

Comstock Capital Value Fund

Shareholder Commentary April 30, 2014

To Our Shareholders,

For the quarter ended April 30, 2014, the net asset value (“NAV”) per Class A Share of the Comstock Capital Value Fund decreased 4.9% compared with the increase of 6.2% for the Standard & Poor’s (“S&P”) 500 Index. See page 2 for additional performance information.

We continue to believe that the market is probably in a topping process after its long run since March 2009. The economy is still stuck in sub-par growth trend while the market’s action is indicative of substantial technical deterioration.

Recent economic reports reflect a catch up after the unusual cold and snowy winter rather than a breakout to the long awaited “escape velocity” that never seems to arrive. When the highly volatile monthly data is smoothed by looking at year-over-year results, it seems apparent that the economy is still in the same zone of lackluster growth that it has been in for the last few years.

That is why the Fed finds it so necessary to continue to reassure the “Street” that it will maintain an extremely accommodative monetary policy for as far as the eye can see. Make no mistake about it. The market clearly moves up anytime the Fed emphasizes its easy policy and declines whenever investors think otherwise. Just a few weeks ago the market took a temporary dive when Chairwoman Yellen casually indicated that the Fed could start to raise rates about six months after the end of quantitative easing (“QE”). A large number of economists and strategists maintain that the economy is set to pick up substantially, but the market’s action indicates that investors and traders don’t really believe it.

The main problem with the economy starts with consumers, who account for close to 70% of the GDP and are the main drivers of economic growth. Consumers have limited sources of spending including wages, transfer payments, savings, and credit. There is currently a problem with each of them. It is well known that real wages have exhibited minimal growth during the entire economic recovery. Transfer payments were reduced as part of the “fiscal cliff” negotiations in 2012. The household savings rate is now at a recovery low and, according to the Corporation for Enterprise Development, 44% of Americans have less than \$5,887 of savings for a family of four. As for credit, households are still carrying heavy debt burdens and 56% have subprime credit scores.

Average Annual Total Returns For the Periods Ended April 30, 2014[†]

| Comstock Capital Value Fund | Three Months | One Year | Five Years | Ten Years | Since (4/28/87) (a) | Since Fund's Inception (10/10/85) |
|------------------------------------------------|--------------|----------|------------|-----------|---------------------|-----------------------------------|
| Class A (DRCVX) | | | | | | |
| Without sales charge..... | (4.90)% | (21.14)% | (20.94)% | (10.72)% | (5.19)% | (3.36)% |
| With sales charge (b) | (10.37) | (25.67) | (21.87) | (11.25) | (5.38) | (3.55) |
| Class AAA (COMVX)†† | (4.90) | (21.14) | (20.89) | (10.72) | (5.17) | (3.35) |
| Class C (CPCCX)†† | | | | | | |
| Without contingent deferred sales charge..... | (5.49) | (21.82) | (21.58) | (11.41) | (5.75) | (3.90) |
| With contingent deferred sales charge (c) | (6.44) | (22.64) | (21.58) | (11.41) | (5.75) | (3.90) |
| Class R (CPCR)†† | (4.85) | (20.97) | (20.78) | (10.52) | (5.02) | (3.20) |
| S&P 500 Index | 6.23 | 20.44 | 19.14 | 7.67 | 9.65(d) | 11.08(e) |

In the current prospectuses dated August 28, 2013, the expense ratios for Comstock Capital Value Fund Class AAA, A, C, and R Shares are 2.87%, 2.87%, 3.62%, and 2.62%, respectively. Class AAA and Class R Shares have no sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

- (a) On April 28, 1987, Comstock Partners, Inc., the Comstock Capital Value Fund's previous investment adviser, assumed investment responsibilities and the Fund changed its investment objective to the current investment objective.
- (b) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.
- (c) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.
- (d) Since April 30, 1987, the date closest to the Fund's inception date for which data is available.
- (e) Since September 30, 1985, the date closest to the Fund's current investment objective inception date for which data is available.

† Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Returns would have been lower had Gabelli Funds, LLC (the "Adviser") not reimbursed certain expenses of the Fund for periods prior to October 31, 2002. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days after the date of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, sales charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus please visit our website at www.gabelli.com. The Comstock Capital Value Fund utilizes short selling and derivatives. Short selling of securities and use of derivatives pose special risks and may not be suitable for certain investors. Short selling is a sale of a borrowed security and losses are realized if the price of the security increases between the date the security is sold and the date the Fund replaces it. Derivatives may be riskier than other types of investments because they may respond more to changes in economic conditions than other investments. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.

†† The Class A Share NAVs are used to calculate performance for the periods prior to the issuance of Class AAA Shares on December 8, 2008, and Class C Shares and Class R Shares on August 22, 1995. The actual performance of the Class C Shares would have been lower and the Class AAA Shares and Class R Shares would have been higher due to the expenses associated with the Class A Shares.

This leaves only the job market as a potential source of future spending, and that area also faces strong headwinds. Despite then wildly heralded April payroll increase, the year-over-year growth was only 1.74%, well within the inadequate range prevailing over the last two years. In fact, the highest annual increase in the current economic recovery was only 1.88%, an amount that pales in comparison to past cycles. Over the last 60 years comprising 720 months, a full 196 months (27%) showed annual increases of 3% or more. In the present cycle, not a single month even showed a rise of 2%, let alone 3%.

As for the stock markets own action, it is clear that fewer and fewer stocks are participating in the rallies and the collapse of the leading momentum stocks indicates an increasing reluctance to take risks. New daily highs on the NYSE were running at about 600 in November and under 200 now. The extreme bifurcation of the markets is also indicative of an unhealthy market. One day last week the Russell 2000 closed under its 200 day average at the same time that the S&P 500 closed only 0.4% below its all time high. Among the leading momentum stocks Tableau Software is down 46%, 3-D Systems 52%, FireEye 49%, Pandora 45%, Splunk 57%, Yelp 48%, and LinkedIn 43%. Most of these stocks are running deficits, and the few that don't are still selling at extremely high P/Es, even after their precipitous declines.

All in all, we believe that after the post winter catch-up, it is unlikely that the economy will achieve "escape velocity" and that the risk of a major market decline remains high.

Our results over the past year were a result of our overall short position in accordance with our views. We were short stock index futures and individual stocks and long put options. On average, we were effectively 100% short, although, at various times, we were slightly above or below that level, depending on short term conditions. We are maintaining our bearish stance in accordance with our views described above.

May 14, 2014

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Managers only through the end of the period stated in this Shareholder Commentary. The Portfolio Managers' views are subject to change at any time based on market and other conditions. The information in this Portfolio Managers' Shareholder Commentary represents the opinions of the individual Portfolio Managers and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Managers and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at info@gabelli.com.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

The Fund's daily net asset value ("NAV") is available in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). The Fund's Nasdaq symbol is COMVX for Class AAA Shares. Please call us during the business day, between 8:00 AM – 7:00 PM (Eastern Time), for further information.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our mutual funds can elect to receive their Annual and Semiannual Reports, Manager Commentaries, and Prospectuses via e-delivery. For more information or to sign up for e-delivery, please visit our website at www.gabelli.com.

Multi-Class Shares

Class AAA Shares are no-load shares offered directly through selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. The Board of Directors determined that expanding the types of Fund shares available through various distribution options will enhance the ability of the Fund to attract additional investors.

We have separated the portfolio managers' commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

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Gabelli/GAMCO Funds and Your Personal Privacy

Who are we?

The Gabelli/GAMCO Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC and GAMCO Asset Management Inc., which are affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries that provide investment advisory or brokerage services for a variety of clients.

What kind of non-public information do we collect about you if you become a fund shareholder?

If you apply to open an account directly with us, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us, any transactions with our affiliates, and transactions with the entities we hire to provide services to you.* This would include information about the shares that you buy or redeem. If we hire someone else to provide services—like a transfer agent—we will also have information about the transactions that you conduct through them.

What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, www.sec.gov.

What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

GABELLI COMSTOCK CAPITAL VALUE FUND
One Corporate Center
Rye, NY 10580-1422

Portfolio Management Team Biographies

Charles L. Minter and **Martin Weiner** joined Gabelli Funds, LLC in 2000, when the management of the Comstock Funds was assumed by Gabelli Funds, LLC. Mr. Minter is currently a Director of the Fund.

Mr. Minter was one of the founders of Comstock Partners, Inc. which was formed in 1986. Prior to forming Comstock Partners, Inc., Mr. Minter worked for Merrill Lynch in Institutional Sales as a Vice President from 1976 - 1986. Mr. Minter received an M.B.A. degree with distinction from New York University's Graduate School of Business and a B.S. degree from Florida State University.

