

**Hand Composite Employee Benefit Trust  
Haverford Collective Funds**

Independent Auditor's Report and Financial Statements

December 31, 2016



**Hand Composite Employee Benefit Trust**  
**December 31, 2016**

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## Independent Auditor's Report

Board of Directors  
Hand Composite Employee Benefit Trust  
Houston, Texas

We have audited the accompanying financial statements of selected funds (Haverford Aggressive Collective Fund, Haverford Moderately Aggressive Collective Fund, Haverford Balanced Collective Fund and Haverford Moderately Conservative Collective Fund) [four funds] included in the Hand Composite Employee Benefit Trust ("Trust" or "Funds"), which comprise the statements of assets and liabilities, including the schedules of investments, as of December 31, 2016, and the related statements of operations and changes in net assets for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of these selected funds included in the Hand Composite Employee Benefit Trust as of December 31, 2016, and the results of their operations and the changes in their net assets for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of investment purchases and sales listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**BKD, LLP**

Houston, Texas  
May 26, 2017

**Hand Composite Employee Benefit Trust**  
**Statements of Assets and Liabilities – Selected Funds**  
**December 31, 2016**

	<b>Haverford Aggressive Collective Fund</b>	<b>Haverford Moderately Aggressive Collective Fund</b>	<b>Haverford Balanced Collective Fund</b>	<b>Haverford Moderately Conservative Collective Fund</b>
<b>Assets</b>				
Investments, at cost	\$ 10,779,891	\$ 9,652,343	\$ 7,279,392	\$ 2,298,553
Investments, at fair value	\$ 11,802,356	\$ 10,294,807	\$ 7,611,231	\$ 2,363,955
Receivable for:				
Capital shares sold	2,376	9,829	100	-
Dividends and interest	15,634	14,229	8,085	2,333
Total assets	<u>\$ 11,820,366</u>	<u>\$ 10,318,865</u>	<u>\$ 7,619,416</u>	<u>\$ 2,366,288</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 6,296	\$ 6,163	\$ 5,318	\$ 4,443
Total liabilities	<u>\$ 6,296</u>	<u>\$ 6,163</u>	<u>\$ 5,318</u>	<u>\$ 4,443</u>
Total net assets held for participants - Class R1	<u>\$ 11,814,070</u>	<u>\$ 10,312,702</u>	<u>\$ 7,614,098</u>	<u>\$ 2,361,845</u>
Units outstanding - Class R1	<u>1,009,171</u>	<u>891,302</u>	<u>670,887</u>	<u>213,855</u>
Net asset value per unit - Class R1	<u>\$ 11.71</u>	<u>\$ 11.57</u>	<u>\$ 11.35</u>	<u>\$ 11.04</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments**  
**Haverford Aggressive Collective Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><b>Short Term Investment</b></i>			
233,665	First American Treasury Obligation Fund Instl	\$ 233,665	\$ 233,665
	Total Short Term Investment	1.98% 233,665	233,665
<i><b>Common Stock</b></i>			
<i><b>Consumer Discretionary</b></i>			
3,400	Comcast Corp	185,848	234,770
1,947	Disney Walt	146,121	202,916
1,230	Genuine Parts Co	102,069	117,514
2,200	Nike Inc Class B	111,776	111,826
1,375	Target Corporation	92,216	99,316
2,076	TJX Companies Inc	122,573	155,970
	Total Consumer Discretionary	7.81% 760,603	922,312
<i><b>Consumer Staples</b></i>			
2,031	Altria Group Inc	76,926	137,336
2,835	Coca-Cola Co	112,601	117,539
1,076	CVS Caremark Corporation	73,988	84,907
893	Kimberly-clark Corp	94,779	101,909
900	Mondelez International Inc	37,521	39,897
1,695	Pepsico Inc	139,539	177,348
1,925	Philip Morris International Inc	165,232	176,118
1,614	Procter & Gamble Co	129,406	135,705
1,608	The Kraft Heinz Co	86,665	140,411
	Total Consumer Staples	9.41% 916,657	1,111,170
<i><b>Energy</b></i>			
1,222	Chevron Corp	146,029	143,829
1,205	Exxon Mobil Corporation	115,872	108,763
	Total Energy	2.14% 261,901	252,592

