



**PINNACLE VALUE FUND
A SERIES OF THE
BERTOLET CAPITAL TRUST**

**SEMI-ANNUAL
REPORT**

June 30, 2015

Pinnacle Value Fund Semi-Annual Report

June 30, 2015

Dear Fellow Shareholders,

Our Fund's NAV rose 3.5% to \$17.83/sh in the first half of 2015. We ended the quarter at 40 positions with a weighted average market cap of \$490 million, a dividend yield of 1.2%, and a price to book value ratio of 130%. The benchmark R2000 rose 4.8% during the quarter.

Total Return	YTD	2014	2013	2012	2011
Pinnacle Value Fund	3.5%	4.8%	16.6%	18.9%	(4.9)%
Russell 2000	4.8	4.9	38.6	16.3	(4.2)
S&P 500	1.2%	13.7%	32.0%	15.9%	2.1%

(All returns include dividend reinvestment. Past returns do not predict future results. Results do not reflect taxes payable on distributions or redemptions of shares held in taxable accounts.)

Commentary/ Portfolio Activity

As you can see from the above box scores, US equities were up modestly in the first half with the S&P 500 rising 1.2% while the small cap R2000 rose 4.8%. Our Fund was up 3.5%, lagging the R2000 because of our heavy cash position and our energy positions which continue to buffeted by excess supply fears. Despite recent volatility, the R2000 closed within 3% of its all time high. It's been about 4 years since the R2000 had a correction greater than 20%, which many feel is overdue.

Portfolio activity in the first half was skewed more towards sales than purchases as we continue to exit positions where we feel the risk reward ratio is no longer in our favor. We sold some of our insurance holdings at healthy gains including First Acceptance, Old Republic, and Montpelier Re. All benefited from the economic recovery and the impact of declining interest rates on investment portfolios. We nailed down sizeable gains in furniture makers Flexsteel and Hooker, which prospered with the recent housing boom. Finally, we took profits in Preferred Bank and Wilshire Bank, which performed well since being purchased during the depths of the financial crisis.

On the buy side we added modestly to our energy holdings including Carbo Ceramics, Dawson Geo, Gulf Island Fabrication, Gulfmark Offshore, Permian Basin Royalty Trust, Seacor, and Unit Corp. Energy now comprises 6% of net assets and we continue to monitor positions closely. So far we have been too early and our energy names as a group are down about 20%. Most appear to be bottoming both in terms of valuations and sentiment. We're well aware of the negative headlines and palpable fear of investors towards the group. The question is how much "bad news" is already discounted by current share prices? Our guess is quite a bit, although we suspect energy stocks may have one more

leg down before the capitulation stage is reached. Companies are cutting costs to the bone setting the stage for significant earnings leverage once energy prices firm. Like the banking crisis of several years ago, we believe the current situation creates short term harm for most energy firms but long term opportunities for a few. We continue to feel that the ultimate direction of energy prices is up.

Away from energy we added BKF Capital, a collection of oddball securities and cash with significant NOL (net operating loss) carryforwards. We bought more Central Europe & Russia Fund and MVC Capital which are trading at discounts to NAV and offer attractive dividend yields. In total, there were no major changes to our top 10 positions which, at June 30, represented 33% of net assets.

Outlook

Our job is to find compelling values in US equities where the stock price is trading at a discount to underlying asset values or earnings power. We are entering the seventh year of an economic recovery and corporate earnings are near their peak as a percentage of GDP. Worldwide central bank easy money policy is propping up prices across virtually all asset classes. Market conditions remain very challenging for us, as both value and growth at a reasonable price are hard to find. Most shares seem fully priced to us and look vulnerable to decline on any disappointment.

All of this will probably continue for a while longer until an event or two triggers a reality check. We have no idea when this will occur, but in the meantime we'll stay conservative and do our best to minimize risk and preserve capital. It's not easy sitting on cash which earns next to nothing. But cash is money good when reached for to exploit opportunities and I suspect we may do some reaching in the not too distant future. Stay tuned fellow shareholders.