Mr. Weiner has been Co-Portfolio Manager of the Comstock Capital Value Fund since 1999. Mr. Weiner joined Comstock Partners Inc. in 1995 as a research analyst and became its president in 1999. Mr. Weiner received his M.S. degree in Finance from Columbia Business School and a BA in Economics from Brooklyn College.

COMSTOCK CAPITAL VALUE FUND

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Net Asset Value per share available daily
by calling 800-GABELLI after 7:00 P.M.

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Charles L. Minter
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Chief Executive Officer,
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Professor Emeritus,
Pace University

Werner J. Roeder, MD
Medical Director,
Lawrence Hospital

Henry G. Van der Eb, CFA
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Treasurer

Richard J. Walz
Chief Compliance Officer

Martin Weiner, CFA
Portfolio Manager and President

Charles L. Minter
Portfolio Manager and Director

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G.distributors, LLC

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State Street Bank and Trust Company

LEGAL COUNSEL

Paul Hastings LLP

This report is submitted for the general information of the shareholders of the Comstock Capital Value Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.



GABELLI
FUNDS

COMSTOCK CAPITAL VALUE FUND

Shareholder Commentary
April 30, 2014

Comstock Capital Value Fund

Annual Report — April 30, 2014

To Our Shareholders,

Enclosed are the audited financial statements and the schedule of investments as of April 30, 2014, with a description of factors that affected the Fund's performance during the past year. In addition to the Performance Discussion below that outlines the relevant market conditions and investment strategies used by the portfolio managers, we also sent you a general commentary from the portfolio managers regarding the Comstock Capital Value Fund. Both the commentary and the financial statements, including the schedule of investments, will be available on our website at www.gabelli.com/funds.

Performance Discussion (Unaudited)

For the year ended April 30, 2014, the net asset value ("NAV") per Class A Share of the Comstock Capital Value Fund decreased 21.1% compared with the increase of 20.4% for the Standard & Poor's ("S&P") 500 Index. See page 2 for additional performance information.

Our results over the past year were a consequence of the portfolio managers' bearish stance on several key economic factors, including minimal wage growth, declining household savings rates, and an accommodative Fed monetary policy that has supported the overall market but failed to elevate the economy to a point where growth is self-sustaining. Job market headwinds furthered their bearish stance.

The Fund's negative returns over the past year were a reflection of its bearish asset allocation strategy, primarily due to derivative investments in long options purchased on equity indices, short positions in stock index futures and individual stocks, a net investment loss occasioned mostly by dividends and fees on short stock positions, and artificially low interest rates on short term investments. On average, the Fund was effectively 100% short. Toward the end of the fiscal year, being short as the major market indices traded near record highs contributed greatly to the overall negative performance.

Since the Securities and Exchange Commission's portfolio turnover formula excludes from its denominator fixed income securities with maturities of less than one year and short sale activity, the Fund's turnover rate for the current fiscal year appears very low, and can be misleading as to the actual Fund activity. In prior years, the Fund's turnover rate appeared higher because U.S. Treasury Bills were a very high proportion of assets and had a maturity of less than one year, while the average month end dollar value of long positions (the denominator) was negligible. Long positions were held for short time periods.

Sincerely yours,



Bruce N. Alpert
Executive Vice President
Comstock Funds, Inc.

June 6, 2014

Comparative Results

Average Annual Returns through April 30, 2014[†] (Unaudited)

| | 1 Year | 5 Year | 10 Year | Since April 28, 1987 (a) | Since Inception (10/10/85) |
|-----------------------------------------------------|----------|----------|----------|--------------------------|----------------------------|
| Class A (DRCVX) | | | | | |
| Without sales charge | (21.14)% | (20.94)% | (10.72)% | (5.19)% | (3.36)% |
| With sales charge (b) | (25.67) | (21.87) | (11.25) | (5.38) | (3.55) |
| Class AAA (COMVX) †† | (21.14) | (20.89) | (10.72) | (5.17) | (3.35) |
| Class C (CPCCX) †† | | | | | |
| Without contingent deferred sales charge | (21.82) | (21.58) | (11.41) | (5.75) | (3.90) |
| With contingent deferred sales charge (c) | (22.64) | (21.58) | (11.41) | (5.75) | (3.90) |
| Class R (CPCR) †† | (20.97) | (20.78) | (10.52) | (5.02) | (3.20) |
| S&P 500 Index | 20.44 | 19.14 | 7.67 | 9.65(d) | 11.08(e) |

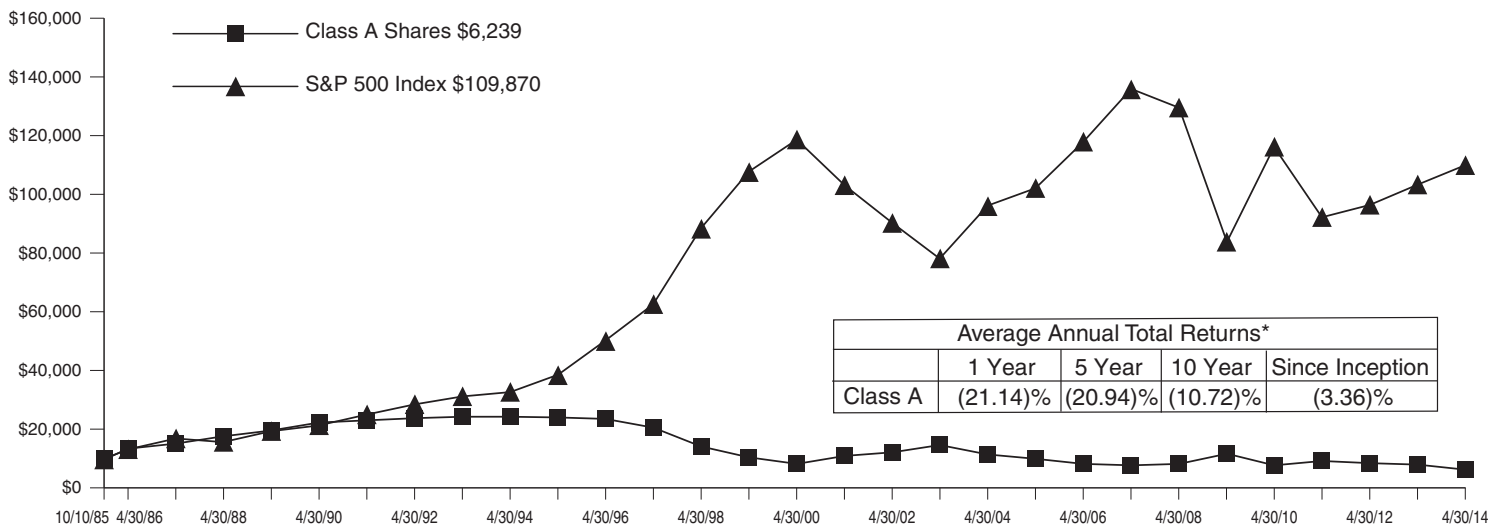
In the current prospectuses dated August 28, 2013, the expense ratios for Comstock Capital Value Fund Class AAA, A, C, and R Shares are 2.87%, 2.87%, 3.62%, and 2.62%, respectively. Class AAA and Class R Shares have no sales charge. See page 9 for the expense ratios for the year ended April 30, 2014. The maximum sales charge for Class A and C Shares is 5.75% and 1.00%, respectively.

- (a) On April 28, 1987, Comstock Partners, Inc., the Comstock Capital Value Fund's previous investment adviser, assumed investment responsibilities and the Fund changed its investment objective to the current investment objective.
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- (c) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.
- (d) Since April 30, 1987, the date closest to the Fund's inception date for which data is available.
- (e) Since September 30, 1985, the date closest to the Fund's current investment objective inception date for which data is available.

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†† The Class A Share NAVs are used to calculate performance for the periods prior to the issuance of Class AAA Shares on December 8, 2008, and Class C Shares and Class R Shares on August 22, 1995. The actual performance of the Class C Shares would have been lower and the Class AAA Shares and Class R Shares would have been higher due to the expenses associated with the Class A Shares.

