

Perkins



*Perkins Discovery Fund*

*Seeking Capital Appreciation through the Discovery of Emerging Companies*

# ANNUAL REPORT

For the Year Ended March 31, 2022



# Perkins Discovery Fund

---

April 15, 2022

Dear Shareholders:

The fiscal year ending March 31, 2022, was difficult for the Perkins Discovery Fund (“Fund”) and micro-cap stocks in general. After outperforming larger-cap stocks last year, micro-cap stocks lagged for most of this year. See the table below for comparative performance covering various time periods and indexes.

In managing the Fund, we follow a bottom-up approach, using both fundamental and technical chart analysis to find new investment opportunities one by one and to monitor our current holdings. During the fiscal year, we acquired 5 new holdings and disposed of 8. As a result, the portfolio went from 41 holdings to 38. We started the year with 83.5% invested in securities and ended with 99.4% invested.

Our three biggest gaining stocks for the year were Perficient, Inc., Option Care Health, Inc., and Perion Network, Inc. Perficient is a provider of information technology consulting and services to Global 2000 companies that has been a steady grower over the past four years that the Fund has owned it. Option Care Health is the nation’s largest independent provider of home and alternate site infusion services. Our position was originally purchased in 2018 as BioScript, Inc., which merged with Option Care Enterprises, Inc. in 2019 to become a national player in home healthcare. Perion is a global technology innovator in the digital advertising space. The company operates across the three main pillars of digital advertising – ad search, social media, and display/video/CTV, taking advantage of the continuing and dramatic shift of advertising spending to digital platforms.

The Fund’s three biggest declining stocks during the year were NeoGenomics, Inc., Natera, Inc., and Magnite, Inc. NeoGenomics operates a network of CLIA-certified clinical laboratories that specialize in cancer genetics diagnostic testing, servicing the needs of pathologists, oncologists, other clinicians and hospitals throughout the United States. We purchased our position in late 2013 and it was previously a top performer for the Fund. The company is currently going through a second CEO transition a year after its long-time leader retired. We believe they are well positioned in a rapidly growing segment of the laboratory industry. Natera is a cell-free DNA genetics testing and diagnostic company. Its products are used for prenatal testing, organ transplant rejection monitoring, and other non-invasive testing. The company was recently the subject of what we believe was a misleading short seller report. We expect Natera’s growth to continue as they commercialize a new personalized oncology decision-making

Shareholder Letter - continued

product for cancer recurrence monitoring. Magnite is a cloud-based automated advertising platform used by publishers and advertisers to purchase and sell digital advertising, enabling them to reach consumers on the internet and on Connected TV. Its merger with Telaria and acquisition of SpotX, brought them new products and greater scale in the Connected TV market. We sold about two-thirds of our position last year, as we felt it had run up too fast, but continue to hold the rest. We expect the company's rapid growth to continue.

The table below shows the Fund's performance for various periods ended March 31, 2022.

Annualized Return	Perkins Discovery Fund	Wilshire US Micro-Cap Index	NASDAQ Composite Index	S&P 500® Index
Since 4-9-98 Inception	10.59%	7.05%	8.95%	6.04%
Fifteen Year	6.44%	4.74%	12.53%	8.04%
Ten Year	10.49%	7.88%	16.49%	12.39%
Five Year	15.75%	4.92%	19.19%	13.91%
Three Year	6.46%	5.92%	22.53%	16.92%
One Year	-34.86%	-24.18%	7.35%	14.03%

*Please note that 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 calling 800-366-8361. The Fund imposes a 1.00% redemption fee on shares held less than 45 days. Performance data does not reflect the redemption fee. If it had, return would be reduced. Per the prospectus dated July 31, 2021, the gross expense ratio of the Fund is 3.00%.*

After a strong 2020, small and micro-cap stocks topped out in early 2021 and have been in a correction, trading sideways and down, along with the Fund during most of our fiscal 2022 year. Large-cap stocks, on the other hand, continued their advance into the end of 2021 but have now also been declining in 2022. Rising inflation, higher interest rates due to Fed tightening and the war in Ukraine have resulted in steeper declines so far this year. While micro-caps have been trading down in a correction for over a year now, large-caps likely have further to go both timewise and price-wise. We are believers in the Four-Year Presidential Cycle. The market will often find a bottom during the midterm election year of the Presidential Cycle, which we are in now, once the uncertainty of the midterm elections is removed.

Shareholder Letter - continued

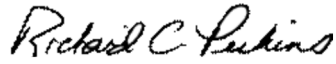
We will continue to choose stocks that we believe can do well over the long term using our same bottom-up selection process of looking for small companies that are benefiting from positive change. And, of course, we continue to monitor our holdings. Some of these will appreciate and reach levels where they will be sold even though they may continue to be good companies. Others will not work out in the way we anticipated and will be candidates to be sold. Both will be replaced with new ideas as part of an ongoing process. We believe the Fund is well positioned in micro-cap stocks that hold significant promise for the future.

Thank you for your continued support.

Sincerely,



Daniel S. Perkins, C.F.A.  
Chief Operating Officer



Richard C. Perkins, C.F.A.  
President

Shareholder Letter - continued

Opinions expressed above are those of Daniel S. Perkins or Richard C. Perkins and are subject to change, are not guaranteed and should not be considered recommendations to buy or sell any security.