By now you should have received your quarter end statement. As of today, we'll most likely pay a distribution at year end, which'll be taxable to those who hold shares in taxable accounts. Currently our net realized gains (99% long term) comprise about 5% of Fund net assets, which is a rough estimate for your planning purposes. We'll have a final amount on October 31. As always, should you have any questions about your account or the Fund, don't hesitate to call or write.

Many thanks for your continued support of our work.

**John E. Deysher
President & Portfolio Manager
212-605-7100**

**Pinnacle Value Fund
745 Fifth Ave.- 2400
New York, NY 10151**

TOP 10 POSITIONS

	% net assets
1. SWK Holdings- life sciences finance	4.9
2. Capital Southwest- business development co.	4.7
3. First Acceptance- non standard personal auto insurance	4.4
4. Hallmark Financial- multiline P&C insurer	4.1
5. Anchor Banc- savings bank	3.0
6. Montpelier Re- multi line reinsurer	2.7
7. MVC Capital- business development co.	2.5
8. Regional Management- consumer finance	2.5
9. National Security Group- regional P&C insurer	2.1
10. Asta Funding- specialty finance	2.0
Total	32.9%

YTD TOP 5 WINNERS (realized & unrealized gains)

1. Capital Southwest	\$774,100
2. First Acceptance	703,700
3. SWK Holdings	636,300
4. National Security	206,400
5. Regional Management	201,200
Total	\$2,521,700

YTD TOP 5 SINNERS (realized & unrealized losses)

1. Gulfmark Offshore	\$531,200
2. Dawson Geophysical	253,500
3. Hallmark Financial	178,000
4. Unit Corp.	124,800
5. Permian Basin Royalty Trust	101,800
Total	\$1,189,300

SECURITY CLASSIFICATIONS

Government & Prime Money Market Funds	48.1%
Insurance	16.6
Financial Services	10.6
Closed End Funds	10.2
Energy	5.9
Banks & Thrifts	4.0
Industrial Goods & Services	1.5
Consumer Goods & Services	1.4
Real Estate Investment Trusts	0.9
Conglomerates	0.8
Total	100.0%

**PINNACLE VALUE FUND
BERTOLET CAPITAL TRUST**
**Schedule of Investments
June 30, 2015 (Unaudited)**

Shares/Principal Amount		Basis	Market Value	% of Assets
COMMON STOCKS				
Banks & Thrifts				
90,854	Anchor Bancorp *	\$ 691,376	\$ 2,043,306	
9,949	Preferred Bank	70,750	298,967	
30,816	Wilshire Bancorp	80,975	389,206	
		843,101	2,731,479	3.97%
Conglomerate				
400	FRP Holdings, Inc.	9,686	12,972	
100	Steel Partners Holdings L.P. *	1,109	1,757	
47,419	Regency Affiliates, Inc.	208,003	561,915	
		218,798	576,644	0.84%
Energy				
5,400	Carbo Ceramics, Inc.	159,688	224,802	
145,151	Dawson Geophysical Co. *	985,634	682,210	
685	Dorian LPG Ltd. *	8,209	11,426	
4,700	Gulf Island Fabrication, Inc.	47,283	52,499	
56,483	Gulfmark Offshore, Inc. *	1,129,743	655,203	
69,247	Permian Basin Royalty Trust	695,042	558,131	
12,052	Seacor Holdings, Inc. *	896,673	854,969	
37,277	Unit Corp. *	1,089,425	1,010,952	
		5,011,697	4,050,192	5.89%
Financial Services				
160,356	Asta Funding, Inc. *	224,567	1,343,783	
369,845	BKF Capital Group, Inc. (a) *	918,432	440,116	
98,128	Regional Management Corp. *	1,266,685	1,752,566	
338,750	Special Diversified Opportunities, Inc. *	309,864	386,175	
2,051,711	SWK Holdings Corp. *	1,838,784	3,344,289	
		4,558,332	7,266,929	10.56%
Greeting Cards & Giftwrap				
30,764	CSS Industries, Inc.	489,446	930,611	1.35%
Insurance				
100	Blue Capital Reinsurance Holdings Ltd.	1,768	1,797	
47,172	EMC Insurance Group, Inc.	578,620	1,182,602	
945,325	First Acceptance Corp. *	1,539,510	3,025,040	
250,724	Hallmark Financial Services, Inc. *	1,640,612	2,853,239	
20,363	Independence Holding Co.	87,125	268,588	
47,140	Montpelier Re Holdings Ltd.	545,927	1,862,030	
93,818	National Security Group, Inc.	775,362	1,468,252	
700	Navigators Group, Inc. *	26,042	54,292	
42,800	Old Republic International Corp.	326,071	668,964	
		5,521,037	11,384,804	16.55%
Land Subdividers & Developers				
100	The St. Joe Co. *	1,858	1,553	0.00%
Pharmaceutical Preparations				
300	MusclePharm Corp. *	1,854	1,827	0.00%
Real Estate Investment Trusts				
38,400	Getty Realty Corp.	531,634	628,224	0.91%
Restaurants				
10,493	Ruby Tuesday, Inc. *	63,375	65,791	0.10%