COMPARISON OF CHANGE IN VALUE OF A \$10,000 INVESTMENT IN COMSTOCK CAPITAL VALUE FUND (CLASS A SHARES) AND S&P 500 INDEX (Unaudited)



* Past performance is not predictive of future results. The performance tables and graph do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

Comstock Capital Value Fund Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from November 1, 2013 through April 30, 2014 **Expense Table**

We believe it is important for you to understand the impact of fees and expenses regarding your investment. All mutual funds have operating expenses. As a shareholder of a fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of a fund. When a fund's expenses are expressed as a percentage of its average net assets, this figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The Expense Table below illustrates your Fund's costs in two ways:

Actual Fund Return: This section provides information about actual account values and actual expenses. You may use this section to help you to estimate the actual expenses that you paid over the period after any fee waivers and expense reimbursements. The "Ending Account Value" shown is derived from the Fund's **actual** return during the past six months, and the "Expenses Paid During Period" shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for your Fund under the heading "Expenses Paid During Period" to estimate the expenses you paid during this period.

Hypothetical 5% Return: This section provides information about hypothetical account values and

hypothetical expenses based on the Fund's actual expense ratio. It assumes a hypothetical annualized return of 5% before expenses during the period shown. In this case – because the hypothetical return used is **not** the Fund's actual return – the results do not apply to your investment and you cannot use the hypothetical account value and expense to estimate the actual ending account balance or expenses you paid for the period. This example is useful in making comparisons of 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 shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. The "Annualized Expense Ratio" represents the actual expenses for the last six months and may be different from the expense ratio in the Financial Highlights which is for the year ended April 30, 2014.

| | Beginning Account Value 11/01/13 | Ending Account Value 04/30/14 | Annualized Expense Ratio | Expenses Paid During Period* |
|------------------------------------|----------------------------------------|-------------------------------------|--------------------------------|------------------------------------|
| Comstock Capital Value Fund | | | | |
| Actual Fund Return | | | | |
| Class AAA | \$1,000.00 | \$ 915.10 | 2.66% | \$12.63 |
| Class A | \$1,000.00 | \$ 915.10 | 2.58% | \$12.25 |
| Class C | \$1,000.00 | \$ 905.30 | 3.37% | \$15.92 |
| Class R | \$1,000.00 | \$ 915.90 | 2.38% | \$11.31 |
| Hypothetical 5% Return | | | | |
| Class AAA | \$1,000.00 | \$1,011.60 | 2.66% | \$13.27 |
| Class A | \$1,000.00 | \$1,012.00 | 2.58% | \$12.87 |
| Class C | \$1,000.00 | \$1,008.08 | 3.37% | \$16.78 |
| Class R | \$1,000.00 | \$1,012.99 | 2.38% | \$11.88 |

* Expenses are equal to the Fund's annualized expense ratio for the last six months multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (181 days), then divided by 365.

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of April 30, 2014:

Comstock Capital Value Fund

| Long Positions | Percent |
|----------------------------------------------|----------------|
| U.S. Government Obligations | 96.2 |
| Put Options Purchased | 0.7 |
| Other Assets and Liabilities (Net) | 31.8 |
| Short Positions | |
| Metals and Mining | (9.3) |
| Computer Software and Services | (7.6) |
| Energy and Utilities | (2.3) |
| Health Care | (1.7) |
| Agriculture | (1.5) |
| Consumer Services | (1.4) |
| Consumer Products | (1.3) |
| Transportation | (1.1) |
| Financial Services | (1.1) |
| Business Services | (0.9) |
| Exchange Traded Funds | (0.5) |
| Futures Contracts | (0.0)* |
| | <u>100.0</u> |

* Amount represents less than 0.05%.

The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form N-Q. Shareholders may obtain this information at www.gabelli.com or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at www.sec.gov and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.

Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30, no later than August 31 of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at www.sec.gov.

Comstock Capital Value Fund

Schedule of Investments — April 30, 2014

| Principal Amount | Cost | Market Value | Shares | Proceeds | Market Value |
|--------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------|---------------|----------|--------------|
| U.S. GOVERNMENT OBLIGATIONS — 96.2% | | | | | |
| \$37,576,000 | U.S. Treasury Bills, 0.020% to 0.100%†, 05/08/14 to 10/16/14(a)..... | \$ 37,571,382 | \$ 37,574,429 | | |
| | PUT OPTIONS PURCHASED (b)†† — 0.7% | | | | |
| | Expiration Date/Exercise Price | | | | |
| Number of Contracts | | | | | |
| 100 | S&P 500 Index. Jun. 14/1600 | 18,500 | | | |
| 120 | S&P 500 Index. Jun. 14/1625 | 26,400 | | | |
| 55 | S&P 500 Index. Sep. 14/1700 | 115,500 | | | |
| 50 | S&P 500 Index. Sep. 14/1725 | 122,000 | | | |
| | TOTAL PUT OPTIONS PURCHASED (Cost \$1,096,300) | 282,400 | | | |
| | TOTAL INVESTMENTS — 96.9% (Cost \$38,667,682) | 37,856,829 | | | |
| | SECURITIES SOLD SHORT — (28.7%) (Proceeds received \$14,148,192) | (11,204,031) | | | |
| | FUTURES CONTRACTS—SHORT POSITION (c) — (0.0)% | | | | |
| Number of Contracts | Expiration Date | Unrealized Appreciation/Depreciation | | | |
| 170 | NASDAQ 100 Index Futures (E-Mini) 06/20/14 | 243,316 | | | |
| 130 | S&P 500 Index Futures (E-Mini) 06/20/14 | (247,550) | | | |
| | TOTAL FUTURES CONTRACTS — SHORT POSITION | (4,234) | | | |
| | Other Assets and Liabilities (Net) — 31.8% | 12,438,121 | | | |
| | NET ASSETS — 100.0% | \$ 39,086,685 | | | |
| | SECURITIES SOLD SHORT — (28.7)% | | | | |
| | Agriculture — (1.5)% | | | | |
| | Potash Corp of Saskatchewan Inc. | \$ 652,229 | \$ 578,560 | | |
| | Business Services — (0.9)% | | | | |
| | Stratasys Ltd. | 400,295 | 339,045 | | |
| | Computer Software and Services — (7.6)% | | | | |
| | 3D Systems Corp. | 488,668 | 307,710 | | |
| | Citrix Systems Inc. | 801,032 | 771,030 | | |
| | FireEye Inc. | 414,894 | 321,932 | | |
| | LinkedIn Corp., Cl. A. | 566,790 | 399,022 | | |
| | ServiceNow Inc. | 407,207 | 397,760 | | |
| | Splunk Inc. | 413,410 | 371,076 | | |
| | TIBCO Software Inc. | 435,350 | 412,230 | | |
| | | 3,527,351 | 2,980,760 | | |
| | Consumer Products — (1.3)% | | | | |
| | Hasbro Inc. | 437,972 | 497,340 | | |
| | Consumer Services — (1.4)% | | | | |
| | The ADT Corp. | 757,265 | 544,320 | | |
| | Energy and Utilities — (2.3)% | | | | |
| | Apache Corp. | 471,073 | 520,800 | | |
| | McDermott International Inc. | 1,075,397 | 375,960 | | |
| | | 1,546,470 | 896,760 | | |
| | Exchange Traded Funds — (0.5)% | | | | |
| | Direxion Daily Small Cap Bull 3X Shares. | 227,327 | 206,550 | | |
| | Financial Services — (1.1)% | | | | |
| | CIT Group Inc. | 460,005 | 430,500 | | |
| | Health Care — (1.7)% | | | | |
| | ACADIA Pharmaceuticals Inc. | 391,885 | 382,470 | | |
| | Isis Pharmaceuticals Inc. | 412,161 | 292,710 | | |
| | | 804,046 | 675,180 | | |
| | Metals and Mining — (9.3)% | | | | |
| | ArcelorMittal | 1,580,296 | 1,020,500 | | |
| | BHP Billiton Ltd., ADR | 546,091 | 564,320 | | |
| | Freeport-McMoRan Copper & Gold Inc. | 399,223 | 446,810 | | |
| | Nucor Corp. | 391,313 | 414,000 | | |
| | United States Steel Corp. | 372,759 | 390,300 | | |
| | Vale SA, ADR. | 1,652,654 | 777,336 | | |
| | | 4,942,336 | 3,613,266 | | |
| | Transportation — (1.1)% | | | | |
| | CH Robinson Worldwide Inc. | 392,896 | 441,750 | | |
| | TOTAL SECURITIES SOLD SHORT | \$ 14,148,192 | \$ 11,204,031 | | |

See accompanying notes to financial statements.