**Small company investing involves additional risks such as limited liquidity and greater volatility. The Fund invests in micro-cap and early-stage companies which tend to be more volatile and somewhat more speculative than investments in more established companies. As a result, investors considering an investment in the Fund should consider their ability to withstand the volatility of the Fund's net asset value associated with the risks of the portfolio.**

The S&P 500<sup>®</sup> Index is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general; and the NASDAQ Composite Index is a market capitalization-weighted index that is designed to represent the performance of the National Market System, which includes over 5,000 stocks traded only over-the-counter and not on an exchange. The Wilshire U.S. Micro-Cap Index represents a float-adjusted, market capitalization-weighted portfolio of all stocks below the 2,500th rank by market capitalization in the Wilshire 5000 at March 31 and September 30 of each year. One cannot invest directly in an index. Please refer to the schedule of investments for more information regarding fund holdings. Fund holdings are subject to change and are not recommendations to buy or sell any security.

Investment performance reflects fee waivers in effect. In the absence of such waivers, total return would be reduced.

Must be preceded or accompanied by a prospectus. Please read it carefully before investing.

The Fund is distributed by Foreside Fund Services, LLC. (05/22)

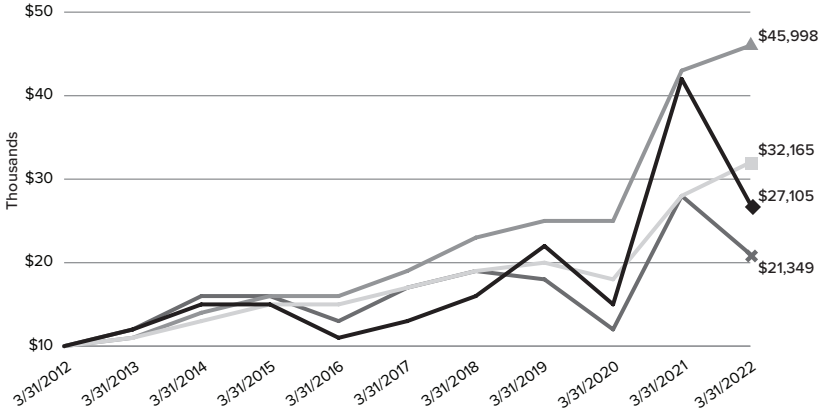
**Important Disclosure Statement**

*The Perkins Discovery Fund's (the 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. To obtain the Fund's prospectus containing this and other important information, please call 800-673-0050 or [click here](#). Please read the prospectus carefully before you invest. Foreside Fund Services, LLC is the distributor and Perkins Capital Management, Inc. is the investment advisor.*

The performance data quoted represents past performance and is not a guarantee of future results. Current performance of the Fund may be lower or higher than the performance data quoted. Investment returns 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. Information provided with respect to the Fund's Performance Data, Portfolio Holdings, Sector Weightings, Number of Holdings and Expense Ratios are as of March 31, 2022 and are subject to change at any time. For most recent information, please call 800-673-0050.

## PERKINS DISCOVERY FUND

**GROWTH OF \$10,000 INVESTMENT IN THE PERKINS DISCOVERY FUND VS. S&P 500®, NASDAQ COMPOSITE AND WILSHIRE US MICRO CAP INDICES**



*Past performance is not predictive of future performance.*

◆ Perkins Discovery Fund    ■ S&P 500®    ▲ NASDAQ Composite    ◆ Wilshire US Micro Cap

	Total Return		Average Annual Return	
	One Year Ended 3/31/22	Five Years Ended 3/31/22	Ten Years Ended 3/31/22	Ten Years Ended 3/31/22
Perkins Discovery Fund	(34.86%)	15.75%	10.49%	
S&P 500®	14.03%	13.91%	12.39%	
NASDAQ Composite	7.35%	19.19%	16.49%	
Wilshire US Micro Cap	(24.18%)	4.92%	7.88%	

Performance figures assume the reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemptions of Fund shares.

The S&P 500® Index is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general; and the NASDAQ Composite Index is a market capitalization-weighted index that is designed to represent the performance of the National Market System, which includes over 5,000 traded only over-the-counter and not on an exchange. The Wilshire US Micro Cap Index is a float-adjusted, market capitalization-weighted index of the issues ranked below 2,500 by market capitalization of the Wilshire 5000 total Market Index.



PERKINS DISCOVERY FUND

Portfolio Composition

as of March 31, 2022 (unaudited)

Holdings by Sector/Asset Class	Percentage of Net Assets
<b>COMMON STOCKS:</b>	
Health Care Drugs/Services	17.67%
Health Care Supplies	17.26%
Information Technology	15.95%
Health Care Support	10.40%
Health Care Technology	9.39%
Software Services	8.87%
Consumer Discretionary	8.43%
Health Care Manufacturing	6.36%
Biotechnology	1.73%
Financials	1.64%
Industrial	0.92%
<b>Short Term Investment</b>	0.63%
	<u>99.25%</u>