(a) Level 2 Security

* Non-Income producing securities.

** Variable rate security; the money market rate shown represents the yield at June 30, 2015.

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

**PINNACLE VALUE FUND
BERTOLET CAPITAL TRUST**

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**Schedule of Investments
June 30, 2015 (Unaudited)**

Shares/Principal Amount	Basis	Market Value	% of Assets
Security Services			
47,254 Costar Technologies, Inc. *	362,356	578,862	0.84%
Test & Measurement			
110,085 Electro Sensors, Inc. *	454,712	451,349	0.66%
Trucking			
133 New Patriot Transportation Holding, Inc. *	2,394	3,278	0.00%
Total for Common Stock		\$ 18,060,594	\$ 28,671,543 41.68%
Closed-End & Exchange Traded Funds			
3,017 Aberdeen Singapore Fund, Inc.	18,313	33,368	
2,000 ASA Gold and Precious Metals Ltd.	19,960	19,420	
4,378 Babson Capital Participation Investors	57,232	54,068	
64,400 Capital Southwest Corp.	1,164,389	3,215,492	
33,132 Central Europe & Russia Fund, Inc. *	699,567	691,465	
53,879 Japan Smaller Capitalization Fund, Inc. *	333,773	581,354	
169,250 MVC Capital, Inc.	1,548,667	1,726,350	
25,659 Adams Natural Resources Fund, Inc.	429,745	572,965	
1,000 Sprott Gold Miners ETF *	15,760	15,930	
10,483 Turkish Investment Fund, Inc. *	81,804	103,887	
Total for Closed-End & Exchange Traded Funds		\$ 4,369,210	\$ 7,014,299 10.20%
SHORT TERM INVESTMENTS			
Money Market Fund			
500,000 Invesco Liquid Assets Portfolio Fund Institutional Class 0.06% **	500,000	500,000	
500,000 Federated Money Market Prime Obligation Fund Institutional Class 0.10% **	500,000	500,000	
33,017,209 First American Government Obligation Fund Class Z 0.01% **	33,017,209	33,017,209	
Total for Short Term Investments		\$ 34,017,209	\$ 34,017,209 49.45%
Total Investments			
Liabilities in excess of other Assets			
Net Assets	\$ 56,447,013	\$ 69,703,051	101.32%
		(908,641)	(1.32)%
		\$ 68,794,410	100.00%

(a) Level 2 Security

* Non-Income producing securities.

