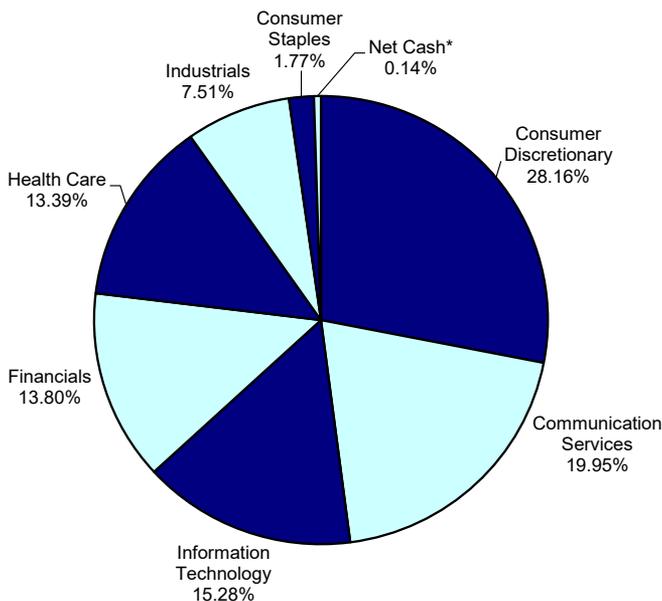
^(A)1 Year, 3 Years, 5 Years and Since Inception returns include change in share prices and in each case includes reinvestment of any dividends and capital gain distributions. The Ensemble Fund commenced operations on November 2, 2015.

^(B)The S&P 500® Index is a widely recognized unmanaged index of equity prices and is representative of a broader market and range of securities than is found in the Fund's portfolio. The Index is an unmanaged benchmark that assumes reinvestment of all distributions and excludes the effect of taxes and fees. Individuals cannot invest directly in this Index; however, an individual can invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index.

For a commentary on the Fund's calendar quarter performance visit the Fund's website at www.ensemblefund.com.

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. INVESTMENT RETURN AND PRINCIPAL VALUE WILL FLUCTUATE SO THAT SHARES, WHEN REDEEMED, MAY BE WORTH MORE OR LESS THAN THEIR ORIGINAL COST. RETURNS DO NOT REFLECT THE DEDUCTION OF TAXES THAT A SHAREHOLDER WOULD PAY ON FUND DISTRIBUTIONS OR THE REDEMPTION OF FUND SHARES. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA QUOTED. TO OBTAIN PERFORMANCE DATA CURRENT TO THE MOST RECENT MONTH END, PLEASE CALL 1-800-785-8165. AN INVESTMENT IN THE FUND IS SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED. THE FUND'S DISTRIBUTOR IS RAFFERTY CAPITAL MARKETS, LLC.

**Ensemble Fund
by Sectors (as a percentage of Net Assets)
October 31, 2021
(Unaudited)**



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

Availability of Quarterly Schedule of Investments

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

Proxy Voting Guidelines

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

Information regarding how the Fund voted proxies, Form N-PX, relating to portfolio securities during the most recent period ended June 30th, is available without charge, upon request, by calling our toll free number (1-800-785-8165). This information is also available on the SEC's website at <http://www.sec.gov>.

Expense Example
(Unaudited)

Shareholders of this Fund incur ongoing costs consisting of management fees. Although the Fund charges no sales loads or transaction fees, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by Mutual Shareholder Services, LLC, the Fund's transfer agent. IRA accounts will be charged an \$8.00 annual maintenance fee. Additionally, your account will be indirectly subject to the expenses of any underlying funds. The following example is intended to help you understand your ongoing costs of investing in the Fund and to compare these costs with similar costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested in the Fund on May 1, 2021 and held through October 31, 2021.

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

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

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

	Beginning Account Value <u>May 1, 2021</u>	Ending Account Value <u>October 31, 2021</u>	Expenses Paid During the Period* May 1, 2021 to <u>October 31, 2021</u>
Actual	\$1,000.00	\$1,115.29	\$5.33
Hypothetical (5% annual return before expenses)	\$1,000.00	\$1,020.16	\$5.09

* Expenses are equal to the Fund's annualized expense ratio of 1.00%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Ensemble Fund