**PERKINS DISCOVERY FUND**

**Schedule of Investments**

**March 31, 2022**

	Shares	Fair Value
<b>98.62% COMMON STOCKS</b>		
<b>1.73% BIOTECHNOLOGY</b>		
Journey Medical Corp.*	22,000	\$ 105,820
MDxHealth SA*	11,000	91,080
		196,900
<b>8.43% CONSUMER DISCRETIONARY</b>		
iMedia Brands, Inc.*	35,700	215,271
Magnite, Inc.*	20,000	264,200
Perion Network Ltd.*	21,300	479,037
		958,508
<b>1.64% FINANCIALS</b>		
FlexShopper, Inc.*	109,000	186,390
		186,390
<b>17.67% HEALTH CARE DRUGS/SERVICES</b>		
ANI Pharmaceuticals, Inc.*	8,000	224,880
NeoGenomics, Inc.*	22,000	267,300
Paratek Pharmacetuticals, Inc.*	36,000	106,920
Sharps Compliance Corp. *	25,000	147,500
Veracyte, Inc.*	21,500	592,755
Vericel Corp.*	17,500	668,850
		2,008,205
<b>6.36% HEALTH CARE MANUFACTURING</b>		
AtriCure, Inc.*	11,000	722,370
		722,370
<b>17.26% HEALTH CARE SUPPLIES</b>		
Antares Pharma, Inc.*	81,000	332,100
Axogen, Inc.*	32,500	258,050
Biolase, Inc.*	370,000	130,684
BioLife Solutions, Inc.*	16,500	375,045
Cardiovascular Systems, Inc.*	17,000	384,200
Cryoport, Inc.*	10,000	349,100
Exagen Inc.*	16,500	132,495
		1,961,674

See Notes to Financial Statements

**PERKINS DISCOVERY FUND**

Schedule of Investments - continued

March 31, 2022

		Shares	Fair Value
<b>10.40%</b>	<b>HEALTH CARE SUPPORT</b>		
	Natera, Inc.*	11,500	\$ 467,820
	Option Care Health, Inc.*	21,200	605,472
	Rockwell Medical, Inc.*	232,500	109,577
			1,182,869
<b>9.39%</b>	<b>HEALTH CARE TECHNOLOGY</b>		
	Fortress Biotech, Inc.*	83,000	112,880
	Isoray, Inc.*	200,000	72,600
	OptimizeRx Corp.*	15,000	565,650
	Streamline Health Solutions, Inc.*	145,000	232,000
	UpHealth Inc.*	71,250	84,075
			1,067,205
<b>0.92%</b>	<b>INDUSTRIAL</b>		
	Agrify Corp.*	22,500	104,175
<b>15.95%</b>	<b>INFORMATION TECHNOLOGY</b>		
	Airgain, Inc.*	15,500	117,490
	Akoustis Technologies, Inc.*	30,500	198,250
	Cantaloupe, Inc.*	45,500	308,035
	Digi International Inc.*	13,200	284,064
	Inuvo Inc.*	567,500	278,075
	Perficient, Inc.*	5,700	627,513
			1,813,427
<b>8.87%</b>	<b>SOFTWARE SERVICES</b>		
	Asure Software, Inc.*	36,000	214,200
	CynergisTek, Inc.*	90,000	120,600
	ePlus, Inc.*	12,000	672,720
			1,007,520
<b>98.62%</b>	<b>TOTAL COMMON STOCKS</b>		
	(Cost: \$7,571,003)		11,209,243

See Notes to Financial Statements

**PERKINS DISCOVERY FUND**

Schedule of Investments - continued

March 31, 2022

	Shares	Fair Value
<b>0.63% MONEY MARKET FUND</b>		
Fidelity Investments		
Money Market Government		
Portfolio - Institutional Class 0.12%**	71,307	\$ 71,307
(Cost: \$71,307)		
<b>99.25% TOTAL INVESTMENTS</b>		
(Cost: \$7,642,310)		11,280,550
0.75% Other assets, net of liabilities		85,599
<b>100.00% NET ASSETS</b>		<u>\$ 11,366,149</u>

\* Non-Income producing

\*\* Effective 7 day yield as of March 31, 2022

See Notes to Financial Statements

**PERKINS DISCOVERY FUND**

**Statement of Assets and Liabilities**

**March 31, 2022**

**ASSETS**

Investments at fair value (cost of \$7,642,310) (Note 1)	\$ 11,280,550
Receivable for securities sold	100,775
Receivable for capital stock sold	5,131
Interest receivable	13
Other Receivable	6,000
Prepaid expenses	21,817
<b>TOTAL ASSETS</b>	<b>11,414,286</b>

**LIABILITIES**

Payable for capital stock redeemed	4,810
Accrued 12b-1 fees	15,335
Accrued accounting, administration and transfer agent fees	7,841
Accrued professional fees	18,500
Other accrued liabilities	1,651
<b>TOTAL LIABILITIES</b>	<b>48,137</b>

**NET ASSETS**

**\$ 11,366,149**

**Net Assets Consist of:**

Paid-in capital	7,837,963
Distributable earnings	3,528,186
<b>Net Assets</b>	<b>\$ 11,366,149</b>

**NET ASSET VALUE PER SHARE**

**Investor Class Shares:**

Net Assets	\$ 11,366,149
Shares Outstanding (unlimited number of shares of beneficial interest authorized without par value)	220,507
Net Asset Value and Offering Price Per Share	<b>\$ 51.55</b>
Redemption Price Per Share *	<b>\$ 51.03</b>

\* Redemption Price includes fee of 1% per share on the proceeds redeemed within 45 days of purchase.