** Variable rate security; the money market rate shown represents the yield at June 30, 2015.

Statement of Assets and Liabilities (Unaudited)

June 30, 2015

Assets:

Investment Securities at Market Value (Identified Cost \$56,447,013)	\$ 69,703,051
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Cash	75,500
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Receivables:

Dividends and Interest	25,988
Shareholder Subscriptions	200
Portfolio Securities Sold	297,452
Prepaid Expenses	20,676
Total Assets	<u>70,122,867</u>

Liabilities:

Payable to Advisor	1,299,035
Shareholder Redemptions	6,605
Accrued Expenses	22,817
Total Liabilities	<u>1,328,457</u>

Net Assets

Net Assets	\$ 68,794,410
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Net Assets Consist of:

Paid-In Capital	\$ 52,727,633
Accumulated Undistributed Net Investment Loss	(321,801)
Accumulated Realized Gain on Investments	3,132,540
Unrealized Appreciation in Value of Investments Based on Identified Cost	<u>13,256,038</u>

Net Assets

Net Assets	\$ 68,794,410
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Net Asset Value and Redemption Price

Per Share (\$68,794,410/3,857,301 shares outstanding), no par value, unlimited shares authorized	
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	<u>\$ 17.83</u>
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The accompanying notes are an integral part of the financial statements.

Statement of Operations (Unaudited)
For the Six Months Ended June 30, 2015

Investment Income:

Dividends	\$ 154,405
Interest	1,243
Total Investment Income	<u>155,648</u>

Expenses:

Investment Advisor Fees (Note 3)	413,475
Transfer Agent & Fund Accounting Fees	23,307
Insurance Fees	7,935
Custodial Fees	6,943
Audit Fees	7,439
Registration Fees	4,959
Trustee Fees	4,959
Legal Fees	2,480
Miscellaneous Fees	3,968
Printing & Mailing Fees	1,984
Total Expenses	<u>477,449</u>

Net Investment Loss (321,801)

Realized and Unrealized Gain (Loss) on Investments:

Net Realized Gain on Investments	2,444,588
Capital Gain Distributions from Regulated Investment Companies	228,956
Change in Unrealized Appreciation on Investments	(17,276)
Net Realized and Unrealized Gain on Investments	<u>2,656,268</u>
Net Increase in Net Assets from Operations	<u>\$ 2,334,467</u>

Statement of Changes in Net Assets (Unaudited)

	(Unaudited)	
	Six Months	Year
	Ended	Ended
	<u>6/30/2015</u>	<u>12/31/2014</u>
From Operations:		
Net Investment Loss	\$ (321,801)	\$ (396,952)
Net Realized Gain on Investments	2,444,588	3,225,685
Capital Gain Distributions from Regulated Investment Companies	228,956	53,748
Net Unrealized Appreciation	<u>(17,276)</u>	<u>186,416</u>
Increase in Net Assets from Operations	<u>2,334,467</u>	<u>3,068,897</u>
From Distributions to Shareholders:		
Net Realized Gain from Security Transactions	<u>-</u>	<u>(3,692,183)</u>
Total Distributions to Shareholders	<u>-</u>	<u>(3,692,183)</u>
From Capital Share Transactions:^(a)		
Proceeds From Sale of Shares	3,842,564	8,198,996
Shares issued in Reinvestment of Dividends	<u>-</u>	<u>3,468,628</u>
Cost of Shares Redeemed	<u>(2,054,457)</u>	<u>(12,161,774)</u>
Net Increase (Decrease) from Shareholder Activity	<u>1,788,107</u>	<u>(494,150)</u>
Net Increase (Decrease) in Net Assets	<u>4,122,574</u>	<u>(1,117,436)</u>
Net Assets at Beginning of Period	<u>64,671,836</u>	<u>65,789,272</u>
Net Assets at End of Period ^(b)	<u>\$ 68,794,410</u>	<u>\$ 64,671,836</u>
Share Transactions:		
Issued	219,353	464,507
Reinvested	<u>-</u>	<u>203,319</u>
Redeemed	<u>(117,854)</u>	<u>(687,464)</u>
Net increase (decrease) in shares	<u>101,499</u>	<u>(19,638)</u>
Shares outstanding beginning of Period	<u>3,755,802</u>	<u>3,775,440</u>
Shares outstanding end of Period	<u>3,857,301</u>	<u>3,755,802</u>

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

Financial Highlights (Unaudited)

Selected data for a share outstanding throughout the period.