Schedule of Investments October 31, 2021

Shares	Fair Value	% of Net Assets	
COMMON STOCKS			
Aircraft Engines & Engine Parts			
5,872 HEICO Corporation	\$ 737,993	1.15%	
Banks			
16,773 First Republic Bank	3,628,503	5.67%	
Electromedical & Electrotherapeutic Apparatus			
10,814 Masimo Corporation *	3,066,202	4.79%	
Entertainment			
42,912 Nintendo Co., Ltd. **	2,370,888	3.71%	
Laboratory Analytical Instruments			
9,750 Illumina, Inc. *	4,046,835	6.33%	
Motor Vehicles & Passenger Car Bodies			
12,357 Ferrari N.V. (Italy)	2,930,710	4.58%	
Operative Builders			
521 NVR, Inc. *	2,550,191	3.99%	
Orthopedic, Prosthetic & Surgical Appliances & Supplies			
4,026 Intuitive Surgical, Inc. *	1,453,909	2.27%	
Retail - Building Materials, Hardware, Garden Supply			
37,383 Fastenal Company	2,133,822	3.34%	
Retail - Eating & Drinking Places			
1,616 Chipotle Mexican Grill, Inc. *	2,874,913		
9,578 Starbucks Corporation	1,015,938		
	3,890,851	6.08%	
Retail - Lumber & Other Building Materials Dealers			
14,437 The Home Depot, Inc.	5,366,810	8.39%	
Retail - Variety Stores			
2,300 Costco Wholesale Corporation	1,130,542	1.77%	
Security Brokers, Dealers & Flotation Companies			
34,393 The Charles Schwab Corporation	2,821,258	4.41%	
Services - Business Services, NEC			
1,353 Booking Holdings Inc. *	3,275,315		
7,750 Broadridge Financial Solutions, Inc.	1,382,677		
14,474 Mastercard Incorporated - Class A	4,856,316		
	9,514,308	14.87%	
Services - Computer Programming, Data Processing, Etc.			
1,284 Alphabet Inc. - Class A *	3,801,821	5.94%	
Services - Engineering, Accounting, Research, Management			
6,203 Paychex, Inc.	764,706	1.20%	
Services - Prepackaged Software			
11,340 BlackLine, Inc. *	1,438,706		
1,905 ServiceNow, Inc. *	1,329,233		
	2,767,939	4.33%	
Services - Video Tape Rental			
9,545 Netflix, Inc. *	6,589,009	10.30%	
Title Insurance			
32,511 First American Financial Corporation	2,377,855	3.72%	
Trucking (No Local)			
11,006 Landstar System, Inc.	1,934,965	3.02%	
Total for Common Stocks (Cost - \$42,964,199)		63,879,117	99.86%
Total Investment Securities (Cost - \$42,964,199)		63,879,117	
Other Assets in Excess of Liabilities		90,416	0.14%
Net Assets		\$ 63,969,533	100.00%

* Non-Income Producing Security.

** ADR - American Depositary Receipt.

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

Ensemble Fund

Statement of Assets and Liabilities

October 31, 2021

Assets:	
Investment Securities at Fair Value	\$ 63,879,117
(Cost - \$42,964,199)	
Cash	81,093
Receivable for Shareholder Purchases	25
Dividends Receivable	61,915
Total Assets	<u>64,022,150</u>
Liabilities:	
Payable to Adviser (Note 4)	52,617
Total Liabilities	<u>52,617</u>
Net Assets	<u>\$ 63,969,533</u>
Net Assets Consist of:	
Paid In Capital	\$ 37,584,461
Total Distributable Earnings	26,385,072
Net Assets, for 2,951,846 Shares Outstanding	<u>\$ 63,969,533</u>
(Unlimited shares authorized)	
Net Asset Value, Offering Price and Redemption Price Per Share	
(\$63,969,533/2,951,846 shares)	<u>\$ 21.67</u>

Statement of Operations

For the fiscal year ended October 31, 2021

Investment Income:	
Dividends (Net of foreign withholding tax of \$11,047)	\$ 470,606
Total Investment Income	<u>470,606</u>
Expenses:	
Management Fees (Note 4)	541,950
Total Expenses	<u>541,950</u>
Net Investment Income (Loss)	(71,344)
Realized and Unrealized Gain (Loss) on Investments:	
Net Realized Gain (Loss) on Investments	6,065,138
Net Change in Unrealized Appreciation (Depreciation) on Investments	13,003,048
Net Realized and Unrealized Gain (Loss) on Investments	<u>19,068,186</u>
Net Increase (Decrease) in Net Assets from Operations	<u>\$ 18,996,842</u>