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Aggressive Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Financials</i>			
523	Blackrock Inc	\$ 162,499	\$ 199,022
2,641	JP Morgan Chase & Co	149,937	227,892
3,630	Wells Fargo & Company	164,984	200,049
	Total Financials	5.31% <u>477,420</u>	<u>626,963</u>
<i>Healthcare</i>			
1,505	Baxter International Inc	56,493	66,732
773	Becton Dickinson And Co	91,195	127,970
992	Gilead Sciences	86,203	71,037
1,592	Johnson & Johnson Corporation	150,191	183,414
2,627	Merck & Co Inc	137,863	154,651
2,327	Pfizer Inc	67,234	75,581
1,131	Unitedhealth Group Inc	82,560	181,005
	Total Healthcare	7.29% <u>671,739</u>	<u>860,390</u>
<i>Industrials</i>			
6,025	General Electric Company	159,721	190,390
1,279	United Parcel Service Inc	128,200	146,625
1,093	United Technologies Corporation	117,289	119,815
591	WW Grainger Inc	145,222	137,260
	Total Industrials	5.03% <u>550,432</u>	<u>594,090</u>
<i>Information Technology</i>			
1,472	Apple Inc	118,352	170,487
1,379	Auto Data Processing Inc.	97,605	141,734
2,010	Intel Corporation	51,733	72,903
1,145	Mastercard Inc	95,886	118,221
3,896	Microsoft Corporation	171,305	242,097
3,299	Oracle Corp	130,187	126,847
	Total Information Technology	7.39% <u>665,068</u>	<u>872,289</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Aggressive Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares			Cost	Fair Value
<i>Materials</i>				
2,187	Dupont E I De Nemours & Co Inc		\$ 137,222	\$ 160,526
	Total Materials	1.36%	<u>137,222</u>	<u>160,526</u>
<i>Telecommunication Services</i>				
2,917	Verizon Communications		138,212	155,709
	Total Telecommunication Services	1.32%	<u>138,212</u>	<u>155,709</u>
<i>Utilities</i>				
1,245	American Electric Power		76,467	78,385
	Total Utilities	0.66%	<u>76,467</u>	<u>78,385</u>
	Total Common Stock	47.72%	<u>4,655,721</u>	<u>5,634,426</u>
<i><u>Foreign Stock</u></i>				
<i>Consumer Staples</i>				
1,379	Anheuser-Busch Inbev Nv		144,221	145,402
	Total Consumer Staples	1.23%	<u>144,221</u>	<u>145,402</u>
<i>Energy</i>				
1,845	Schlumberger Ltd		168,691	154,888
	Total Energy	1.31%	<u>168,691</u>	<u>154,888</u>
<i>Healthcare</i>				
1,942	Glaxosmithkline Plc Sponsored ADR		104,296	74,786
2,290	Medtronic Plc		163,738	163,117
	Total Healthcare	2.02%	<u>268,034</u>	<u>237,903</u>
<i>Industrials</i>				
2,038	Eaton Corp Plc		143,443	136,729
	Total Industrials	1.16%	<u>143,443</u>	<u>136,729</u>



**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Aggressive Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares			Cost	Fair Value
<i>Information Technology</i>				
2,019	Accenture Plc		\$ 161,290	\$ 236,485
	Total Information Technology	2.00%	<u>161,290</u>	<u>236,485</u>
	Total Foreign Stock	7.72%	<u>885,679</u>	<u>911,407</u>
<i>Exchange-traded Funds</i>				
<i>Equity</i>				
8,680	Guggenheim S&P Equal Weight ETF		640,101	752,035
15,975	iShares Core MSCI EAFE ETF		812,730	856,739
21,434	iShares Core MSCI Emerging		1,012,577	909,876
2,008	iShares Core S&P Midcap ETF		269,326	332,003
9,468	iShares Emerging Markets Min Volatility		464,281	463,080
2,221	iShares S&P Small Cap 600 Index		237,357	305,432
9,069	Vanguard FTSE Europe ETF		500,657	434,768
4,013	Vanguard MSCI EAFE ETF		217,857	233,236
2,518	Vanguard World Ex US Small Cap		263,830	236,768
	Total Equity	38.35%	<u>4,418,716</u>	<u>4,523,937</u>
<i>Other</i>				
12,194	JP Morgan Chase & Co Alerian MLP Index ETN		472,641	385,452
	Total Other	3.27%	<u>472,641</u>	<u>385,452</u>
	Total Exchange-traded Funds	41.62%	<u>4,891,357</u>	<u>4,909,389</u>
<i>Common Trust Fund</i>				
<i>Fixed Income</i>				
113,469	HB&T Short Term Income Fund		113,469	113,469
	Total Fixed Income	0.96%	<u>113,469</u>	<u>113,469</u>
	Total Common Trust Fund	0.96%	<u>113,469</u>	<u>113,469</u>
	Total Investments	100.00%	<u>\$ 10,779,891</u>	<u>\$ 11,802,356</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Aggressive Collective Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<b><i>Short Term Investment</i></b>			
66,437	First American Treasury Obligation Fund Instl	\$ 66,437	\$ 66,437
	Total Short Term Investment	0.65% 66,437	66,437
<b><i>US Government Obligation</i></b>			
100,000	United States Treasury Notes 1.625% 02/15/26	92,266	93,391
	Total US Government Obligation	0.91% 92,266	93,391
<b><i>Common Stock</i></b>			
<b><i>Consumer Discretionary</i></b>			
1,908	Comcast Corp	112,697	131,747
1,369	Disney Walt	111,032	142,677
836	Genuine Parts Co	71,942	79,871
2,125	Nike Inc Class B	107,965	108,014
935	Target Corporation	55,492	67,535
1,472	TJX Companies Inc	82,701	110,591
	Total Consumer Discretionary	6.22% 541,829	640,435
<b><i>Consumer Staples</i></b>			
1,367	Altria Group Inc	49,766	92,437
2,224	Coca-Cola Co	86,434	92,207
902	CVS Caremark Corporation	63,886	71,177
627	Kimberly-clark Corp	67,243	71,553
1,385	Mondelez International Inc	57,917	61,397
1,270	Pepsico Inc	105,244	132,880
1,351	Philip Morris International Inc	115,986	123,603
1,094	Procter & Gamble Co	86,433	91,984
1,070	The Kraft Heinz Co	60,955	93,432
	Total Consumer Staples	8.07% 693,864	830,670
<b><i>Energy</i></b>			
788	Chevron Corp	88,213	92,748
797	Exxon Mobil Corporation	78,608	71,937
	Total Energy	1.60% 166,821	164,685