	(Unaudited)					
	Six Months Ended <u>6/30/2015</u>	Year Ended <u>12/31/2014</u>	Year Ended <u>12/31/2013</u>	Year Ended <u>12/31/2012</u>	Year Ended <u>12/31/2011</u>	Year Ended <u>12/31/2010</u>
Net Asset Value -						
Beginning of Period	\$ 17.22	\$ 17.43	\$ 15.95	\$ 13.89	\$ 14.61	\$ 12.87
Net Investment Loss *	(0.08)	(0.10)	(0.12)	(0.04)	(0.13)	(0.12)
Net Gains or Losses on Securities (realized and unrealized)	0.69	0.93	2.75	2.66	(0.59)	1.86
Total from Investment Operations	0.61	0.83	2.63	2.62	(0.72)	1.74
Distributions from Net Investment Income	-	-	-	-	-	-
Distributions from Capital Gains	-	(1.04)	(1.15)	(0.56)	-	-
	-	(1.04)	(1.15)	(0.56)	-	-
Paid-in Capital from Redemption Fees (Note 2) ^(a)	-	-	-	-	-	-
Net Asset Value -						
End of Period	\$ 17.83	\$ 17.22	\$ 17.43	\$ 15.95	\$ 13.89	\$ 14.61
Total Return	3.54 % ***	4.80 %	16.62 %	18.88 %	(4.93)%	13.52 %
Ratios/Supplemental Data:						
Net Assets - End of Period (Thousands)	\$ 68,794	\$ 64,672	\$ 65,789	\$ 52,637	\$ 47,640	\$ 64,475
Before Reimbursement/Recapture						
Ratio of Expenses to Average Net Assets	1.44% **	1.44%	1.45%	1.49%	1.48%	1.47%
Ratio of Net Income (Loss) to Average Net Assets	(0.97)% **	(0.57)%	(0.69)%	(0.26)%	(0.93)%	(0.91)%
After Reimbursement/Recapture						
Ratio of Expenses to Average Net Assets	1.44% **	1.44%	1.46%	1.49%	1.47%	1.47%
Ratio of Net Income (Loss) to Average Net Assets	(0.97)% **	(0.57)%	(0.71)%	(0.26)%	(0.91)%	(0.91)%
Portfolio Turnover Rate	5.72% ***	20.94%	3.78%	8.14%	34.11%	5.46%

* Per share net investment income (loss) determined on average shares outstanding during year.

** Annualized

*** Not annualized

^(a) Less than \$0.01 per share.

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

1.) ORGANIZATION:

Pinnacle Value Fund ("Fund") is registered under the Investment Company Act of 1940 as an open-end investment management company and is the only series of the Bertolet Capital Trust, a Delaware business trust organized on January 1, 2003 ("Trust"). The Trust's Declaration of Trust authorizes the Board of Trustees to issue an unlimited number of Fund shares. Each share of the Fund has equal voting, dividend, distribution, and liquidation rights. The Fund's investment objective is long term capital appreciation with income as a secondary objective.

2.) SIGNIFICANT ACCOUNTING POLICIES

SECURITY VALUATION:

The Fund will primarily invest in equities and convertible securities. Investments in securities are carried at market value. Securities traded on any exchange or on the NASDAQ over-the-counter market are valued at the last quoted sale price on that day. Lacking a last sale price, a security is valued at its last bid price on that day, except when, in the Adviser's opinion, the last bid price does not accurately reflect the current value of the security. When market quotations are not readily available, when Adviser determines the last bid price does not accurately reflect the current value or when restricted securities are being valued, such securities are valued as determined in good faith by Adviser, in conformity with guidelines adopted by and subject to review of the Board of Trustees.