Ensemble Fund

Statements of Changes in Net Assets

	11/1/2020 to 10/31/2021	11/1/2019 to 10/31/2020
Operations:		
Net Investment Income (Loss)	\$ (71,344)	\$ 23,735
Net Realized Gain (Loss) on Investments	6,065,138	3,175,671
Net Change in Unrealized Appreciation (Depreciation) on Investments	<u>13,003,048</u>	<u>2,238,828</u>
Net Increase (Decrease) in Net Assets from Operations	18,996,842	5,438,234
Distributions to Shareholders:		
	(3,032,664)	(2,950,662)
Capital Share Transactions:		
Proceeds From Sale of Shares	11,229,784	8,242,714
Shares Issued on Reinvestment of Dividends	3,032,663	2,950,663
Cost of Shares Redeemed	<u>(5,741,953)</u>	<u>(6,385,393)</u>
Net Increase (Decrease) on Shareholder Activity	<u>8,520,494</u>	<u>4,807,984</u>
Net Increase (Decrease) in Net Assets	24,484,672	7,295,556
Net Assets at Beginning of Year	<u>39,484,861</u>	<u>32,189,305</u>
Net Assets at End of Year	<u>\$ 63,969,533</u>	<u>\$ 39,484,861</u>
Share Transactions:		
Issued	610,130	564,439
Reinvested	174,091	204,623
Redeemed	<u>(305,030)</u>	<u>(443,434)</u>
Net Increase (Decrease) in Shares	479,191	325,628
Shares Outstanding Beginning of Year	<u>2,472,655</u>	<u>2,147,027</u>
Shares Outstanding End of Year	<u>2,951,846</u>	<u>2,472,655</u>

Financial Highlights

Selected data for a share outstanding throughout the period:	11/1/2020 to 10/31/2021	11/1/2019 to 10/31/2020	11/1/2018 to 10/31/2019	11/1/2017 to 10/31/2018	11/1/2016 to 10/31/2017
Net Asset Value -					
Beginning of Period	\$ 15.97	\$ 14.99	\$ 12.72	\$ 12.48	\$ 10.50
Net Investment Income (Loss) ^(a)	(0.03)	0.01	0.03	0.01	0.04
Net Realized and Unrealized Gains (Losses) on Investments	<u>6.95</u>	<u>2.35</u>	<u>2.80</u>	<u>0.79</u>	<u>2.10</u>
Total from Investment Operations	6.92	2.36	2.83	0.80	2.14
Distributions (From Net Investment Income)	(0.01)	(0.03)	(0.01)	(0.03)	(0.06)
Distributions (From Realized Capital Gains)	<u>(1.21)</u>	<u>(1.35)</u>	<u>(0.55)</u>	<u>(0.53)</u>	<u>(0.10)</u>
Total Distributions	<u>(1.22)</u>	<u>(1.38)</u>	<u>(0.56)</u>	<u>(0.56)</u>	<u>(0.16)</u>
Proceeds from Redemption Fee ^(c)	-	-	-	-	+
Net Asset Value -					
End of Period	<u>\$ 21.67</u>	<u>\$ 15.97</u>	<u>\$ 14.99</u>	<u>\$ 12.72</u>	<u>\$ 12.48</u>
Total Return ^(b)	45.21%	16.73%	23.76%	6.49%	20.62%
Ratios/Supplemental Data					
Net Assets - End of Period (Thousands)	\$ 63,970	\$ 39,485	\$ 32,189	\$ 23,476	\$ 18,221
Ratio of Expenses to Average Net Assets	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of Net Investment Income (Loss) to Average Net Assets	(0.13)%	0.07%	0.23%	0.08%	0.33%
Portfolio Turnover Rate	33.13%	61.28%	47.01%	63.49%	41.81%

+ Amount less than \$0.005 per share.

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

(b) Total return represents the rate that the investor would have earned or lost on an investment in the Fund assuming reinvestment of dividends and distributions.

(c) Prior to February 28, 2018, the Fund was subject to a redemption fee of 2% if redeemed within 90 days or less of purchase.