See Notes to Financial Statements

**PERKINS DISCOVERY FUND****Statement of Operations****Year Ended March 31, 2022****INVESTMENT INCOME**

Interest	\$ 85
Total investment income	<u>85</u>

**EXPENSES**

Investment advisory fees (Note 2)	193,189
12b-1 fees (Note 2)	48,297
Recordkeeping and administrative services (Note 2)	41,000
Accounting fees (Note 2)	30,828
Custody fees	4,755
Transfer agent fees (Note 2)	33,207
Professional fees	40,720
Filing and registration fees	39,000
Trustee fees	9,528
Compliance fees	7,600
Shareholder reports	20,763
Shareholder servicing	10,493
Insurance	3,105
Other	<u>18,066</u>
Total expenses	500,551
Advisory fee waivers (Note 2)	<u>(17,578)</u>
Net expenses	<u>482,973</u>

Net investment income (loss) (482,888)

**REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS**

Net realized gain (loss) on investments	238,456
Net increase (decrease) in unrealized appreciation (depreciation) of investments	<u>(6,954,902)</u>
Net realized and unrealized gain (loss) on investments	<u>(6,716,446)</u>

**INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS** \$ (7,199,334)

See Notes to Financial Statements

**PERKINS DISCOVERY FUND**

**Statement of Changes in Net Assets**

**March 31, 2022**

	Years ended March 31,	
	2022	2021
<b>Increase (decrease) in Net Assets</b>		
<b>OPERATIONS</b>		
Net investment income (loss)	\$ (482,888)	\$ (329,550)
Net realized gain (loss) on investments	238,456	3,583,848
Net increase (decrease) in unrealized appreciation (depreciation) of investments	(6,954,902)	7,763,071
Increase (decrease) in net assets from operations	(7,199,334)	11,017,369
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
Net realized gain	(3,921,022)	(260,404)
Decrease in net assets from distributions	(3,921,022)	(260,404)
<b>CAPITAL STOCK TRANSACTIONS (NOTE 5)</b>		
Shares sold	5,351,083	13,394,296
Distributions reinvested	3,817,573	252,219
Shares redeemed	(12,246,531) <sup>(A)</sup>	(6,059,221) <sup>(A)</sup>
Increase (decrease) in net assets from capital stock transactions	(3,077,875)	7,587,294
<b>NET ASSETS</b>		
Increase (decrease) during year	(14,198,231)	18,344,259
Beginning of year	25,564,380	7,220,121
End of year	\$ 11,366,149	\$ 25,564,380
<sup>(A)</sup> Includes redemption fees of:	\$ 12,984	\$ 19,839

See Notes to Financial Statements

**Financial Highlights**

**Net asset value, beginning of year**

**Investment activities**

Net investment income (loss)<sup>(1)</sup>

Net realized and unrealized gain (loss) on investments

**Total from investment activities**

**Distributions**

Net realized gain

**Total distributions**

Paid-in capital from redemption fees

**Net asset value, end of year**

**Total Return**

**Ratios/Supplemental Data**

Ratio to average net assets

Expenses, gross

Expenses, net of waiver or recovery (Note 2)

Net investment income (loss)

Portfolio turnover rate

Net assets, end of year (000's)

<sup>(1)</sup> Per share amounts calculated using the average shares outstanding during the year.

<sup>(2)</sup> Recovery of previously waived fees increased the expense ratio and decreased the net investment income ratio by 0.30% for the year ended March 31, 2019.

<sup>(A)</sup> Ratio of total expenses before management fee waivers, excluding proxy costs, would have been 3.00% for the year ended March 31, 2021 and 2.68% for the year ended March 31, 2020.



**PERKINS DISCOVERY FUND**

**Selected Per Share Data Throughout Each Year**

Years ended March 31,				
2022	2021	2020	2019	2018
<b>\$ 104.12</b>	<b>\$ 39.34</b>	<b>\$ 57.16</b>	<b>\$ 40.73</b>	<b>\$ 33.39</b>
(2.23)	(1.80)	(1.38)	(1.19)	(0.90)
(29.64)	67.94	(16.49)	17.72	8.24
<b>(31.87)</b>	<b>66.14</b>	<b>(17.87)</b>	<b>16.53</b>	<b>7.34</b>
(20.76)	(1.47)	—	(0.27)	—
<b>(20.76)</b>	<b>(1.47)</b>	<b>—</b>	<b>(0.27)</b>	<b>—</b>
0.06	0.11	0.05	0.17	—
<b>\$ 51.55</b>	<b>\$ 104.12</b>	<b>\$ 39.34</b>	<b>\$ 57.16</b>	<b>\$ 40.73</b>
<b>(34.86%)</b>	<b>169.16%</b>	<b>(31.18%)</b>	<b>41.17%</b>	<b>21.98%</b>
2.59%	3.09% <sup>(A)</sup>	2.79% <sup>(A)</sup>	2.20%	3.38%
2.50%	2.59%	2.61%	2.50% <sup>(2)</sup>	2.50%
(2.50%)	(2.54%)	(2.53%)	(2.24%)	(2.41%)
8.18%	46.80%	0.70%	25.76%	10.43%
<b>\$ 11,366</b>	<b>\$ 25,564</b>	<b>\$ 7,220</b>	<b>\$ 30,711</b>	<b>\$ 6,750</b>

See Notes to Financial Statements

**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

The Perkins Discovery Fund (the “Fund”) is a diversified series of the World Funds Trust (“the Trust”), which is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management company. The Trust was organized as a Delaware statutory trust on April 9, 2007. The Fund was established on April 9, 1998 as a series of Professionally Managed Portfolios. On October 26, 2012, the Fund reorganized as a separate series of the Trust.