Fixed income securities are valued by using market quotations, but may be valued on the basis of prices furnished by a pricing service when Adviser believes such prices accurately reflect the fair market value. A pricing service uses electronic data processing techniques based on yield spreads relating to securities with similar characteristics to determine prices for normal institutional-size trading lots of debt securities without regard to sale or bid prices. When prices are not readily available from a pricing service, or when restricted or illiquid securities are being valued, securities are valued at fair value determined in good faith by Adviser, subject to review of the Board of Trustees. Short term investments in fixed income securities with maturities of less than 60 days when acquired, or which are within 60 days of maturity, are valued by using the amortized cost method.

The Trust has performed an analysis of all existing investments to determine the significance and character of all inputs to their fair value determination. Various inputs are used in determining the value of each investment which are summarized in the following three broad levels:

Level 1 – quoted prices in active markets for identical securities

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves & similar data.)

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining fair value which may require a high degree of judgement)

The availability of observable inputs may vary by security and is affected by a wide variety of factors including type of security, liquidity and other characteristics unique to the security. If valuation is based on models or inputs that are less observable or unobservable in the market, determination of fair value requires more judgment. Thus, the degree of judgment exercised in determining fair value is greatest for Level 3 investments. Inputs used in valuing securities are not indicative of associated risks. Transfers between levels are recognized at the end of a reporting period. Transfer from Level 1 to Level 2 results when a security priced previously with an official close price (Level 1) has no official close price so the bid price is used. The below table summarizes the inputs used at June 30 2015:

	Level 1	Level 2	Level 3	Total
Equity (a)	\$35,245,726	440,116	0	\$ 35,685,842
Money Market Funds	34,017,209	0	0	34,017,209
Investments at Market	\$69,262,935	440,116	0	\$ 69,703,051

(a) See Schedule of Investments for industry breakout.

**Notes to Financial Statements
June 30, 2015 (Unaudited)**

The Fund has adopted the financial accounting reporting rules required by the Derivatives and Hedging Topic of FASB Accounting Standards Codification (FASB ASC). Fund is required to include enhanced disclosure that enables investors to understand how and why a fund uses derivatives, how they are accounted for and how they affect a fund's results. For the year six months ended June 30, 2015, the Fund held no derivative instruments.

SHORT TERM INVESTMENTS:

The Fund may invest in money market funds and short term high quality debt securities such as commercial paper, repurchase agreements and certificates of deposit. Money market funds typically invest in short term instruments and attempt to maintain a stable net asset value. While the risk is low, these funds may lose value. At June 30, 2015 the Fund held approximately 49% of net assets in money market funds. These include the First American Government Obligations Fund which normally invests in Government and Agency securities with an objective of maximum current income consistent with capital preservation and maintaining liquidity, the Invesco Liquid Assets Portfolio Fund, and the Federated Prime Obligation Fund. Further information on these funds is available at www.sec.gov.

As of June 30, 2015 the Fund had approximately 48% of its assets in First American Government Obligation Fund - Class Z which represents approximately 0.2% of the \$19.2 billion fund at June 30, 2015. The Adviser may redeem its investment in this fund at any time.

SECURITY TRANSACTIONS AND INVESTMENT INCOME:

The Fund records security transactions based on a trade date. Dividend income is recognized on the ex-dividend date, and interest income is recognized on an accrual basis. Discounts and premiums on securities purchased are amortized over the lives of the respective securities.

INCOME TAXES:

Federal income taxes. The Fund's policy is to continue to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Distribution to shareholders. Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. All short term capital gain distributions are ordinary income distributions for tax purposes.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is "more-likely-than-not" to be sustained upon examination by tax authority. Management has analyzed the Fund's tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on the prior three year returns or expected to be taken on the Fund's 2014 tax return. The Fund is not aware of any tax position for which it is reasonably possible that the total amount of unrecognized tax benefits will change materially in the next 12 months.

ESTIMATES:

Preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 financial statement date and reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Fund imposes a redemption fee of 1.00% on shares redeemed within one year of purchase. The fee is assessed on an amount equal to the Net Asset Value of the shares at the time of redemption and is deducted from proceeds otherwise payable to the shareholder. For the six months ended June 30, 2015, \$973 of redemption fees were returned to the Fund through shareholder redemptions.