Comstock Capital Value Fund

Schedule of Investments (Continued) — April 30, 2014

- (a) At April 30, 2014, \$35,856,000 of the principal amount was pledged as collateral for securities sold short and futures contracts.
 - (b) At April 30, 2014, all of the put options purchased were held at Pershing LLC.
 - (c) At April 30, 2014, all of the futures contracts sold were held at UBS AG.
- † Represents annualized yield at date of purchase.
†† Non-income producing security.
ADR American Depositary Receipt

See accompanying notes to financial statements.

Comstock Capital Value Fund

Statement of Assets and Liabilities April 30, 2014

| | |
|-------------------------------------------------------------------------------------------------------------------------|----------------------|
| Assets: | |
| Investments, at value (cost \$38,667,682) | \$ 37,856,829 |
| Cash | 46,355 |
| Cash pledged for futures contracts | 1,063,750 |
| Deposit at brokers (including proceeds from securities sold short of \$14,148,192) | 11,539,927 |
| Receivable for Fund shares sold | 150,082 |
| Prepaid expenses | <u>26,578</u> |
| Total Assets | <u>50,683,521</u> |
| Liabilities: | |
| Securities sold short, at value | 11,204,031 |
| Payable for Fund shares redeemed | 128,528 |
| Variation margin payable | 69,988 |
| Payable for investment advisory fees | 32,152 |
| Payable for distribution fees | 12,388 |
| Dividends payable on securities sold short | 45,552 |
| Other accrued expenses | <u>104,197</u> |
| Total Liabilities | <u>11,596,836</u> |
| Net Assets (applicable to 41,232,704 shares outstanding) | <u>\$ 39,086,685</u> |
| Net Assets Consist of: | |
| Paid-in capital | \$ 189,233,399 |
| Accumulated net investment loss | (353,565) |
| Accumulated net realized loss on investments, securities sold short, and futures contracts | (151,922,223) |
| Net unrealized depreciation on investments | (810,853) |
| Net unrealized appreciation on securities sold short | 2,944,161 |
| Net unrealized depreciation on futures contracts | <u>(4,234)</u> |
| Net Assets | <u>\$ 39,086,685</u> |
| Shares of Capital Stock, each at \$0.001 par value; 125,000,000 shares authorized: | |
| Class AAA: | |
| Net Asset Value, offering, and redemption price per share (\$4,512,446 ÷ 4,648,253 shares outstanding) | <u>\$0.97</u> |
| Class A: | |
| Net Asset Value and redemption price per share (\$27,164,603 ÷ 28,032,597 shares outstanding) | <u>\$0.97</u> |
| Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price) | <u>\$1.03</u> |
| Class C: | |
| Net Asset Value and offering price per share (\$7,215,598 ÷ 8,354,574 shares outstanding) | <u>\$0.86(a)</u> |
| Class R: | |
| Net Asset Value, offering, and redemption price per share (\$194,038 ÷ 197,280 shares outstanding) | <u>\$0.98</u> |

(a) Redemption price varies based on the length of time held.

Statement of Operations For the Year Ended April 30, 2014

| | |
|---------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Investment Income: | |
| Interest | \$ 44,213 |
| Total Investment Income | <u>44,213</u> |
| Expenses: | |
| Investment advisory fees | 536,227 |
| Distribution fees - Class AAA | 9,856 |
| Distribution fees - Class A | 103,842 |
| Distribution fees - Class C | 79,370 |
| Dividend expense on securities sold short | 377,217 |
| Service fees for securities sold short (See Note 2) | 83,715 |
| Shareholder services fees | 70,976 |
| Legal and audit fees | 62,927 |
| Registration expenses | 60,398 |
| Shareholder communications expenses | 45,885 |
| Directors' fees | 39,000 |
| Accounting fees | 22,500 |
| Custodian fees | 8,956 |
| Interest expense | 266 |
| Miscellaneous expenses | <u>23,038</u> |
| Total Expenses | <u>1,524,173</u> |
| Net Investment Loss | <u>(1,479,960)</u> |
| Net Realized and Unrealized Gain/(Loss) on Investments, Securities Sold Short, and Futures Contracts: | |
| Net realized loss on investments | (2,811,260) |
| Net realized loss on securities sold short | (3,084,299) |
| Net realized loss on futures contracts | <u>(8,125,576)</u> |
| Net realized loss on investments, securities sold short, and futures contracts | <u>(14,021,135)</u> |
| Net change in unrealized appreciation/depreciation: | |
| on investments | 354,430 |
| on securities sold short | 335,682 |
| on futures contracts | <u>1,337,068</u> |
| Net change in unrealized appreciation/depreciation on investments, securities sold short, and futures contracts | <u>2,027,180</u> |
| Net Realized and Unrealized Gain/(Loss) on Investments, Securities Sold Short, and Futures Contracts | <u>(11,993,955)</u> |
| Net Decrease in Net Assets Resulting from Operations | <u>\$(13,473,915)</u> |

See accompanying notes to financial statements.

Comstock Capital Value Fund

Statement of Changes in Net Assets

| | Year Ended April 30, 2014 | Year Ended April 30, 2013 |
|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Operations: | | |
| Net investment loss | \$ (1,479,960) | \$ (2,862,302) |
| Net realized loss on investments, securities sold short, futures contracts, and foreign currency transactions | (14,021,135) | (23,800,320) |
| Net change in unrealized appreciation/depreciation on investments, securities sold short, and futures contracts | <u>2,027,180</u> | <u>8,544,207</u> |
| Net Decrease in Net Assets Resulting from Operations | <u>(13,473,915)</u> | <u>(18,118,415)</u> |
| Capital Stock Transactions: | | |
| Proceeds from shares sold | | |
| Class AAA | 2,597,960 | 11,246,353 |
| Class A | 34,841,760 | 72,766,743 |
| Class C | 3,585,967 | 3,986,003 |
| Class R | <u>27,800</u> | <u>104,353</u> |
| | <u>41,053,487</u> | <u>88,103,452</u> |
| Cost of shares redeemed | | |
| Class AAA | (1,107,808) | (11,112,038) |
| Class A | (58,288,684) | (99,670,268) |
| Class B* | — | (8,543) |
| Class C | (3,766,490) | (6,138,153) |
| Class R | <u>(6,558)</u> | <u>(133,933)</u> |
| | <u>(63,169,540)</u> | <u>(117,062,935)</u> |
| Net Decrease in Net Assets from Capital Stock Transactions | <u>(22,116,053)</u> | <u>(28,959,483)</u> |
| Redemption Fees | <u>2,598</u> | <u>1,605</u> |
| Net Decrease in Net Assets | <u>(35,587,370)</u> | <u>(47,076,293)</u> |
| Net Assets: | | |
| Beginning of year | <u>74,674,055</u> | <u>121,750,348</u> |
| End of year (including undistributed net investment income of \$0 and \$0, respectively) | <u>\$ 39,086,685</u> | <u>\$ 74,674,055</u> |

* Class B Shares were fully redeemed and closed on September 7, 2012.

See accompanying notes to financial statements.

Comstock Capital Value Fund

Financial Highlights

Selected data for a share of capital stock outstanding throughout each year:

| Year Ended April 30 | Income (Loss) from Investment Operations | | | | Net Asset Value, Beginning of Year | Net Investment Loss(a) | Net Realized and Unrealized Loss on Investments | | Total Investment Operations | Redemption Fees (a)(b) | Net Asset Value, End of Year | Total Return† | Ratios to Average Net Assets/ Supplemental Data | | |
|---------------------|------------------------------------------|---------------------------------------------|-----------------------------|---------------------|------------------------------------|------------------------|-------------------------------------------------|-----------------------|-----------------------------|------------------------|------------------------------|---------------|-------------------------------------------------|-------------------------|-------|
| | Net Investment Loss(a) | Realized and Unrealized Loss on Investments | Total Investment Operations | Net Investment Loss | | | Net Assets End of Year (in 000's) | Net Investment (Loss) | | | | | Operating Expenses(c) | Portfolio Turnover Rate | |
| Class AAA | | | | | | | | | | | | | | | |
| 2014 | \$1.23 | \$(0.03) | \$(0.23) | \$(0.26) | \$0.97 | \$0.00 | \$0.00 | \$0.00 | 0.00 | \$0.97 | (21.14)% | 2.73% | (2.65)% | 4,512 | 0% |
| 2013 | 1.50 | (0.04) | (0.23) | (0.27) | 1.23 | 0.00 | (0.23) | (0.27) | 0.00 | 1.23 | (18.00) | 2.87 | (2.75) | 3,924 | 246 |
| 2012 | 1.64 | (0.04) | (0.10) | (0.14) | 1.50 | 0.00 | (0.10) | (0.14) | 0.00 | 1.50 | (8.54) | 2.33 | (2.27) | 5,269 | 558 |
| 2011 | 2.07 | (0.04) | (0.39) | (0.43) | 1.64 | 0.00 | (0.39) | (0.43) | 0.00 | 1.64 | (20.77) | 2.11 | (2.02) | 1,235 | 368 |
| 2010 | 3.13 | (0.05) | (1.01) | (1.06) | 2.07 | 0.00 | (1.01) | (1.06) | 0.00 | 2.07 | (33.87) | 2.06 | (2.00) | 962 | 1,239 |
| Class A | | | | | | | | | | | | | | | |
| 2014 | \$1.23 | \$(0.03) | \$(0.23) | \$(0.26) | \$0.97 | \$0.00 | \$(0.23) | \$(0.26) | 0.00 | \$0.97 | (21.14)% | 2.73% | (2.65)% | \$ 27,165 | 0% |
| 2013 | 1.50 | (0.04) | (0.23) | (0.27) | 1.23 | 0.00 | (0.23) | (0.27) | 0.00 | 1.23 | (18.00) | 2.87 | (2.75) | 61,121 | 246 |
| 2012 | 1.64 | (0.04) | (0.10) | (0.14) | 1.50 | 0.00 | (0.10) | (0.14) | 0.00 | 1.50 | (8.54) | 2.33 | (2.27) | 102,182 | 558 |
| 2011 | 2.07 | (0.04) | (0.39) | (0.43) | 1.64 | 0.00 | (0.39) | (0.43) | 0.00 | 1.64 | (20.77) | 2.11 | (2.02) | 82,465 | 368 |
| 2010 | 3.14 | (0.05) | (1.02) | (1.07) | 2.07 | 0.00 | (1.02) | (1.07) | 0.00 | 2.07 | (34.08) | 2.06 | (2.02) | 97,271 | 1,239 |
| Class C | | | | | | | | | | | | | | | |
| 2014 | \$1.10 | \$(0.03) | \$(0.21) | \$(0.24) | \$0.86 | \$0.00 | \$(0.21) | \$(0.24) | 0.00 | \$0.86 | (21.82)% | 3.48% | (3.40)% | \$ 7,216 | 0% |
| 2013 | 1.35 | (0.04) | (0.21) | (0.25) | 1.10 | 0.00 | (0.21) | (0.25) | 0.00 | 1.10 | (18.52) | 3.62 | (3.50) | 9,408 | 246 |
| 2012 | 1.49 | (0.05) | (0.09) | (0.14) | 1.35 | 0.00 | (0.09) | (0.14) | 0.00 | 1.35 | (9.40) | 3.08 | (3.02) | 13,986 | 558 |
| 2011 | 1.90 | (0.05) | (0.36) | (0.41) | 1.49 | 0.00 | (0.36) | (0.41) | 0.00 | 1.49 | (21.58) | 2.86 | (2.77) | 14,366 | 368 |
| 2010 | 2.90 | (0.06) | (0.94) | (1.00) | 1.90 | 0.00 | (0.94) | (1.00) | 0.00 | 1.90 | (34.48) | 2.81 | (2.76) | 16,569 | 1,239 |
| Class R | | | | | | | | | | | | | | | |
| 2014 | \$1.24 | \$(0.03) | \$(0.23) | \$(0.26) | \$0.98 | \$0.00 | \$(0.23) | \$(0.26) | 0.00 | \$0.98 | (20.97)% | 2.48% | (2.40)% | \$ 194 | 0% |
| 2013 | 1.51 | (0.04) | (0.23) | (0.27) | 1.24 | 0.00 | (0.23) | (0.27) | 0.00 | 1.24 | (17.88) | 2.62 | (2.50) | 221 | 246 |
| 2012 | 1.65 | (0.03) | (0.11) | (0.14) | 1.51 | 0.00 | (0.11) | (0.14) | 0.00 | 1.51 | (8.48) | 2.08 | (2.01) | 304 | 558 |
| 2011 | 2.08 | (0.04) | (0.39) | (0.43) | 1.65 | 0.00 | (0.39) | (0.43) | 0.00 | 1.65 | (20.67) | 1.86 | (1.77) | 310 | 368 |
| 2010 | 3.14 | (0.04) | (1.02) | (1.06) | 2.08 | 0.00 | (1.02) | (1.06) | 0.00 | 2.08 | (33.76) | 1.81 | (1.77) | 296 | 1,239 |

† Total investment returns exclude the effects of sales loads and assume reinvestment of distributions.

(a) Per share amounts have been calculated using the average shares outstanding method.

(b) Amount represents less than \$0.005 per share.

(c) The Fund incurred dividend expense and service fees on securities sold short. If these expenses and fees had not been incurred, the ratios of operating expenses to average net assets for the years ended April 30, 2014, 2013, 2012, 2011, and 2010 would have been 1.87%, 1.64%, 1.54%, 1.60%, and 1.74% (Class AAA and Class A), 2.62%, 2.39%, 2.29%, 2.35%, and 2.49% (Class C), and 1.62%, 1.39%, 1.29%, 1.35%, and 1.48% (Class R), respectively.

See accompanying notes to financial statements.

Comstock Capital Value Fund

Notes to Financial Statements

1. Organization. Comstock Capital Value Fund, a series of The Comstock Funds, Inc. (the “Company”), is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Fund is a diversified portfolio with an investment objective to maximize total return, consisting of capital appreciation and current income.

2. Significant Accounting Policies. The Fund’s financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), which may require the use of management estimates and assumptions. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market’s official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market, but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of sixty days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than sixty days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. U.S. government obligations with maturities greater than sixty days are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value American Depositary Receipt securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy below:

- 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, etc.); and
- Level 3 — significant unobservable inputs (including the Board's determinations as to the fair value of investments).

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in aggregate that is significant to the fair value measurement. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments in securities and other financial instruments by inputs used to value the Fund's investments as of April 30, 2014 is as follows:

| | Valuation Inputs | | Total Market Value at 4/30/14 |
|------------------------------------------------------|--------------------------|------------------------------------------------|----------------------------------|
| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | |
| INVESTMENTS IN SECURITIES: | | | |
| ASSETS (Market Value): | | | |
| U.S. Government Obligations | — | \$37,574,429 | \$ 37,574,429 |
| TOTAL INVESTMENTS IN SECURITIES – ASSETS | — | \$37,574,429 | \$ 37,574,429 |
| LIABILITIES (Market Value): | | | |
| Securities Sold Short (a)* | \$(11,204,031) | — | \$(11,204,031) |
| TOTAL INVESTMENTS IN SECURITIES – LIABILITIES | \$(11,204,031) | — | \$(11,204,031) |
| OTHER FINANCIAL INSTRUMENTS:** | | | |
| ASSETS (Market Value): | | | |
| EQUITY CONTRACTS: | | | |
| Index Put Options Purchased | — | \$ 282,400 | \$ 282,400 |
| LIABILITIES (Unrealized Depreciation): | | | |
| EQUITY CONTRACTS: | | | |
| Index Futures Contracts - Short Positions (b) | \$ (4,234) | — | (4,234) |
| TOTAL OTHER FINANCIAL INSTRUMENTS | \$ (4,234) | \$ 282,400 | \$ 278,166 |

(a) Please refer to the Schedule of Investments ("SOI") for the industry classifications of these portfolio holdings.

(b) Represents cumulative unrealized depreciation of futures contracts as reported in the SOI.

* All Securities Sold Short positions are common stock.

** Other financial instruments are derivatives reflected in the SOI, such as options, futures, forwards, and swaps, which may be valued at the unrealized appreciation/depreciation of the instrument.

The Fund did not have transfers between Level 1 and Level 2 during the year ended April 30, 2014. The Fund's policy is to recognize transfers among Levels as of the beginning of the reporting period.

There were no Level 3 investments held at April 30, 2014 or 2013.

Additional Information to Evaluate Qualitative Information.