The Fund’s objective is to seek long-term capital appreciation.

The following is a summary of significant accounting policies consistently followed by the Fund. The policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The Fund follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standard Codification Topic 946 “*Financial Services – Investment Companies*”.

**Security Valuation**

The Fund records investments at fair value. Investments in securities traded on national securities exchanges are valued at the last reported sale price. Investments in securities included on the NASDAQ National Market System are valued at the NASDAQ Official Closing Price. Other securities traded in the over-the-counter market and listed securities for which no sales are reported on a given date are valued at the last reported bid price. Debt securities are valued by appraising them at prices supplied by a pricing agent approved by the Trust, which prices may reflect broker-dealer supplied valuations and electronic data processing techniques. Short-term debt securities (less than 60 days to maturity) are valued at their fair value using amortized cost. Other assets for which market prices are not readily available are valued at their fair value as determined in good faith under procedures set by Trust’s Board of Trustees (the “Board”). Generally, trading in corporate bonds, U.S. government securities and money market instruments is substantially completed each day at various times before the scheduled close of the New York Stock Exchange (“NYSE”). The value of these securities used in computing the net asset value (“NAV”) is determined as of such times.

The Fund has a policy that contemplates the use of fair value pricing to determine the NAV per share of the Fund when market prices are unavailable as well as under special circumstances, such as: (i) if the primary market for a portfolio security suspends or limits trading or price movements of the security; and (ii) when an event occurs after the close of the exchange on which a portfolio security is principally traded that is likely to have changed the value of the security. Since most of the Fund's investments are traded on U.S. securities exchanges, it is anticipated that the use of fair value pricing will be limited.

When the Fund uses fair value pricing to determine the NAV per share of the Fund, securities will not be priced on the basis of quotations from the primary market in which they are traded, but rather may be priced by another method that the Board believes accurately reflects fair value. Any method used will be approved by the Board and results will be monitored to evaluate accuracy. The Fund's policy is intended to result in a calculation of the Fund's NAV that fairly reflects security values as of the time of pricing.

Various inputs are used in determining the value of the Fund's investments. GAAP established a three-tier hierarchy of inputs to establish a classification of fair value measurements for disclosure purposes. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable market-based inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the level of inputs used to value the Fund's investments as of March 31, 2022:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Total
Common Stocks	\$ 11,209,243	\$ —	\$ —	\$ 11,209,243
Money Market Fund	71,307	—	—	71,307
	<u>\$ 11,280,550</u>	<u>—</u>	<u>—</u>	<u>\$ 11,280,550</u>

Refer to the Fund's Schedule of Investments for a listing of the securities by security type and sector.

There were no transfers into or out of any levels during the year ended March 31, 2022. The Fund recognizes transfers between fair value hierarchy levels at the end of the reporting period. The Fund held no Level 3 securities at any time during the year ended March 31, 2022.

### **Security Transactions and Income**

Security transactions are accounted for on the trade date. The cost of securities sold is generally determined on a specific identification basis. Realized gains and losses from security transactions are determined on the basis of identified cost for book and tax purposes. Dividends are recorded on the ex-dividend date. Interest income is recorded on an accrual basis.

### **Cash and Cash Equivalents**

Cash and cash equivalents consist of overnight deposits with the custodian bank which earn interest at the current market rate.

### **Accounting Estimates**

In preparing financial statements in conformity with GAAP, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

### **Federal Income Taxes**

The Fund has complied and intends to continue to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. The Fund also intends to distribute sufficient net investment income and net capital gains, if any, so that it will not be subject to excise tax on undistributed income and gains. Therefore, no federal income tax or excise provision is required.

Management has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken in the Fund's tax returns. The Fund has no examinations in progress and management is 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. Interest and penalties, if any, associated with any federal or state income tax obligations are recorded as income tax expense as incurred.

### Reclassification of Capital Accounts

GAAP requires certain components of net assets are reclassified relating to permanent differences between financial and tax reporting. These reclassifications are caused primarily by differences in the timing of the recognition of certain components of income, expenses or realized capital gains for federal income tax purposes and have no effect on net assets or net asset value per share. For the year ended March 31, 2022, such reclassifications increased or decreased certain capital accounts as follows:

Distributable earnings	\$ 482,888
Paid-in capital	(482,888)

### Officers and Trustees Indemnification

Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, in the normal course of business, the Fund enters into contracts with its vendors and others that provide for general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund. However, based on experience, the Fund expects that risk of loss to be remote.

### NOTE 2 – INVESTMENT ADVISORY AND DISTRIBUTION AGREEMENTS AND OTHER TRANSACTIONS WITH AFFILIATES

Pursuant to an Investment Advisory Agreement between the Trust and Perkins Capital Management, Inc. (the "Advisor"), the Advisor provides investment advisory services to the Fund for an investment advisory fee equal to 1.00% of average daily net assets of the Fund.