3.) INVESTMENT ADVISORY AGREEMENT

The Fund has entered into an Investment Advisory Agreement with Bertolet Capital LLC (Adviser). Under the Agreement, Adviser receives a fee equal to the annual rate of 1.25% of the Fund's average daily net assets. For the six months ended June 30, 2015, Adviser earned \$413,475 in fees.

A Fund officer and trustee are also an officer and trustee of the Adviser. Advisory Agreement provides for expense reimbursement and fee waivers by Adviser if Fund Annual Total Expenses exceed 1.49% of average daily net assets through April 30, 2016.

Adviser is entitled to reimbursement of fees waived or reimbursed by Adviser to the Fund. Fees waived or expenses reimbursed during a given year may be paid to Adviser during the following three year period if payment of such expenses does not cause the Fund to exceed the expense limitation. Adviser had no recoupment in 2014 and \$0 available for recoupment at June 30, 2015.

4.) PURCHASES AND SALES OF SECURITIES

For the six months ended June 30, 2015, purchases and sales of investment securities other than U.S. Government obligations/short-term investments totaled \$2,051,507 and \$5,421,874, respectively.

5.) FEDERAL TAX INFORMATION

Net Investment income/(loss) and net realized gains/(losses) differ for financial statement and tax purposes due to differing treatments of wash sale losses deferred and losses realized after Oct. 31. Differences between book basis and tax basis unrealized appreciation/(depreciation) are attributable to tax deferral of losses.

The Fund did not pay any distributions for the six months ended June 30, 2015.

For the year ended Dec. 31, 2014 the Fund paid a long-term capital gain distribution of \$1.03644 per share.

The tax nature of distributions paid in six months end June 30, 2015 and year end Dec. 31, 2014 are:

	<u>2015</u>	<u>2014</u>
Net Investment Income	\$ 0	\$ 0
Long Term Capital Gain	\$ 0	\$ 3,692,183

At Dec. 31, 2014, the components of accumulated earnings/(losses) on a tax basis were as follows:

Costs of investments for federal income tax purposes	<u>\$52,793,064</u>
Gross tax unrealized appreciation	<u>\$13,038,833</u>
Gross tax unrealized depreciation	<u>(843,880)</u>
Net tax unrealized appreciation	<u>12,194,953</u>
Accumulated realized gain on investments –net	<u>1,537,357</u>
Total Distributable Earnings	<u>\$13,732,310</u>

6.) SUBSEQUENT EVENTS

Management has evaluated Fund related events and transactions occurring subsequent to yearend. There were no events or transactions that occurred during this period that materially impacted the Fund's financial statements.

PROXY VOTING (Unaudited)

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted those proxies during the most recent 12 month period ended June 30, are available without charge upon request by calling 877-369-3705 or visiting www.pinnaclevaluefund.com or www.sec.gov.

QUARTERLY PORTFOLIO HOLDINGS (unaudited)

Fund files a complete schedule of investments with the SEC for the first and third quarter of each fiscal year on Form N-Q. Fund's first and third fiscal quarters end on March 31 and Sept. 30. Form N-Q filing must be made within 60 days of the end of the quarter, and Fund's first Form N-Q was filed with the SEC on Nov. 29, 2004. Fund Form N-Qs are available at www.sec.gov or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC (call 1-800-732-0330 for information on the operation of the Public Reference Room). You may also obtain copies by calling the Fund at 1-877-369-3705.

SUPPLEMENTAL INFORMATION

The following table provides biographical information with respect to each Trustee.