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Aggressive Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Financials</i>			
343	Blackrock Inc	\$ 110,407	\$ 130,525
1,687	JP Morgan Chase & Co	94,637	145,571
2,424	Wells Fargo & Company	112,388	133,587
	Total Financials	3.98% <u>317,432</u>	<u>409,683</u>
<i>Healthcare</i>			
1,345	Baxter International Inc	50,487	59,637
556	Becton Dickinson and Co	68,787	92,046
804	Gilead Sciences Inc	68,835	57,574
1,065	Johnson & Johnson Corporation	101,190	122,699
1,852	Merck & Co Inc	96,621	109,027
1,568	Pfizer Inc	44,619	50,929
765	Unitedhealth Group Inc	59,556	122,431
	Total Healthcare	5.97% <u>490,095</u>	<u>614,343</u>
<i>Industrials</i>			
4,193	General Electric Company	111,892	132,499
391	United Parcel Service Inc	95,225	90,810
880	United Technologies Corporation	87,269	100,883
743	WW Grainger Inc	78,658	81,448
	Total Industrials	3.94% <u>373,044</u>	<u>405,640</u>
<i>Information Technology</i>			
971	Apple Inc	86,507	112,461
917	Auto Data Processing Inc.	65,965	94,249
1,395	Intel Corporation	34,972	50,597
795	Mastercard Inc	56,988	82,084
2,589	Microsoft Corporation	106,111	160,880
2,382	Oracle Corp	93,315	91,588
	Total Information Technology	5.75% <u>443,858</u>	<u>591,859</u>
<i>Materials</i>			
1,125	Dupont EI De Nemours & Co Inc	70,045	82,575
	Total Materials	0.80% <u>70,045</u>	<u>82,575</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Aggressive Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares			Cost	Fair Value
<i>Telecommunication Services</i>				
1,946	Verizon Communications		\$ 92,135	\$ 103,877
	Total Telecommunication Services	1.01%	<u>92,135</u>	<u>103,877</u>
<i>Utilities</i>				
985	American Electric Power		60,510	62,016
	Total Utilities	0.60%	<u>60,510</u>	<u>62,016</u>
	Total Common Stock	37.94%	<u>3,249,633</u>	<u>3,905,783</u>
<i><u>Foreign Stock</u></i>				
<i>Consumer Staples</i>				
1,303	Anheuser-Busch Inbev Nv		135,808	137,388
	Total Consumer Staples	1.33%	<u>135,808</u>	<u>137,388</u>
<i>Energy</i>				
1,210	Schlumberger Ltd		107,573	101,580
	Total Energy	0.99%	<u>107,573</u>	<u>101,580</u>
<i>Healthcare</i>				
1,612	Glaxosmithkline Plc Sponsored ADR		87,496	62,078
1,690	Medtronic Plc		119,589	120,379
	Total Healthcare	1.77%	<u>207,085</u>	<u>182,457</u>
<i>Industrials</i>				
1,366	Eaton Corp Plc		78,232	91,645
	Total Industrials	0.89%	<u>78,232</u>	<u>91,645</u>
<i>Information Technology</i>				
1,332	Accenture Plc		109,284	156,017
	Total Information Technology	1.52%	<u>109,284</u>	<u>156,017</u>
	Total Foreign Stock	6.50%	<u>637,982</u>	<u>669,087</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Aggressive Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Mutual Funds</u></i>			
<i>Fixed Income</i>			
21,548	Blackrock Strategic Inc Opportunities Inv A	\$ 215,438	\$ 211,820
14,851	Doubleline Total Ret Bd-I	162,956	157,717
	Total Fixed Income	3.59% <u>378,394</u>	<u>369,537</u>
	Total Mutual Funds	3.59% <u>378,394</u>	<u>369,537</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
2,951	iShares Barclays 1-3 Year Credit Bond	311,522	309,678
7,647	iShares Barclays Intermed Credit Bond	832,281	827,329
2,241	iShares Barclays MBS Bond Fund	238,289	238,308
7,826	Powershares Build America Bond Portfolio	224,199	227,658
	Total Fixed Income	15.57% <u>1,606,291</u>	<u>1,602,973</u>
<i>Equity</i>			
5,174	Guggenheim S&P Equal Weight ETF	406,723	448,275
10,696	iShares Core MSCI EAFE ETF	561,653	573,626
16,831	iShares Core MSCI Emerging	793,205	714,478
1,350	iShares Core S&P Midcap ETF	185,263	223,209
7,674	iShares Emerging Markets Min Volatility	375,593	375,335
1,800	iShares S&P Small Cap 600 Index	194,019	247,536
2,041	Vanguard FTSE Europe ETF	214,328	191,915
3,252	Vanguard MSCI EAFE ETF	176,544	189,006
6,074	Vanguard World Ex US Small Cap	340,015	291,188
	Total Equity	31.61% <u>3,247,343</u>	<u>3,254,568</u>
<i>Other</i>			
9,884	JP Morgan Chase & Co Alerian MLP Index Etn	353,399	312,433
	Total Other	3.03% <u>353,399</u>	<u>312,433</u>
	Total Exchange-traded Funds	50.21% <u>5,207,033</u>	<u>5,169,974</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Aggressive Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
20,598	HB&T Short Term Income Fund	\$ 20,598	\$ 20,598
	Total Fixed Income	<u>0.20% 20,598</u>	<u>20,598</u>
	Total Common Trust Fund	<u>0.20% 20,598</u>	<u>20,598</u>
	Total Investments	<u>100.00% \$ 9,652,343</u>	<u>\$ 10,294,807</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Balanced Collective Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
96,838	First American Treasury Obligation Fund Instl	\$ 96,838	\$ 96,838
	Total Short Term Investment	1.27% 96,838	96,838
<i><u>US Government Obligation</u></i>			
350,000	United States Treasury Notes 1.625% 02/15/26	322,930	326,867
	Total US Government Obligation	4.29% 322,930	326,867
<i><u>Common Stock</u></i>			
<i>Consumer Discretionary</i>			
1,084	Comcast Corp	67,505	74,850
778	Disney Walt	61,176	81,083
475	Genuine Parts Co	40,991	45,382
526	Nike Inc Class B	26,725	26,737
531	Target Corporation	36,052	38,354
836	TJX Companies Inc	52,807	62,809
	Total Consumer Discretionary	4.33% 285,256	329,215
<i>Consumer Staples</i>			
777	Altria Group Inc	33,488	52,541
1,263	Coca-Cola Co	50,665	52,364
512	CVS Caremark Corporation	36,586	40,402
356	Kimberly-clark Corp	37,951	40,627
787	Mondelez International Inc	33,601	34,888
721	Pepsico Inc	62,923	75,438
767	Philip Morris International Inc	66,324	70,173
621	Procter & Gamble Co	50,052	52,214
608	The Kraft Heinz Co	36,369	53,091
	Total Consumer Staples	6.20% 407,959	471,738
<i>Energy</i>			
447	Chevron Corp	53,606	52,612
453	Exxon Mobil Corporation	43,443	40,888
	Total Energy	1.23% 97,049	93,500