The Advisor has contractually agreed to reduce its fees and/or reimburse Fund expenses until July 31, 2022 to keep Total Annual Operating Expenses (exclusive of interest, distribution and service fees pursuant to a Rule 12b-1 Plan, taxes, acquired fund fees and expenses, brokerage commissions, dividend expenses on short sales, other expenditures which are capitalized in accordance with GAAP and other extraordinary expenses not incurred in the ordinary course

of the Fund's business) from exceeding 2.25% of the Fund's average daily net asset assets. The expense limitation agreement may be terminated prior to July 31, 2022 by the Advisor and the Board only by mutual written consent. Each waiver and/or reimbursement of an expense by the Advisor is subject to repayment by the Fund within three years following the date such waiver and/or reimbursement was made, provided that the Fund is able to make the repayment without exceeding the expense limitation in place at the time of the waiver or reimbursement and at the time the waiver or reimbursement is recouped.

For the year ended March 31, 2022, the Advisor earned \$193,189 and waived \$17,578 in investment advisory fees. The total amount of recoverable reimbursements for the Fund as of March 31, 2022, and expiration dates, was as follows:

Recoverable Reimbursements and Expiration Dates			
2023	2024	2025	Total
\$33,058	\$65,246	\$17,578	\$115,882

The Fund has adopted a Distribution and Service Plan in accordance with Rule 12b-1 (the "12b-1-Plan") of the 1940 Act. Pursuant to the 12b-1 Plan, the Fund compensates the distributor for services rendered and expenses borne in connection with activities primarily intended to result in the sale of the Fund's shares. The 12b-1 Plan provides that a fee may be paid to the distributor up to a maximum of 0.25% of the average daily net assets of the Fund. Because these fees are paid out of the Fund's assets on an ongoing basis, over time these fees will increase the cost of your investment and may cost more than paying other types of sales charges.

The Fund has adopted a shareholder service plan. Under a shareholder services plan, the Fund may pay an authorized firm up to 0.25% on an annualized basis of average daily net assets attributable to its customers who are shareholders. For this fee, the authorized firms may provide a variety of services, including but not limited to: (i) arranging for bank wires; (ii) responding to inquiries from shareholders concerning their investment in the Fund; (iii) assisting shareholders in changing dividend options, account designations and addresses; (iv) providing information periodically to shareholders showing their position in the Fund; (v) forwarding shareholder communications from the Fund such as proxies, shareholder reports, annual reports, and dividend distribution and tax notices to shareholders; (vi) processing purchase, exchange and redemption requests from shareholders and placing orders with the Fund or its service providers; (vii) providing sub-accounting with respect to shares beneficially owned by shareholders; and (viii) processing dividend payments from the Fund on behalf of shareholders.

For the year ended March 31, 2022, the following expenses were incurred:

Type of Plan	Fees Incurred
12b-1	\$48,297
Shareholder Services	10,493

Commonwealth Fund Services, Inc. ("CFS") acts as the Fund's administrator, transfer and dividend disbursing agent and fund accountant. Fees to CFS are computed daily and paid monthly. For the year ended March 31, 2022, the following fees were paid by the Fund to CFS:

Administrator	Transfer Agent	Fund Accountant
\$35,410	\$18,401	\$25,762

Certain officers of the Trust are also officers and/or directors of CFS. Additionally, Practus LLP, serves as legal counsel to the Trust. John H. Lively, Secretary of the Trust, is Managing Partner of Practus LLP. Tina H. Bloom, Assistant Secretary of the Trust, is a Partner of Practus LLP. Neither the officers and/or directors of CFS, Mr. Lively or Ms. Bloom receive any special compensation from the Trust or the Fund for serving as officers of the Trust.

### NOTE 3 – INVESTMENTS

The costs of purchases and proceeds from the sales of securities other than short-term investments for the year ended March 31, 2022 were as follows:

Purchases	Sales
\$1,518,527	\$5,746,550

### NOTE 4 – DISTRIBUTIONS TO SHAREHOLDERS AND TAX COMPONENTS OF CAPITAL

Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

The tax character of distributions paid during the years ended March 31, 2022 and March 31, 2021 were as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
Distributions paid from:		
Realized gains	\$ 3,921,022	\$ 260,404

As of March 31, 2022, the components of distributable earnings (accumulated loss) on a tax basis were as follows:

Accumulated net realized gain (loss) on investments	\$ 134,707
Other accumulated losses	(244,761)
Net unrealized appreciation (depreciation) on investments	3,638,240
	<u>\$ 3,528,186</u>

For tax purposes, the Fund had a current year post October capital loss of \$244,761. This loss will be recognized on the first business day of the Fund's fiscal year, April 1, 2022.

As of March 31, 2022, the cost of securities for Federal Income tax purposes and the related tax-based net unrealized appreciation (depreciation) consists of:

Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Total Unrealized Appreciation (Depreciation)
\$7,642,310	\$5,617,438	\$1,979,198	\$3,638,240

## NOTE 5 – TRANSACTIONS IN SHARES OF BENEFICIAL INTEREST

Shares of beneficial interest transactions for the Fund were:

	Year ended March 31, 2022	Year ended March 31, 2021
Shares sold	54,730	134,968
Shares reinvested	58,044	2,918
Shares redeemed	(137,798)	(75,893)
Net increase (decrease)	<u>(25,024)</u>	<u>61,993</u>



**NOTE 6 – RECENT MARKET EVENTS**

**Market Disruption and Geopolitical Events.** Geopolitical and other events, such as war, terrorist attacks, natural disasters, epidemics or pandemics could result in unplanned or significant securities market closures, volatility or declines. Russia's recent military invasion of Ukraine and the resulting broad-ranging economic sanctions imposed by the United States and other countries, as well as the ongoing COVID-19 pandemic, may continue to disrupt securities markets and adversely affect global economies and companies, thereby decreasing the value of the Fund's investments. Additionally, sudden or significant changes in the supply or prices of commodities or other economic inputs may have material and unexpected effects on both global securities markets and individual countries, regions, industries, or companies, which could reduce the value of the Fund's investments.