Name, Age	Position with Fund	Term of Office Length of Time Served	Principal Occupation During Past 5 Years	Other Directorships
Interested Trustee				
John E. Deysher, CFA (60)	Trustee	Unlimited Since Inception	President, Secretary, Treasurer Pinnacle Value Fund	None
Independent Trustees				
Edward P. Breau, CFA (82)	Trustee	Unlimited Since Inception	Private Investor	None
Richard M. Connelly (59)	Trustee	Unlimited Since Inception	Counsel, CCO JG Wentworth (finance)	None
James W. Denney (50)	Trustee	Unlimited Since Inception	President, Mohawk Asset Management	None

TRUSTEES AND SERVICE PROVIDERS

Trustees: Edward P. Breau, Richard M. Connelly, James W. Denney, John E. Deysher

Transfer Agent: Mutual Shareholder Services, 8000 Town Centre Dr- 400, Broadview Heights, OH 44147

Custodian: US Bank, 425 Walnut St., Cincinnati OH 45202

Independent Registered Public Accounting Firm: Tait, Weller & Baker LLP, 1818 Market St,- 2400, Philadelphia PA 19103

Board Approval of Investment Advisory Agreement

The investment advisory agreement (“Agreement”) between the Trust and Bertolet Capital LLC (“Adviser”) was last renewed by the Board at a meeting in February, 2015. On that date the Board considered factors material to the Agreement renewal including:

Nature, Extent & Quality of Services. The Board considered the Adviser’s deep value investment strategy/philosophy and substantial experience in small and micro-cap research and portfolio management. The Board reviewed Adviser’s Form ADV (policies/operations), staffing levels, research capability and overall reputation. The Board noted that Adviser has no plans to alter the way it manages the Fund and would continue to have the expertise and resources needed to provide advisory and administrative services to the Fund. The Board considered the Adviser’s compliance policies/procedures and noted that it had complied with the Trust’s Code of Ethics. The Board concluded it was satisfied with the nature, extent and quality of services provided by the Adviser.

Investment Performance. The Fund’s performance was compared to a peer group of mutual funds and the R2000 index. The Board noted the Fund’s 2014 performance was above the peer group average and equal to the R2000. For the most recent 10 year period, Fund performance was slightly better than the peer group average and slightly worse than the R2000. The Board noted the Fund’s 10 yr. Sharpe ratio was substantially below the peer group average indicating a lower risk/volatility profile. The Board concluded that the Fund’s long term risk adjusted performance was acceptable.

Reasonableness of Fees. The Board reviewed data comparing the Fund’s expense ratio to the peer group. The Board noted that the Fund’s expense ratio was slightly higher than the peer group’s average due to the Fund’s smaller asset base and that Adviser continues to cap expenses at 1.49% of average net assets. The Board compared the advisory fee charged to the Fund with the advisory fee charged by the peer group and to the private account which it deemed reasonable given the many administrative, compliance and other services provided to the Fund which are not provided to the private account. Based on these factors and the labor intensive nature of small/micro-cap research, the Board concluded the advisory fee charged to the Fund is fair and reasonable.

Profitability & Other Benefits to Adviser. The Board considered the Fund’s income and expenses and the profitability of the Fund to Adviser. The Board reviewed the Adviser’s 2014 financial statement and concluded that Adviser’s profitability was reasonable in relation to the nature and quality of services provided to the Fund.

Economies of Scale. The Board considered data regarding economies of scale and whether existing fees might require adjustment in light of any economies of scale. The Board determined that no modification of fees was necessary given the Fund’s small size, the fact that the Fund is not part of a large Fund complex and that the Fund’s expense ratio approximates the peer group average.

The Board concluded that the terms of the advisory contract were reasonable and fair and in the best interest of shareholders. As a result, the entire Board, with the Independent Trustees voting separately, approved the Agreement’s renewal.

Expense Example (Unaudited)

As a shareholder of the Pinnacle Value Fund, you incur ongoing costs which typically include management 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, January 1, 2015 through June 30, 2015.

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.

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 ratios and an assumed rate of return of 5% per year before expenses, which are not the Fund’s actual returns. 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 this 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.

Pinnacle Value Fund	Beginning Account Value <u>January 1, 2015</u>	Ending Account Value <u>June 30, 2015</u>	Expenses Paid During the Period* <u>January 1, 2015 to June 30, 2015</u>
Actual	\$1,000.00	\$1,035.42	\$7.27
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,017.65	\$7.20

* Expenses are equal to the Fund’s annualized expense ratio of 1.44%, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).