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

NOTES TO THE FINANCIAL STATEMENTS
ENSEMBLE FUND
October 31, 2021

1.) ORGANIZATION

The Ensemble Fund (the "Fund") was organized as a non-diversified series of PFS Funds (the "Trust") on September 23, 2015 and commenced operations on November 2, 2015. The Trust was established under the laws of Massachusetts by an Agreement and Declaration of Trust dated January 13, 2000, as amended on January 20, 2011. The Trust is registered as an open-end investment company under the Investment Company Act of 1940, as amended (the "1940 Act"). The Trust may offer an unlimited number of shares of beneficial interest in a number of separate series, each series representing a distinct fund with its own investment objectives and policies. As of October 31, 2021, there were thirteen series authorized by the Trust. The Fund's objective is to seek long-term capital appreciation. The investment adviser to the Fund is Ensemble Capital Management, LLC (the "Adviser").

2.) SIGNIFICANT ACCOUNTING POLICIES

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

SECURITY VALUATION

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

SHARE VALUATION

The net asset value (the "NAV") is generally calculated as of the close of trading on the New York Stock Exchange (the "Exchange") (normally 4:00 p.m. Eastern time) every day the Exchange is open. The NAV is calculated by taking the total value of the Fund's assets, subtracting its liabilities, and then dividing by the total number of shares outstanding, rounded to the nearest cent. The offering price and redemption price per share is equal to the net asset value per share. Prior to February 28, 2018, the Fund was subject to a redemption fee of 2% if redeemed within 90 days of purchase.

FEDERAL INCOME TAXES

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

The Fund recognizes the tax benefits of certain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for open tax years. The Fund identifies its major tax jurisdictions as U.S. Federal and State tax authorities; however, the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the fiscal year ended October 31, 2021, the Fund did not incur any interest or penalties.

DISTRIBUTIONS TO SHAREHOLDERS

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

The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income tax purposes. The differences between book and tax basis are caused primarily by differences in the timing of the recognition of certain components of income, expense, or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations, or net asset value per share of the Fund. The Fund may utilize earnings and profits distributed to shareholders on redemption of shares as part of the dividends paid deduction.

Notes to the Financial Statements - continued

USE OF ESTIMATES

The financial statements are prepared in accordance with GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

EXPENSES

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

OTHER

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

3.) INVESTMENT SECURITIES VALUATIONS

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

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

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

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

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

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

FAIR VALUE MEASUREMENTS

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

Equity securities (common stocks). Equity securities generally are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when the Adviser believes such prices accurately reflect the fair value of such securities. Securities that are traded on any stock exchange or on the NASDAQ over-the-counter market are generally valued by the pricing service at the last quoted sale price. Lacking a last sale price, an equity security is generally valued by the pricing service at its last bid price. Generally, if the security is traded in an active market and is valued at the last sale price, the security is categorized as a level 1 security, and if an equity security is valued by the pricing service at its last bid, it is generally categorized as a level 2 security. When market quotations are not readily available, when the Adviser determines that the market quotation or the price provided by the pricing service does not accurately reflect the current fair value, or when restricted securities are being valued, such securities are valued as determined in good faith by the Adviser, subject to review of the Board of Trustees (the "Trustees" or the "Board") and are categorized in level 2 or level 3, when appropriate.

In accordance with the Trust's good faith pricing guidelines, the Adviser is required to consider all appropriate factors relevant to the value of securities for which it has determined other pricing

Notes to the Financial Statements - continued

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

The following table summarizes the inputs used to value the Fund's assets measured at fair value as of October 31, 2021:

<u>Valuation Inputs of Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$63,879,117	\$-	\$-	\$63,879,117
Total	\$63,879,117	\$-	\$-	\$63,879,117

The Fund did not hold any Level 3 assets during the fiscal year ended October 31, 2021. The Fund did not invest in any derivative instruments during the fiscal year ended October 31, 2021.

4.) INVESTMENT ADVISORY AGREEMENT

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

As a result of the above calculation, for the fiscal year ended October 31, 2021, the Adviser earned management fees totaling \$541,950. At October 31, 2021, the Fund owed \$52,617 to the Adviser.

5.) RELATED PARTY TRANSACTIONS

Jeffrey R. Provence of Premier Fund Solutions, Inc. (the "Administrator") also serves as trustee/officer of the Fund. This individual receives benefits from the Administrator resulting from administration fees paid to the Administrator of the Fund by the Adviser.

The Trustees who are not interested persons of the Fund were each paid \$1,500, for a total of \$4,500, in Trustees' fees for the fiscal year ended October 31, 2021 by the Adviser.

6.) PURCHASES AND SALES OF SECURITIES

For the fiscal year ended October 31, 2021, purchases and sales of investment securities other than U.S. Government obligations and short-term investments aggregated \$23,181,975 and \$17,738,951, respectively. Purchases and sales of U.S. Government obligations aggregated \$0 and \$0, respectively.