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Balanced Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Financials</i>			
195	Blackrock Inc	\$ 64,846	\$ 74,205
958	JP Morgan Chase & Co	57,081	82,666
1,377	Wells Fargo & Company	64,727	75,886
	Total Financials	3.06% <u>186,654</u>	<u>232,757</u>
<i>Healthcare</i>			
655	Baxter International Inc	25,530	29,043
316	Becton Dickinson And Co	41,788	52,314
393	Gilead Sciences Inc	30,703	28,143
605	Johnson & Johnson Corporation	58,384	69,702
1,052	Merck & Co Inc	55,267	61,931
891	Pfizer Inc	26,066	28,940
355	Unitedhealth Group Inc	26,342	56,814
	Total Healthcare	4.29% <u>264,080</u>	<u>326,887</u>
<i>Industrials</i>			
2,382	General Electric Company	67,229	75,271
500	United Parcel Service Inc	53,185	57,320
422	United Technologies Corporation	44,023	46,260
222	WW Grainger Inc	53,291	51,560
	Total Industrials	3.03% <u>217,728</u>	<u>230,411</u>
<i>Information Technology</i>			
552	Apple Inc	49,226	63,933
521	Auto Data Processing Inc.	40,381	53,548
793	Intel Corporation	21,807	28,762
452	Mastercard Inc	42,988	46,669
1,471	Microsoft Corporation	73,106	91,408
1,353	Oracle Corp	52,496	52,023
	Total Information Technology	4.42% <u>280,004</u>	<u>336,343</u>



**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Balanced Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Materials</i>			
779	Dupont EI De Nemours & Co Inc	\$ 50,772	\$ 57,179
	Total Materials	0.75% <u>50,772</u>	<u>57,179</u>
<i>Telecommunication Services</i>			
1,105	Verizon Communications	<u>53,756</u>	<u>58,985</u>
	Total Telecommunication Services	0.77% <u>53,756</u>	<u>58,985</u>
<i>Utilities</i>			
465	American Electric Power	<u>28,791</u>	<u>29,276</u>
	Total Utilities	0.38% <u>28,791</u>	<u>29,276</u>
	Total Common Stock	28.46% <u>1,872,049</u>	<u>2,166,291</u>
<i>Foreign Stock</i>			
<i>Consumer Staples</i>			
740	Anheuser-Busch Inbev Nv	<u>77,269</u>	<u>78,026</u>
	Total Consumer Staples	1.03% <u>77,269</u>	<u>78,026</u>
<i>Energy</i>			
687	Schlumberger Ltd	<u>60,069</u>	<u>57,674</u>
	Total Energy	0.76% <u>60,069</u>	<u>57,674</u>
<i>Healthcare</i>			
916	Glaxosmithkline Plc Sponsored ADR	46,065	35,275
960	Medtronic Plc	<u>68,062</u>	<u>68,381</u>
	Total Healthcare	1.36% <u>114,127</u>	<u>103,656</u>
<i>Industrials</i>			
776	Eaton Corp Plc	<u>44,482</u>	<u>52,062</u>
	Total Industrials	0.68% <u>44,482</u>	<u>52,062</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Balanced Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><b>Information Technology</b></i>			
757	Accenture Plc	\$ 67,404	\$ 88,667
	Total Information Technology	<u>67,404</u>	<u>88,667</u>
	Total Foreign Stock	<u>363,351</u>	<u>380,085</u>
<i><b>Mutual Funds</b></i>			
<i><b>Fixed Income</b></i>			
21,022	Blackrock Strategic Inc Opportunities Inv A	205,055	206,649
11,396	Doubleline Total Ret Bd-I	125,005	121,022
	Total Fixed Income	<u>330,060</u>	<u>327,671</u>
	Total Mutual Funds	<u>330,060</u>	<u>327,671</u>
<i><b>Exchange-traded Funds</b></i>			
<i><b>Fixed Income</b></i>			
4,363	iShares Barclays 1-3 Year Credit Bond	459,924	457,853
11,306	iShares Barclays Intermed Credit Bond	1,223,208	1,223,196
2,870	iShares Barclays MBS Bond Fund	303,111	305,196
11,572	Powershares Build America Bond Portfolio	331,736	336,629
	Total Fixed Income	<u>2,317,979</u>	<u>2,322,874</u>
<i><b>Equity</b></i>			
2,939	Guggenheim S&P Equal Weight ETF	228,759	254,635
6,076	iShares Core MSCI EAFE ETF	326,711	325,856
8,802	iShares Core MSCI Emerging	404,997	373,640
767	iShares Core S&P Midcap ETF	107,374	126,816
3,794	iShares Emerging Markets Min Volatility	186,128	185,565
840	iShares S&P Small Cap 600 Index	96,038	115,517