**Cyber Security Risk.** Failures or breaches of the electronic systems of the Advisor and the Fund's other service providers, market makers, or the issuers of securities in which the Fund invests have the ability to cause disruptions and negatively impact the Fund's business operations, potentially resulting in financial losses to the Fund and its shareholders. While the Fund has established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems. Furthermore, the Fund cannot control the cyber security plans and systems of the Fund's service providers, market makers, or issuers of securities in which the Fund invests.

**NOTE 7 – SUBSEQUENT EVENTS**

Management has evaluated all transactions and events subsequent to the date of the statement of assets and liabilities through the date on which these financial statements were issued. Except as already included in the notes to these financial statements, no additional items require disclosure.

**To the Shareholders of  
The Perkins Discovery Fund and the  
Board of Trustees of The World Funds Trust**

**Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities of the Perkins Discovery Fund (the “Fund”), a series of the World Funds Trust, including the schedule of investments, as of March 31, 2022, 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, and the financial highlights for each of the five years in the period then ended, and the related notes (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 March 31, 2022, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the auditor of one or more funds in the World Funds Trust since 1995.

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. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

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 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. Our procedures included confirmation of securities owned as of March 31, 2022 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

**TAIT, WELLER & BAKER LLP**

**Philadelphia, Pennsylvania  
May 31, 2022**

## WORLD FUNDS TRUST (THE "TRUST")

---

### Supplemental Information

Information pertaining to the trustees and executive officers of the Trust is set forth below. The names, addresses and ages of the trustees and officers of the Trust, together with information as to their principal occupations during the past five years, are listed below. The Statement of Additional Information (the "SAI") includes additional information about the trustees and is available without charge upon request by calling, toll-free, 1-800-673-0550.

The mailing address of each Trustee and officer is 8730 Stony Point Parkway, Suite 205, Richmond, VA, 23235, unless otherwise indicated.

**WORLD FUNDS TRUST (THE "TRUST")**

**Supplemental Information - continued**

**Non-Interested Trustees**

<b>NAME, AGE AND POSITION WITH THE TRUST</b>	<b>TERM OF OFFICE AND LENGTH OF TIME SERVED</b>	<b>PRINCIPAL OCCUPATION(S) DURING THE PAST FIVE YEARS</b>	<b>NUMBER OF FUNDS IN FUND COMPLEX OVERSEEN BY TRUSTEE</b>	<b>OTHER DIRECTORSHIPS HELD BY TRUSTEE</b>
David J. Urban (67) Trustee	Indefinite, Since June 2010	Dean, Jones College of Business, Middle Tennessee State University since July 2013.	20	Independent Trustee for the twelve series of the ETF Opportunities Trust (registered investment company)
Mary Lou H. Ivey (64) Trustee	Indefinite, Since June 2010	Senior Vice President, Episcopal Church Building Fund (national nonprofit organization), since January 2022. Accountant, Harris, Hardy & Johnstone, P.C., (accounting firm), 2008-2021.	20	Independent Trustee for the twelve series of the ETF Opportunities Trust (registered investment company)
Theo H. Pitt, Jr. (86) Trustee	Indefinite, Since August 2013	Senior Partner, Community Financial Institutions Consulting (bank consulting) since 1997.	20	Independent Trustee of Chesapeake Investment Trust for the one series of that trust; Leeward Investment Trust for the one series of that trust; Hillman Capital Management Investment Trust for the one series of that trust; Starboard Investment Trust for the fourteen series of that trust; and ETF Opportunities Trust for the twelve series of that trust; (all registered investment companies)

**WORLD FUNDS TRUST (THE “TRUST”)****Supplemental Information - continued****Officers Who Are Not Trustees**

<b>NAME, AGE AND POSITION(S) WITH THE TRUST</b>	<b>TERM OF OFFICE AND LENGTH OF TIME SERVED</b>	<b>PRINCIPAL OCCUPATION(S) DURING THE PAST FIVE YEARS</b>
David A. Bogaert (58) President	Indefinite, Since August 2017	Managing Director of Business Development, Commonwealth Fund Services, Inc. (fund administration and transfer agency),
Karen M. Shupe (58) Treasurer and Principal Executive Officer	Indefinite, Since June 2008	Managing Director of Fund Operations, Commonwealth Fund Services, Inc., 2003 to present.
Ann T. MacDonald (67) Assistant Treasurer and Principal Financial Officer	Indefinite, Since November 2015	Managing Director, Fund Accounting and Administration, Commonwealth Fund Services, Inc., 2003 to present.
John H. Lively (53) Secretary	Indefinite, Since November 2013	Attorney, Practus LLP, (law firm), May 2018 to present; Attorney, The Law Offices of John H. Lively & Associates, Inc. (law firm), March 2010 to May 2018.
Tina H. Bloom (53) Assistant Secretary	Indefinite, Since November 2018	Attorney, Practus LLP, May 2018 to present; Attorney, The Law Offices of John H. Lively & Associates, Inc., November 2017 to May 2018; Director of Fund Administration of Ultimus Fund Solutions, LLC (fund administration and transfer agency) from 2011-2017.
Holly B. Giangiulio (60) Assistant Secretary	Indefinite, Since November 2015	Managing Director, Corporate Operations, Commonwealth Fund Services, Inc., January 2015 to present. Corporate Accounting and HR Manager from 2010 to 2015.
Julian G. Winters (53) Chief Compliance Officer	Indefinite, Since August 2013	Managing Member of Watermark Solutions, LLC (investment compliance and consulting) since March 2007.