General. The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds is ultimately sourced from major stock exchanges and trading systems where these

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

Fair Valuation. Fair valued securities may be common and preferred equities, warrants, options, rights, and fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. Among the factors to be considered to fair value a security are recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These include back testing the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

Derivative Financial Instruments. The Fund may engage in various portfolio investment strategies by investing in a number of derivative financial instruments for the purposes of increasing the income of the Fund, hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase, or hedging against a specific transaction with respect to either the currency in which the transaction is denominated or another currency. Investing in certain derivative financial instruments, including participation in the options, futures, or swap markets, entails certain execution, liquidity, hedging, tax, and securities, interest, credit, or currency market risks. Losses may arise if the Adviser's prediction of movements in the direction of the securities, foreign currency, and interest rate markets is inaccurate. Losses may also arise if the counterparty does not perform its duties under a contract, or that, in the event of default, the Fund may be delayed in or prevented from obtaining payments or other contractual remedies owed to it under derivative contracts. The creditworthiness of the counterparties is closely monitored in order to minimize these risks. Participation in derivative transactions involves investment risks, transaction costs, and potential losses to which the Fund would not be subject absent the use of these strategies. The consequences of these risks, transaction costs, and losses may have a negative impact on the Fund's ability to pay distributions.

Collateral requirements differ by type of derivative. Collateral requirements are set by the broker or exchange clearing house for exchange traded derivatives, while collateral terms are contract specific for derivatives traded over-the-counter. Securities pledged to cover obligations of the Fund under derivative contracts are noted in the Schedule of Investments. Cash collateral, if any, pledged for the same purpose will be reported separately in the Statement of Assets and Liabilities.

The Fund's derivative contracts held at April 30, 2014 are not accounted for as hedging instruments under GAAP and are disclosed in the Schedule of Investments together with the related counterparty.

Options. The Fund may purchase or write call or put options on securities or indices for the purpose of increasing the income of the Fund. As a writer of put options, the Fund receives a premium at the outset and then bears the risk of unfavorable changes in the price of the financial instrument underlying the option. The Fund would incur a loss if the price of the underlying financial instrument decreases between the date the

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

option is written and the date on which the option is terminated. The Fund would realize a gain, to the extent of the premium, if the price of the financial instrument increases between those dates. If a written call option is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether there has been a realized gain or loss. If a written put option is exercised, the premium reduces the cost basis of the security.

As a purchaser of put options, the Fund pays a premium for the right to sell to the seller of the put option the underlying security at a specified price. The seller of the put has the obligation to purchase the underlying security upon exercise at the exercise price. If the price of the underlying security declines, the Fund would realize a gain upon sale or exercise. If the price of the underlying security increases or stays the same, the Fund would realize a loss upon sale or at expiration date, but only to the extent of the premium paid.

In the case of call options, these exercise prices are referred to as “in-the-money,” “at-the-money,” and “out-of-the-money,” respectively. The Fund may write (a) in-the-money call options when the Adviser expects that the price of the underlying security will remain stable or decline during the option period, (b) at-the-money call options when the Adviser expects that the price of the underlying security will remain stable, decline, or advance moderately during the option period, and (c) out-of-the-money call options when the Adviser expects that the premiums received from writing the call option will be greater than the appreciation in the price of the underlying security above the exercise price. By writing a call option, the Fund limits its opportunity to profit from any increase in the market value of the underlying security above the exercise price of the option. Out-of-the-money, at-the-money, and in-the-money put options (the reverse of call options as to the relation of exercise price to market price) may be utilized in the same market environments that such call options are used in equivalent transactions. Put options purchased which were held at April 30, 2014 are reflected within the Schedule of Investments.

The Fund’s volume of activity in index put options purchased during the year ended April 30, 2014 had an average monthly cost amount of approximately \$1,640,879.

As of April 30, 2014, the value of put options purchased that were held with equity risk exposure can be found in the Statement of Assets and Liabilities under Assets, within Investments, at value. For the year ended April 30, 2014, the effect of put options purchased with equity risk exposure can be found in the Statement of Operations, under Net Realized and Unrealized Gain/(Loss) on Investments, Securities Sold Short, and Futures Contracts, within Net realized loss on investments and Net change in unrealized appreciation/depreciation on investments.

Futures Contracts. The Fund may engage in futures contracts for the purpose of hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the “initial margin.” Subsequent payments (“variation margin”) are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, and included in unrealized appreciation/depreciation on futures contracts. The Fund recognizes a realized gain or loss when the contract is closed.

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

may not be able to enter into a closing transaction because of an illiquid secondary market. Open positions in futures contracts that were held at April 30, 2014 are reflected within the Schedule of Investments.

The Fund's volume of activity in index futures contracts sold during the year ended April 30, 2014 had an average notional value of approximately \$30,788,163.

At April 30, 2014, the Fund's derivative liabilities (by type) are as follows:

| | Gross Amounts of Recognized Liabilities Presented in the Statement of Assets and Liabilities | Gross Amounts Available for Offset in the Statement of Assets and Liabilities | Net Amounts of Liabilities Presented in the Statement of Assets and Liabilities |
|--------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| Liabilities | | | |
| Futures Contracts | \$69,988 | \$- | \$69,988 |

The following table presents the Fund's derivative liabilities by counterparty as of April 30, 2014:

| | Gross Amounts Not Offset in the Statement of Assets and Liabilities | | | Net Amount |
|---------------------|--------------------------------------------------------------------------------------------|-----------------------|----------------------------|------------|
| | Gross Amounts of Liabilities Presented in the Statement of Assets and Liabilities | Financial Instruments | Cash Collateral Pledged | |
| Counterparty | | | | |
| UBS Securities LLC | \$69,988 | \$(69,988) | \$- | \$- |

As of April 30, 2014, the value of futures contracts that were held with equity risk exposure can be found in the Statement of Assets and Liabilities under Liabilities, Variation margin payable. For the year ended April 30, 2014, the effect of futures contracts with equity risk exposure can be found in the Statement of Operations under Net Realized and Unrealized Gain/(Loss) on Investments, Securities Sold Short, and Futures Contracts, within Net realized loss on futures contracts and Net change in unrealized appreciation/depreciation on futures contracts.

Securities Sold Short. The Fund may enter into short sale transactions. Short selling involves selling securities that may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace such borrowed securities at a later date. The proceeds received from short sales are recorded as liabilities and the Fund records an unrealized gain or loss to the extent of the difference between the proceeds received and the value of an open short position on the day of determination. The Fund records a realized gain or loss when the short position is closed out. By entering into a short sale, the Fund bears the market risk of an unfavorable change in the price of the security sold short. Dividends on short sales are recorded as an expense by the Fund on the ex-dividend date and interest expense is recorded on the accrual basis. The broker retains collateral for the value of the open positions, which is adjusted periodically as the value of the position fluctuates. Securities sold short at April 30, 2014 are reflected within the Schedule of Investments. For the year ended April 30, 2014, the Fund incurred \$83,715 in service fees related to its investment positions sold short held by the broker. The amount is included in the Statement of Operations - Expenses - Service fees for securities sold short.

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities, if any, have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial purchase trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

Foreign Securities. The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the inability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than securities of comparable U.S. issuers.

Foreign Taxes. The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

Securities Transactions and Investment Income. Securities transactions are accounted for on the trade date with realized gain/(loss) on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on the accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities that are recorded as soon after the ex-dividend date as the Fund becomes aware of such dividends.

Determination of Net Asset Value and Calculation of Expenses. Certain administrative expenses are common to, and allocated among, various affiliated funds. Such allocations are made on the basis of each fund's average net assets or other criteria directly affecting the expenses as determined by the Adviser pursuant to procedures established by the Board.

In calculating the NAV per share of each class, investment income, realized and unrealized gains and losses, redemption fees, and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Distribution expenses are borne solely by the class incurring the expense.

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

Distributions to Shareholders. Distributions to shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, and timing differences. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. Permanent differences were primarily due to the write-off of net operating loss and the expiration of capital loss carryforwards. These reclassifications have no impact on the NAV of the Fund. For the year ended April 30, 2014, reclassifications were made to decrease accumulated net investment loss by \$1,778,895 and decrease accumulated net realized loss on investments, securities sold short, and futures contracts by \$12,965,109, with an offsetting adjustment to paid-in capital.

No distributions were made during the years ended April 30, 2014 and 2013.

Provision for Income Taxes. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

As of April 30, 2014, the components of accumulated earnings/losses on a tax basis were as follows:

| | |
|----------------------------------------------|------------------------|
| Accumulated capital loss carryforwards | \$(148,691,360) |
| Net unrealized appreciation | 2,947,217 |
| Qualified late year loss deferral* | <u>(4,402,571)</u> |
| Total | <u>\$(150,146,714)</u> |

* Under the current law, qualified late year losses realized after October 31 and prior to the Fund's fiscal year end may be elected as occurring on the first day of the following year. For the year ended April 30, 2014, the Fund elected to defer \$4,402,571 of those losses, consisting of \$353,565 of ordinary losses, \$2,129,290 of post-October short term capital losses, and \$1,919,716 of post-October long term capital losses.