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Balanced Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Equity (continued)</i>			
3,450	Vanguard FTSE Europe ETF	\$ 163,268	\$ 165,393
1,573	Vanguard Pacific ETF	86,878	91,423
991	Vanguard World Ex US Small Cap	99,991	93,184
	Total Equity	22.76% <u>1,700,144</u>	<u>1,732,029</u>
<i>Other</i>			
4,603	JP Morgan Chase & Co Alerian MLP Index Etn	162,966	145,501
	Total Other	1.91% <u>162,966</u>	<u>145,501</u>
	Total Exchange-traded Funds	55.19% <u>4,181,089</u>	<u>4,200,404</u>
<u><i>Common Trust Fund</i></u>			
<i>Fixed Income</i>			
113,075	HB&T Short Term Income Fund	113,075	113,075
	Total Fixed Income	1.49% <u>113,075</u>	<u>113,075</u>
	Total Common Trust Fund	1.49% <u>113,075</u>	<u>113,075</u>
	Total Investments	100.00% <u>\$ 7,279,392</u>	<u>\$ 7,611,231</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Conservative Collective Fund**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
36,812	First American Treasury Obligation Fund Instl	\$ 36,812	\$ 36,812
	Total Short Term Investment	<u>36,812</u>	<u>36,812</u>
		1.56%	
<i><u>US Government Obligation</u></i>			
150,000	United States Treasury Notes 1.625% 02/15/26	138,398	140,086
	Total US Government Obligation	<u>138,398</u>	<u>140,086</u>
		5.93%	
<i><u>Common Stock</u></i>			
<i>Consumer Discretionary</i>			
267	Comcast Corp	17,051	18,436
128	Disney Walt	10,458	13,340
76	Genuine Parts Co	6,393	7,261
144	Nike Inc Class B	7,316	7,320
243	Target Corporation	17,454	17,552
128	TJX Companies Inc	6,669	9,617
	Total Consumer Discretionary	<u>65,341</u>	<u>73,526</u>
		3.11%	
<i>Consumer Staples</i>			
126	Altria Group Inc	4,734	8,520
454	Coca-Cola Co	18,454	18,823
234	CVS Caremark Corporation	17,717	18,465
55	Kimberly-clark Corp	5,801	6,277
181	Pepsico Inc	16,464	18,938
128	Mondelez International Inc	5,336	5,674
211	Philip Morris International Inc	18,293	19,304
99	Procter & Gamble Co	8,133	8,324
99	The Kraft Heinz Co	5,375	8,645
	Total Consumer Staples	<u>100,307</u>	<u>112,970</u>
		4.78%	
<i>Energy</i>			
75	Chevron Corp	9,023	8,828
74	Exxon Mobil Corporation	7,282	6,679
	Total Energy	<u>16,305</u>	<u>15,507</u>
		0.66%	

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Conservative Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Financials</i>			
32	Blackrock Inc	\$ 10,144	\$ 12,177
162	JP Morgan Chase & Co	8,774	13,979
229	Wells Fargo & Company	10,528	12,620
	Total Financials	1.64% <u>29,446</u>	<u>38,776</u>
<i>Healthcare</i>			
213	Baxter International Inc	8,771	9,444
48	Becton Dickinson And Co	5,347	7,946
128	Gilead Sciences Inc	10,231	9,166
144	Johnson & Johnson Corporation	14,545	16,590
161	Merck & Co Inc	7,917	9,478
143	Pfizer Inc	4,069	4,645
70	Unitedhealth Group Inc	5,142	11,203
	Total Healthcare	2.90% <u>56,022</u>	<u>68,472</u>
<i>Industrials</i>			
383	General Electric Company	10,138	12,103
79	United Parcel Service Inc	7,840	9,057
107	United Technologies Corporation	11,776	11,729
49	WW Grainger Inc	11,721	11,380
	Total Industrials	1.87% <u>41,475</u>	<u>44,269</u>
<i>Information Technology</i>			
121	Apple Inc	11,814	14,014
139	Auto Data Processing Inc.	12,381	14,286
129	Intel Corporation	3,252	4,679
114	Mastercard Inc	9,543	11,771
239	Microsoft Corporation	8,729	14,851
	Total Information Technology	2.52% <u>45,719</u>	<u>59,601</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Conservative Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Materials</i>			
129	Dupont EI De Nemours & Co Inc	\$ 8,062	\$ 9,469
	Total Materials	<u>0.40%</u> 8,062	<u>9,469</u>
<i>Telecommunication Services</i>			
179	Verizon Communications	8,666	9,555
	Total Telecommunication Services	<u>0.40%</u> 8,666	<u>9,555</u>
<i>Utilities</i>			
149	American Electric Power	9,291	9,381
	Total Utilities	<u>0.40%</u> 9,291	<u>9,381</u>
	Total Common Stock	<u>18.68%</u> 380,634	<u>441,526</u>
<i>Foreign Stock</i>			
<i>Consumer Staples</i>			
184	Anheuser-Busch Inbev Nv	19,087	19,401
	Total Consumer Staples	<u>0.82%</u> 19,087	<u>19,401</u>
<i>Energy</i>			
114	Schlumberger Ltd	10,274	9,570
	Total Energy	<u>0.40%</u> 10,274	<u>9,570</u>
<i>Healthcare</i>			
143	Glaxosmithkline Plc Sponsored ADR	7,844	5,507
258	Medtronic Plc	19,066	18,377
	Total Healthcare	<u>1.01%</u> 26,910	<u>23,884</u>