### **Voting Proxies On Fund Portfolio Securities**

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to securities held in the Fund’s portfolio is available, without charge and upon request, by calling 1-800-673-0550 or on the SEC’s website at [www.sec.gov](http://www.sec.gov). Information regarding how the Fund voted proxies relating to portfolio securities during the most recent twelve months ended June 30 is available on or through the SEC’s website at [www.sec.gov](http://www.sec.gov).

### **Quarterly Portfolio Holdings**

The Fund files with the SEC a complete schedule of its portfolio holdings, as of the close of the first and third quarters of its fiscal year, on “Form N-PORT”. These filings are available, without charge and upon request, by calling 1-800-673-0550 or on the SEC’s website at [www.sec.gov](http://www.sec.gov).

### **Fund’s Liquidity Risk Management Program**

The Fund has adopted and implemented a written liquidity risk management program as required by Rule 22e-4 under the 1940 Act. The program is reasonably designed to assess and manage the Fund’s liquidity risk, taking into consideration the Fund’s investment strategy and the liquidity of its portfolio investments during normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings. The Fund’s Board of Trustees approved the appointment of the Advisor as the Fund’s Liquidity Risk Management Administrator. The Advisor has appointed representatives from their compliance, trading, and portfolio management departments to assist in the program’s administration and oversight and for reporting to the Board on at least an annual basis regarding the program’s operation and effectiveness. The Liquidity Risk Management Administrator performed an assessment of the Fund’s liquidity risk profile, considering information gathered and its actual experience in administering the program and presented a written report to the Board of Trustees for consideration during the period covered by this semi-annual report. The report concluded that (i) the Fund did not experience significant liquidity challenges during the covered period; (ii) the Fund’s investment strategies remain appropriate for an open-end fund; and (iii) the Fund’s liquidity risk management program is reasonably designed to assess and manage its liquidity risk.

Fund Expenses (unaudited)

**Fund Expenses Example**

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including redemption fees and (2) ongoing costs, including management fees, distribution (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, October 1, 2021 and held for the six months ended March 31, 2022.

**Actual Expenses Example**

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 the 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 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). 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.



## PERKINS DISCOVERY FUND

### Fund Expenses (unaudited) - continued

	Beginning Account Value 10/1/21	Ending Account Value 3/31/22	Annualized Expense Ratio	Expenses Paid During Period Ended* 3/31/22
Actual	\$1,000.00	\$831.74	2.50%	\$11.42
Hypothetical**	\$1,000.00	\$1,024.93	2.50%	\$12.62

\* Expenses are equal to the Fund's annualized expense ratio, multiplied by the average account value for the period, multiplied by 182 days in the most recent fiscal half year divided by 365 days in the current year.

\*\* 5% return before expenses

**PRIVACY NOTICE**

The following is a description of the Fund's policies regarding disclosure of nonpublic personal information that you provide to the Fund or that the Fund collects from other sources. In the event that you hold shares of the Fund through a broker-dealer or other financial intermediary, the privacy policy of your financial intermediary would govern how your nonpublic personal information would be shared with unaffiliated third parties.

**Categories of Information the Fund Collects.** The Fund collects the following nonpublic personal information about you:

- Information the Fund receives from you on or in applications or other forms, correspondence, or conversations (such as your name, address, phone number, social security number, assets, income and date of birth); and
- Information about your transactions with the Fund, its affiliates, or others (such as your account number and balance, payment history, parties to transactions, cost basis information, and other financial information).

**Categories of Information the Fund Discloses.** The Fund does not disclose any non-public personal information about their current or former shareholders to unaffiliated third parties, except as required or permitted by law. The Fund is permitted by law to disclose all of the information it collects, as described above, to their service providers (such as the Fund's custodian, administrator and transfer agent) to process your transactions and otherwise provide services to you.

**Confidentiality and Security.** The Fund restricts access to your nonpublic personal information to those persons who require such information to provide products or services to you. The Fund maintains physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

The Fund's Privacy Notice is not part of this annual report.

[This page intentionally left blank]

**Investment Advisor:**

Perkins Capital Management, Inc.  
730 East Lake Street  
Wayzata, Minnesota 55391-1769

**Distributor:**

Forside Fund Services, LLC  
Three Canal Plaza, Suite 100  
Portland, Maine 04101

**Fund Administrator, Transfer Agent and Fund Accountant:**

Commonwealth Fund Services, Inc.  
8730 Stony Point Parkway, Suite 205  
Richmond, Virginia 23235

**Custodian:**

UMB Bank, N.A.  
928 Grand Blvd., 5th Floor  
Kansas City, Missouri 64106

**Legal Counsel:**

Practus LLP  
11300 Tomahawk Creek Parkway, Suite 310  
Leawood, Kansas 66211

**Independent Registered Public Accounting Firm:**

Tait, Weller and Baker, LLP  
Two Liberty Place  
50 S 16th St, Suite 2900  
Philadelphia, Pennsylvania 19102-2529