At April 30, 2014, the Fund had net capital loss carryforwards for federal income tax purposes of \$148,691,360, which are available to reduce future required distributions of net capital gains to shareholders. Under the Regulated Investment Company Modernization Act of 2010, the Fund is permitted to carry forward for an unlimited period capital losses incurred in years beginning after December 22, 2010. In addition, these losses must be utilized prior to the losses incurred in pre-enactment taxable years. As a result of the rule, pre-enactment capital loss carryforwards may have an increased likelihood of expiring unused. Additionally, post enactment capital losses that are carried forward will retain their character as either short term or long term capital losses rather than being considered all short term as under previous law.

| | |
|---------------------------------------------------------------|----------------------|
| Capital Loss Carryforward Available through 2015 | \$ 7,109,158 |
| Capital Loss Carryforward Available through 2016 | 4,484,299 |
| Capital Loss Carryforward Available through 2018 | 12,025,747 |
| Capital Loss Carryforward Available through 2019 | 37,242,276 |
| Short term Capital Loss Carryforward with No Expiration | 49,996,331 |
| Long term Capital Loss Carryforward with No Expiration | <u>37,833,549</u> |
| Total Capital Loss Carryforwards | <u>\$148,691,360</u> |

During the year ended April 30, 2014, \$13,004,169 of the capital loss carryforwards expired.

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

At April 30, 2014, the temporary difference between book basis and tax basis net unrealized depreciation on investments was primarily due to deferral of losses from wash sales.

The following summarizes the tax cost of investments, proceeds from short sales, futures transactions, and the related net unrealized appreciation/depreciation at April 30, 2014:

| | <u>Cost (Proceeds)</u> | <u>Gross Unrealized Appreciation</u> | <u>Gross Unrealized Depreciation</u> | <u>Net Unrealized Appreciation/ Depreciation</u> |
|-------------------------|----------------------------|----------------------------------------------|----------------------------------------------|----------------------------------------------------------|
| Investments | \$ 38,667,674 | \$ 3,059 | \$ (813,904) | \$ (810,845) |
| Securities sold short. | (14,148,192) | 3,208,154 | (263,993) | 2,944,161 |
| Futures contracts . . . | — | 243,316 | (247,550) | (4,234) |
| | | <u>\$3,454,529</u> | <u>\$(1,325,447)</u> | <u>\$2,129,082</u> |

The Fund is required to evaluate tax positions taken or expected to be taken in the course of preparing the Fund's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Income tax and related interest and penalties would be recognized by the Fund as tax expense in the Statement of Operations if the tax positions were deemed not to meet the more-likely-than-not threshold. For the year ended April 30, 2014, the Fund did not incur any income tax, interest, or penalties. As of April 30, 2014, the Adviser has reviewed all open tax years and concluded that there was no impact to the Fund's net assets or results of operations. Tax years ended April 30, 2011 through April 30, 2014 remain subject to examination by the Internal Revenue Service and state taxing authorities. On an ongoing basis, the Adviser will monitor the Fund's tax positions to determine if adjustments to this conclusion are necessary.

3. Investment Advisory Agreement and Other Transactions. The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with the Adviser which provides that the Fund will pay the Adviser a fee, computed daily and paid monthly, at the annual rate of 1.00% of the value of its average daily net assets. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio, oversees the administration of all aspects of the Fund's business and affairs, and pays the compensation of all Officers and Directors of the Fund who are affiliated persons of the Adviser.

The Fund pays each Director who is not considered an affiliated person an annual retainer of \$3,000 plus \$1,000 for each Board meeting attended. Each Director is reimbursed by the Fund for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended and the Chairman of the Audit Committee and the Lead Director each receive an annual fee of \$1,000. A Director may receive a single meeting fee, allocated among the participating funds, for participation in certain meetings held on behalf of multiple funds. Directors who are directors, trustees or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

4. Distribution Plan. The Fund's Board has adopted a distribution plan (the "Plan") for each class of shares, except for Class R Shares, pursuant to Rule 12b-1 under the 1940 Act. Under the Class AAA, Class A, and Class C Share Plans, payments are authorized to G.distributors, LLC (the "Distributor"), an affiliate of the Adviser, at annual rates of 0.25%, 0.25%, and 1.00%, respectively, of the average daily net assets of those classes, the annual limitations under each Plan. Such payments are accrued daily and paid monthly.

5. Portfolio Securities. There were no long term purchases and sales of securities during the year ended April 30, 2014.

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

6. Transactions with Affiliates. During the year ended April 30, 2014, the Distributor retained a total of \$23,353 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement. During the year ended April 30, 2014, the Fund paid or accrued \$22,500 to the Adviser in connection with the cost of computing the Fund's NAV.

7. Capital Stock Transactions. The Fund offers four classes of shares – Class AAA Shares, Class A Shares, Class C Shares, and Class R Shares. Class AAA Shares are offered without a sales charge only to investors who acquire them directly from the Distributor, through selected broker/dealers, or the transfer agent. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class C Shares are subject to a 1.00% CDSC for one year after purchase. Class R Shares are offered without a sales charge through the Distributor and selected broker/dealers that have entered into selling agreements specifically with respect to Class R Shares.

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund as an increase in paid-in capital. The redemption fees retained by the Fund during the years ended April 30, 2014 and 2013 amounted to \$2,598 and \$1,605, respectively.

Transactions in shares of capital stock were as follows:

| | Year Ended April 30, 2014 | Year Ended April 30, 2013 |
|-----------------------------|------------------------------|------------------------------|
| Class AAA | | |
| Shares sold | 2,471,914 | 7,575,380 |
| Shares redeemed | <u>(1,020,861)</u> | <u>(7,895,473)</u> |
| Net increase/decrease | <u>1,451,053</u> | <u>(320,093)</u> |
| Class A | | |
| Shares sold | 31,365,243 | 51,649,738 |
| Shares redeemed | <u>(53,205,123)</u> | <u>(70,068,652)</u> |
| Net decrease | <u>(21,839,880)</u> | <u>(18,418,914)</u> |
| Class B* | | |
| Shares redeemed | — | (6,145) |
| Net decrease | <u>—</u> | <u>(6,145)</u> |
| Class C | | |
| Shares sold | 3,693,533 | 3,116,490 |
| Shares redeemed | <u>(3,879,891)</u> | <u>(4,899,756)</u> |
| Net decrease | <u>(186,358)</u> | <u>(1,783,266)</u> |
| Class R | | |
| Shares sold | 25,138 | 73,081 |
| Shares redeemed | <u>(6,253)</u> | <u>(96,085)</u> |
| Net increase/decrease | <u>18,885</u> | <u>(23,004)</u> |

* Class B Shares were fully redeemed and closed on September 7, 2012.

Comstock Capital Value Fund

Notes to Financial Statements (Continued)

8. Indemnifications. The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts. Management has reviewed the Fund's existing contracts and expects the risk of loss to be remote.

9. Other Matters. On April 24, 2008, the Adviser entered into a settlement with the SEC to resolve an inquiry regarding prior frequent trading in shares of the GAMCO Global Growth Fund (the "Global Growth Fund") by one investor who was banned from the Global Growth Fund in August 2002. Under the terms of the settlement, the Adviser, without admitting or denying the SEC's findings and allegations, paid \$16 million (which included a \$5 million civil monetary penalty). On the same day, the SEC filed a civil action in the U.S. District Court for the Southern District of New York (the "Court") against the Executive Vice President and Chief Operating Officer of the Adviser, alleging violations of certain federal securities laws arising from the same matter. The officer, who also is an officer of the Global Growth Fund and other funds in the Gabelli/GAMCO complex, including this Fund, denies the allegations and is continuing in his positions with the Adviser and the funds. The settlement by the Adviser did not have, and the resolution of the action against the officer is not expected to have, a material adverse impact on the Adviser or its ability to fulfill its obligations under the Advisory Agreement.

10. Subsequent Events. On May 2, 2014, the SEC filed with the Court a stipulation of voluntary dismissal of the civil action against the Executive Vice President and Chief Operating Officer of the Adviser. On June 19, 2014, the Court dismissed the civil action against the Officer.

Management has evaluated the impact on the Fund of all other subsequent events occurring through the date the financial statements were issued and has determined that there were no other subsequent events requiring recognition or disclosure in the financial statements.