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Conservative Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i><b>Information Technology</b></i>			
121	Accenture Plc	\$ 10,100	\$ 14,173
	Total Information Technology	<u>10,100</u>	<u>14,173</u>
	Total Foreign Stock	<u>66,371</u>	<u>67,028</u>
<i><b>Mutual Funds</b></i>			
<i><b>Fixed Income</b></i>			
13,604	Blackrock Strategic Inc Opportunities Inv A	136,014	133,730
6,752	Doubleline Total Ret Bd-I	73,381	71,706
	Total Fixed Income	<u>209,395</u>	<u>205,436</u>
	Total Mutual Funds	<u>209,395</u>	<u>205,436</u>
<i><b>Exchange-traded Funds</b></i>			
<i><b>Fixed Income</b></i>			
2,043	iShares Barclays 1-3 Year Credit Bond	215,052	214,392
5,263	iShares Barclays Intermed Credit Bond	570,735	569,404
1,336	iShares Barclays MBS Bond Fund	141,555	142,070
5,387	Powershares Build America Bond Portfolio	153,604	156,708
	Total Fixed Income	<u>1,080,946</u>	<u>1,082,574</u>
<i><b>Equity</b></i>			
672	Guggenheim S&P Equal Weight ETF	51,948	58,222
1,315	iShares Core MSCI EAFE ETF	68,581	70,523
1,944	iShares Core MSCI Emerging	87,889	82,522
140	iShares Core S&P Midcap ETF	19,023	23,148
582	iShares Emerging Markets Min Volatility	28,466	28,466
168	iShares S&P Small Cap 600 Index	19,339	23,103

**Hand Composite Employee Benefit Trust**  
**Schedules of Investments (Continued)**  
**Haverford Moderately Conservative Collective Fund (Continued)**  
**December 31, 2016**

Number of Shares		Cost	Fair Value
<i>Equity (continued)</i>			
557	Vanguard FTSE Europe ETF	\$ 30,464	\$ 26,703
397	Vanguard MSCI EAFE ETF	22,241	23,074
254	Vanguard World Ex US Small Cap	23,621	23,884
	Total Equity	15.21% <u>351,572</u>	<u>359,645</u>
<i>Other</i>			
749	JP Morgan Chase & Co Alerian MLP Index Etn	27,253	23,676
	Total Other	1.00% <u>27,253</u>	<u>23,676</u>
	Total Exchange-traded Funds	62.01% <u>1,459,771</u>	<u>1,465,895</u>
<u><i>Common Trust Fund</i></u>			
<i>Fixed Income</i>			
7,172	HB&T Short Term Income Fund	7,172	7,172
	Total Fixed Income	0.30% <u>7,172</u>	<u>7,172</u>
	Total Common Trust Fund	0.30% <u>7,172</u>	<u>7,172</u>
	Total Investments	100.00% <u>\$ 2,298,553</u>	<u>\$ 2,363,955</u>



**Hand Composite Employee Benefit Trust**  
**Statements of Operations – Selected Funds**  
**Year Ended December 31, 2016**

	<b>Haverford Aggressive Collective Fund</b>	<b>Haverford Moderately Aggressive Collective Fund</b>	<b>Haverford Balanced Collective Fund</b>	<b>Haverford Moderately Conservative Collective Fund</b>
<b>Income</b>				
Interest	\$ 128	\$ 187	\$ 263	\$ 90
Dividends	326,032	386,992	193,996	63,005
Total income	326,160	387,179	194,259	63,095
<b>Expenses</b>				
Investment management and administrative	24,323	29,682	14,994	5,004
Audit	4,000	4,000	4,000	4,000
Other	3,601	4,642	2,280	763
Total expenses	31,924	38,324	21,274	9,767
<b>Net Investment Income</b>	294,236	348,855	172,985	53,328
<b>Net Realized and Unrealized Gains (Losses) on Investments</b>				
Net realized gains (losses) on investments	(155,828)	226,615	(13,339)	14,045
Net change in unrealized appreciation/ depreciation on investments	1,072,689	683,205	362,656	75,006
Net realized and unrealized gains	916,861	909,820	349,317	89,051
<b>Net Increase in Net Assets Resulting From Operations</b>	\$ 1,211,097	\$ 1,258,675	\$ 522,302	\$ 142,379

**Hand Composite Employee Benefit Trust**  
**Statements of Changes in Net Assets – Selected Funds**  
**Year Ended December 31, 2016**

	<b>Haverford Aggressive Collective Fund</b>	<b>Haverford Moderately Aggressive Collective Fund</b>	<b>Haverford Balanced Collective Fund</b>	<b>Haverford Moderately Conservative Collective Fund</b>
<b>Operations</b>				
Net investment income	\$ 294,236	\$ 348,855	\$ 172,985	\$ 53,328
Net realized gains (losses)	(155,828)	226,615	(13,339)	14,045
Change in unrealized appreciation/ depreciation	1,072,689	683,205	362,656	75,006
Net increase in net assets from operations	1,211,097	1,258,675	522,302	142,379
<b>Net Decrease in Net Assets From Participant Transactions</b>	<u>(475,055)</u>	<u>(5,573,378)</u>	<u>(121,747)</u>	<u>(265,461)</u>
<b>Increase (Decrease) in Net Assets</b>	736,042	(4,314,703)	400,555	(123,082)
<b>Net Assets</b>				
Beginning of year	<u>11,078,028</u>	<u>14,627,405</u>	<u>7,213,543</u>	<u>2,484,927</u>
End of year	<u>\$ 11,814,070</u>	<u>\$ 10,312,702</u>	<u>\$ 7,614,098</u>	<u>\$ 2,361,845</u>

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### Note 1: Nature of Operations and Summary of Significant Accounting Policies

#### ***Nature of Operations***

Hand Composite Employee Benefit Trust ("HB&T" or "the Trust") was created in order to provide broad and uniform diversification programs for pension and profit sharing plans which, having complied with the requirements of the Internal Revenue Code (the IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 103 portfolios (the Funds); the financial statements of four of those funds are included in this report.