7.) CONTROL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of that fund, under Section 2(a)(9) of the 1940 Act. As of October 31, 2021, Charles Schwab & Co., Inc., for the benefit of its customers, held, in aggregate, 91.19% of the shares in the Fund. The Trust does not know whether any underlying accounts held at Charles Schwab & Co., Inc. owned or controlled 25% or more of the voting securities of the Fund.

8.) TAX MATTERS

For Federal income tax purposes, the cost of securities owned at October 31, 2021 was \$43,103,452. At October 31, 2021, the composition of unrealized appreciation (the excess of value over tax cost) and depreciation (the excess of tax cost over value) on a tax basis was as follows:

<u>Appreciation</u>	<u>(Depreciation)</u>	<u>Net Appreciation (Depreciation)</u>
\$21,593,534	(\$817,869)	\$20,775,665

Notes to the Financial Statements - continued

The tax character of distributions was as follows:

	Fiscal Year Ended October 31, 2021	Fiscal Year Ended October 31, 2020
Ordinary Income	\$ 235,654	\$ 523,630
Long-term Capital Gain	<u>2,797,010</u>	<u>2,427,032</u>
	\$ 3,032,664	\$ 2,950,662

Subsequent to October 31, 2021, there were distributions paid on December 17, 2021 to the shareholders of record on December 16, 2021 of \$0.189059 per share from short-term capital gains and \$1.734878 per share from long-term capital gains.

As of October 31, 2021, the components of distributable earnings on a tax basis were as follows:

Undistributed ordinary income	\$ 562,009
Undistributed long-term capital gain (accumulated losses)	5,047,398
Unrealized appreciation (depreciation) - net	<u>20,775,665</u>
	\$26,385,072

Book to tax differences are primarily attributable to the tax deferral of losses on wash sales.

For the tax period ended October 31, 2021 the following permanent reclassification was recorded and was primarily attributed to the use of equalization for tax purposes:

Paid In Capital	\$286,524
Total Distributable Earnings	(\$286,524)

9.) COVID-19 RISKS

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

10.) CONCENTRATION OF SECTOR RISK

If the Fund has significant investments in the securities of issuers in industries within a particular sector, any development affecting that sector will have a greater impact on the value of the net assets of the Fund than would be the case if the Fund did not have significant investments in that sector. In addition, this may increase the risk of loss of an investment in the Fund and increase the volatility of the Fund's NAV per share. From time to time, circumstances may affect a particular sector and the companies within such sector. For instance, economic or market factors, regulation or deregulation, and technological or other developments may negatively impact all companies in a particular sector and therefore the value of a Fund's portfolio will be adversely affected. As of October 31, 2021, the Fund had 28.16% of the value of its net assets invested in stocks within the Consumer Discretionary sector.

11.) SUBSEQUENT EVENTS

Subsequent events after the date of the Statement of Assets and Liabilities have been evaluated through the date the financial statements were issued. Management has concluded that, other than the December 17, 2021 distributions reported in Note 8, there are no events requiring adjustment or disclosure in the financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Ensemble Fund and
Board of Trustees of PFS Funds

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Ensemble Fund (the "Fund"), a series of PFS Funds, as of October 31, 2021, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the related notes, and the financial highlights for each of the five years in the period then ended (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of October 31, 2021, the results of its operations for the year then ended, the changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of October 31, 2021 by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Fund's auditor since 2015.

Cohen & Company, Ltd.

COHEN & COMPANY, LTD.
Milwaukee, Wisconsin
December 21, 2021

Trustees and Officers (Unaudited)

The Board of Trustees supervises the business activities of the Trust. The names of the Trustees and executive officers of the Trust are shown below. For more information regarding the Trustees, please refer to the Statement of Additional Information, which is available upon request by calling 1-800-785-8165. Each Trustee serves until the Trustee sooner dies, resigns, retires, or is removed.

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

Interested Trustees and Officers

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

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

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

Independent Trustees

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

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

Investment Adviser
Ensemble Capital Management, LLC

Legal Counsel
Practus, LLP

Custodian
US Bank, N.A.

Distributor
Rafferty Capital Markets, LLC

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

Fund Administrator
Premier Fund Solutions, Inc.

Independent Registered Public Accounting Firm
Cohen & Company, Ltd.

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

Ensemble Fund
www.ensemblefund.com
1-800-785-8165