Comstock Capital Value Fund

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of
The Comstock Capital Value Fund:

We have audited the accompanying statement of assets and liabilities, including the schedule of investments of Comstock Capital Value Fund (the "Fund"), as of April 30, 2014, and 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 periods indicated therein. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, 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. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of April 30, 2014, by correspondence with the Fund's custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Comstock Capital Value Fund at April 30, 2014, 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 periods indicated therein, in conformity with U.S. generally accepted accounting principles.

Ernst + Young LLP

New York, New York
June 24, 2014

Comstock Capital Value Fund Additional Fund Information (Unaudited)

The business and affairs of the Company are managed under the direction of the Company's Board of Directors. Information pertaining to the Directors and officers of the Company is set forth below. The Company's Statement of Additional Information includes additional information about the Company's Directors and is available without charge, upon request, by calling 800-GABELLI (800-422-3554) or by writing to Comstock Funds, Inc. at One Corporate Center, Rye, NY 10580-1422.

| <u>Name, Position(s) Address¹ and Age</u> | <u>Term of Office and Length of Time Served²</u> | <u>Number of Funds in Fund Complex Overseen by Director</u> | <u>Principal Occupation(s) During Past Five Years</u> | <u>Other Directorships Held by Director⁵</u> |
|---------------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| INTERESTED DIRECTORS³: | | | | |
| Charles L. Minter Director and Portfolio Manager Age: 72 | Since 1987 | 1 | Portfolio Manager, Gabelli Funds, LLC since 2000; Prior to May 2000, Director, Chairman of the Board and Chief Executive Officer of Comstock Partners, Inc. | — |
| Henry G. Van der Eb, CFA⁴ Chairman of the Board Age: 69 | Since 2000 | 2 | Senior Vice President of GAMCO Investors, Inc. since August 2004; President and CEO of GAMCO Mathers Fund since 1999; Senior Vice President and Portfolio Manager of Gabelli Funds, LLC and GAMCO Asset Management Inc. since 1999 | — |
| INDEPENDENT DIRECTORS⁶: | | | | |
| M. Bruce Adelberg Director Age: 77 | Since 1995 | 2 | Consultant, MBA Research Group | — |
| Anthony S. Colavita Director Age: 52 | Since 2009 | 2 | Attorney, Anthony S. Colavita, P.C. | — |
| Vincent D. Enright Director Age: 70 | Since 2000 | 17 | Former Senior Vice President and Chief Financial Officer of KeySpan Corporation (public utility) (1994-1998) | Director of Echo Therapeutics, Inc. (therapeutics and diagnostics); Director of The LGL Group, Inc. (diversified manufacturing) |
| Anthony R. Pustorino Director Age: 88 | Since 2000 | 13 | Certified Public Accountant; Professor Emeritus, Pace University | Director of The LGL Group, Inc. (diversified manufacturing) (2002-2010) |
| Werner J. Roeder, MD Director Age: 73 | Since 2000 | 22 | Medical Director of Lawrence Hospital and practicing private physician | — |

Comstock Capital Value Fund Additional Fund Information (Continued) (Unaudited)

| <u>Name, Position(s) Address¹ and Age</u> | <u>Term of Office and Length of Time Served²</u> | <u>Principal Occupation(s) During Past Five Years</u> |
|----------------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFFICERS: | | |
| Bruce N. Alpert Executive Vice President Age: 62 | Since 2000 | Executive Vice President and Chief Operating Officer of Gabelli Funds, LLC since 1998; Officer of registered investment companies in the Gabelli/GAMCO Funds Complex; Director of Teton Advisors, Inc. 1998-2012; Chairman of Teton Advisors, Inc. 2008-2010; President of Teton Advisors, Inc. 1998-2008; Senior Vice President of GAMCO Investors, Inc. since 2008 |
| Andrea R. Mango Secretary Age: 41 | Since November 2013 | Counsel of Gabelli Funds, LLC; Corporate Vice President within the Corporate Compliance Department of New York Life Insurance Company 2011-2013; Vice President and Counsel of Deutsche Bank 2006-2011 |
| Carolyn Matlin Vice President Age: 57 | Since 1987 | Vice President, Gabelli Funds, LLC since 2000 |
| Agnes Mullady Treasurer Age: 55 | Since 2006 | President and Chief Operating Officer of the Open-End Fund Division of Gabelli Funds, LLC since 2010; Senior Vice President of GAMCO Investors, Inc. since 2009; Vice President of Gabelli Funds, LLC since 2007; Officer of all of the registered investment companies in the Gabelli/GAMCO Funds Complex |
| Richard J. Walz Chief Compliance Officer Age: 54 | Since November 2013 | Chief Compliance Officer of the Gabelli/GAMCO Funds Complex; Chief Compliance Officer of AEGON USA Investment Management LLC 2011-2013; Chief Compliance Officer of Cutwater Asset Management 2004-2011 |
| Martin Weiner, CFA President and Portfolio Manager Age: 80 | Since 1995 | Portfolio Manager of Gabelli Funds, LLC; President and Portfolio Manager of the Comstock Capital Value Fund |

¹ Address: One Corporate Center, Rye, NY 10580-1422, unless otherwise noted.

² Each Director will hold office for an indefinite term until the earliest of (i) the next meeting of shareholders, if any, called for the purpose of considering the election or re-election of such Director and until the election and qualification of his or her successor, if any, elected at such meeting, or (ii) the date a Director resigns or retires, or a Director is removed by the Board of Directors or shareholders, in accordance with the Company's By-Laws and Articles of Incorporation. Each officer will hold office for an indefinite term until the date he or she resigns or retires or until his or her successor is elected and qualified.

³ "Interested person" of the Company as defined in the 1940 Act. Messrs. Minter and Van der Eb are each considered an "interested person" because of their affiliation with Gabelli Funds, LLC which acts as the Company's investment adviser.

⁴ Address: 2801 Lakeside Drive, Suite 201, Bannockburn, IL 60015.

⁵ This column includes only directorships of companies required to report to the SEC under the Securities Exchange Act of 1934, as amended, i.e., public companies, or other investment companies registered under the 1940 Act.

⁶ Directors who are not interested persons, as defined in the 1940 Act, are considered "Independent" Directors.

COMSTOCK CAPITAL VALUE FUND
One Corporate Center
Rye, NY 10580-1422

Portfolio Management Team Biographies

Charles L. Minter and Martin Weiner, CFA joined Gabelli Funds, LLC in 2000, when the management of the Comstock Funds was assumed by Gabelli Funds, LLC. Mr. Minter is currently a Director of the Funds.

Mr. Minter was one of the founders of Comstock Partners, Inc. which was formed in 1986. Prior to forming Comstock Partners, Inc., Mr. Minter worked for Merrill Lynch in Institutional Sales as a Vice President from 1976-1986. Mr. Minter received an M.B.A. degree with distinction from New York University's Graduate School of Business and a B.S. degree from Florida State University.

Mr. Weiner has been Co-Portfolio Manager of The Comstock Capital Value Fund since 1999. Mr. Weiner joined Comstock Partners Inc. in 1995 as a research analyst and became its president in 1999. Mr. Weiner received his M.S. degree in Finance from Columbia Business School and a B.A. in Economics from Brooklyn College.

We have separated the portfolio managers' commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio managers' commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

Comstock Capital Value Fund
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Net Asset Value per share available daily
by calling 800-GABELLI after 7:00 P.M.

BOARD OF DIRECTORS

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MBA Research Group
Anthony S. Colavita
Attorney,
Anthony S. Colavita, P.C.
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Former Senior Vice President
and Chief Financial Officer,
KeySpan Corp.
Charles L. Minter
Former Chairman and
Chief Executive Officer,
Comstock Partners, Inc.
Anthony R. Pustorino
Certified Public Accountant,
Professor Emeritus,
Pace University
Werner J. Roeder, MD
Medical Director,
Lawrence Hospital
Henry G. Van der Eb, CFA
Senior Vice President,
GAMCO Investors, Inc.

OFFICERS

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Executive Vice President
Andrea R. Mango
Secretary
Carolyn Matlin
Vice President
Agnes Mullady
Treasurer
Richard J. Walz
Chief Compliance Officer
Martin Weiner, CFA
President

DISTRIBUTOR

G.distributors, LLC

CUSTODIAN

The Bank of New York Mellon

**TRANSFER AGENT AND
DIVIDEND DISBURSING AGENT**

State Street Bank and Trust
Company

LEGAL COUNSEL

Paul Hastings LLP

This report is submitted for the general information of the shareholders of the Comstock Capital Value Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

GABCOAPR14AR



Comstock Capital Value Fund

*Annual Report
April 30, 2014*