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of investment income and expenses during the reporting period. Actual results could differ from those estimates.

#### ***Investment Valuation***

All investments in securities are recorded at their estimated fair value. Transfers in and out of Level 1 (quoted market prices), Level 2 (significant other observable inputs) and Level 3 (significant unobservable inputs) are recognized on the period ending date.

#### ***Investment Transactions***

Investment transactions are accounted for on trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation on investments are reported on the identified cost basis.

#### ***Investment Income and Distribution of Income***

Dividend income less foreign taxes withheld, if any, is recorded on the ex-dividend date and interest income is recorded on the accrual basis. Investment income is allocated ratably on the valuation dates among all participants. No distributions are made to participants in the Funds until units owned are redeemed, at which time the market value of redeemed units is distributed. Investment income and realized gains (if any) earned by the Funds are reinvested, thereby increasing the respective unit values.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### ***Valuation of Participants' Interest***

Units of participation may be purchased or redeemed on the valuation dates at the fair value per unit on such valuation dates. All Funds are valued daily.

### ***Federal Income Taxes***

The Funds comply with the requirements under Section 501(a) of the IRC and apportion all of their taxable income to their participants. Therefore, no federal income tax provision is required.

### ***Subsequent Events***

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

### ***Investment Management Advisors***

The investment management advisors for each Fund are as follows:

<b>Fund</b>	<b>Investment Management Advisor</b>
Haverford Aggressive Collective Fund	The Haverford Trust Company
Haverford Moderately Aggressive Collective Fund	The Haverford Trust Company
Haverford Balanced Collective Fund	The Haverford Trust Company
Haverford Moderately Conservative Collective Fund	The Haverford Trust Company

### **Note 2: Investment Advisory Fees and Other Transactions With Affiliates**

The Funds are charged an administrative fee by HB&T for trustee/administrative services (fund accounting services, transfer agency services, trustee services, etc.). The Funds have also entered into investment advisory and service agreements with various third-party advisors. These fees compensate the advisors for the services they provide and for expenses borne by the advisors under the various agreements.

The following table indicates the fees charged each of the Funds and the various classes of units within the Funds (as a percentage of net assets). These charges are calculated using each Fund's average daily net assets.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

Fund	Administrative Fees	Investment Advisory Fees	Custody Fees	Other	Total Fees
<b>All Haverford Collective Funds</b>					
Class R1	0.20%	0.00%	0.03%	0.06%	0.29%

### Note 3: Financial Highlights

	Class R1			
	Haverford Aggressive Collective Fund	Haverford Moderately Aggressive Collective Fund	Haverford Balanced Collective Fund	Haverford Moderately Conservative Collective Fund
Net asset value, beginning of year	\$ 10.65	\$ 10.62	\$ 10.56	\$ 10.44
Net investment income	0.27	0.26	0.25	0.23
Net realized and unrealized gains	0.79	0.69	0.54	0.37
Net increase from investment operations	1.06	0.95	0.79	0.60
Net asset value, end of year	\$ 11.71	\$ 11.57	\$ 11.35	\$ 11.04
Total return	9.95%	8.95%	7.48%	5.75%
Ratio to average net assets:				
Net investment income	2.41%	2.37%	2.03%	2.13%
Expenses	0.26%	0.26%	0.25%	0.39%

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### Note 4: Participant Unit Transactions

	Haverford Aggressive Collective Fund		Haverford Moderately Aggressive Collective Fund		Haverford Balanced Collective Fund		Haverford Moderately Conservative Collective Fund	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
<b>Class R1:</b>								
Proceeds from sales of units	248,344	\$ 2,652,817	145,952	\$ 1,574,613	250,584	\$ 2,793,123	70,405	\$ 763,470
Cost of units redeemed	(277,976)	(3,127,872)	(631,723)	(7,147,991)	(263,029)	(2,914,870)	(94,541)	(1,028,931)
Net decrease in net assets from participant transactions	(29,632)	\$ (475,055)	(485,771)	\$ (5,573,378)	(12,445)	\$ (121,747)	(24,136)	\$ (265,461)

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### Note 5: Disclosures About Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1:** Quoted prices in active markets for identical assets or liabilities that the Funds can access at the measurement date.
- Level 2:** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3:** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of assets and liabilities, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2016.

**Short Term Investments.** Short term investments, including money market funds, for which market quotations are readily available, are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy.

**Common Stock, Foreign Stock, Mutual Funds and Exchange-traded Funds.** Securities traded on a national securities exchange (or reported on the NASDAQ national market) are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments, such as American Depository Receipts and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship and are categorized as Level 1 in the hierarchy. For those foreign securities where additional foreign market activities are taken into consideration by the pricing service, those securities are categorized as Level 2 in the hierarchy.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

The following tables present the fair value measurements of assets recognized in the accompanying statements of assets and liabilities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2016.

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Haverford Aggressive Collective Fund</b>				
Short Term Investment	\$ 233,665	\$ 233,665	\$ -	\$ -
Common Stock	5,634,426	5,634,426	-	-
Foreign Stock	911,407	911,407	-	-
Exchange-traded Funds - Equity	4,523,937	4,523,937	-	-
Exchange-traded Funds - Other	385,452	385,452	-	-
Common Trust Fund - Fixed Income (A)	<u>113,469</u>			
Total	<u>\$ 11,802,356</u>			
<b>Haverford Moderately Aggressive Collective Fund</b>				
Short Term Investment	\$ 66,437	\$ 66,437	\$ -	\$ -
US Government Obligation	93,391	93,391	-	-
Common Stock	3,905,783	3,905,783	-	-
Foreign Stock	669,087	669,087	-	-
Mutual Funds - Fixed Income	369,537	369,537	-	-
Exchange-traded Funds - Fixed Income	1,602,973	1,602,973	-	-
Exchange-traded Funds - Equity	3,254,568	3,254,568	-	-
Exchange-traded Funds - Other	312,433	312,433	-	-
Common Trust Fund - Fixed Income (A)	<u>20,598</u>			
Total	<u>\$ 10,294,807</u>			

(A) Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of assets and liabilities.



**Hand Composite Employee Benefit Trust**  
**Notes to Financial Statements**  
**December 31, 2016**

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Haverford Balanced Collective Fund</b>				
Short Term Investment	\$ 96,838	\$ 96,838	\$ -	\$ -
US Government Obligation	326,867	326,867	-	-
Common Stock	2,166,291	2,166,291	-	-
Foreign Stock	380,085	380,085	-	-
Mutual Funds - Fixed Income	327,671	327,671	-	-
Exchange-traded Funds - Fixed Income	2,322,874	2,322,874	-	-
Exchange-traded Funds - Equity	1,732,029	1,732,029	-	-
Exchange-traded Funds - Other	145,501	145,501	-	-
Common Trust Fund - Fixed Income (A)	113,075			
Total	<u>\$ 7,611,231</u>			
<b>Haverford Moderately Conservative Collective Fund</b>				
Short Term Investment	\$ 36,812	\$ 36,812	\$ -	\$ -
US Government Obligation	140,086	140,086	-	-
Common Stock	441,526	441,526	-	-
Foreign Stock	67,028	67,028	-	-
Mutual Funds - Fixed Income	205,436	205,436	-	-
Exchange-traded Funds - Fixed Income	1,082,574	1,082,574	-	-
Exchange-traded Funds - Equity	359,645	359,645	-	-
Exchange-traded Funds - Other	23,676	23,676	-	-
Common Trust Fund - Fixed Income (A)	7,172			
Total	<u>\$ 2,363,955</u>			

(A) Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of assets and liabilities.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2016

### **Note 6: Risk Factors**

The Funds invest in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying statements of assets and liabilities.

## **Supplemental Information**

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds**  
**Haverford Aggressive Collective Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Common Stock	\$ 884,998
Exchange-traded Funds - Equity	1,376,478
Common Trust Funds - Fixed Income	2,509,401
Total Investments Purchased	\$ 4,770,877

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Common Stock	\$ 1,327,448	\$ 1,292,587	\$ 34,861
Foreign Stock	121,351	158,437	(37,086)
Exchange-traded Funds - Equity	1,124,371	1,277,974	(153,603)
Common Trust Funds - Fixed Income	2,604,935	2,604,935	-
Total Investments Sold	\$ 5,178,105	\$ 5,333,933	\$ (155,828)

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Haverford Moderately Aggressive Collective Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Common Stock	\$ 740,134
Mutual Funds - Fixed Income	12,833
Exchange-traded Funds - Equity	778,669
Common Trust Funds - Fixed Income	1,261,798
U.S. Government Obligations	92,266
	<hr/>
Total Investments Purchased	\$ 2,885,700

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Common Stock	\$ 3,219,246	\$ 2,785,726	\$ 433,520
Foreign Stock	413,629	419,512	(5,883)
Mutual Funds - Fixed Income	912,889	934,642	(21,753)
Exchange-traded Funds - Equity	2,175,328	2,354,597	(179,269)
Common Trust Funds - Fixed Income	8,125,297	8,125,297	-
	<hr/>	<hr/>	<hr/>
Total Investments Sold	\$ 14,846,389	\$ 14,619,774	\$ 226,615

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Haverford Balanced Collective Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Common Stock	\$ 735,530
Foreign Stock	76,068
Mutual Funds - Fixed Income	510,326
Exchange-traded Funds - Equity	878,906
Common Trust Funds - Fixed Income	1,173,630
U.S Government Obligations	322,930
	<hr/>
Total Investments Purchased	\$ 3,697,390

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Common Stock	\$ 878,248	\$ 787,108	\$ 91,140
Foreign Stock	103,325	112,345	(9,020)
Mutual Funds - Fixed Income	783,280	809,716	(26,436)
Exchange-traded Funds - Equity	843,861	912,884	(69,023)
Common Trust Funds - Fixed Income	1,127,060	1,127,060	-
	<hr/>	<hr/>	<hr/>
Total Investments Sold	\$ 3,735,774	\$ 3,749,113	\$ (13,339)

**Hand Composite Employee Benefit Trust**  
**Schedules of Investment Purchases and Sales – Selected Funds (Continued)**  
**Haverford Moderately Conservative Collective Fund**  
**Year Ended December 31, 2016**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Common Stock	\$ 177,397
Foreign Stock	17,597
Mutual Funds - Fixed Income	296,609
Exchange-traded Funds - Equity	211,507
Common Trust Funds - Fixed Income	757,626
U.S Government Obligations	138,398
	<hr/>
Total Investments Purchased	\$ 1,599,134

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain (Loss)</b>
Common Stock	\$ 280,278	\$ 238,853	\$ 41,425
Foreign Stock	33,287	35,124	(1,837)
Mutual Funds - Fixed Income	439,566	448,541	(8,975)
Exchange-traded Funds - Equity	241,741	258,309	(16,568)
Common Trust Funds - Fixed Income	843,612	843,612	-
	<hr/>	<hr/>	<hr/>
Total Investments Sold	\$ 1,838,484	\$ 1,824,439	\$ 14,045