

**Hand Composite Employee Benefit Trust
Horizon Risk Assist Funds**

Independent Auditor's Report and Financial Statements

December 31, 2014



Hand Composite Employee Benefit Trust
December 31, 2014

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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 (Horizon Focused with Risk Assist Fund, Horizon Moderate with Risk Assist Fund, Horizon Conservative with Risk Assist Fund, Horizon Conservation Plus with Risk Assist Fund and Horizon Growth with Risk Assist Fund) [five 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, 2014, 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, 2014, 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
June 5, 2015

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2014

	Horizon Focused Fund	Horizon Moderate Fund	Horizon Conservative Fund	Horizon Conservation Plus Fund	Horizon Growth Fund
Assets					
Investments, at cost	\$ 10,368,694	\$ 10,155,512	\$ 3,378,425	\$ 2,482,912	\$ 9,217,158
Investments, at fair value	\$ 10,510,646	\$ 10,299,647	\$ 3,415,158	\$ 2,497,041	\$ 9,359,739
Receivable for:					
Capital shares sold	2,514	3,175	437	1,447	9,347
Dividends and interest	12,965	20,535	8,643	7,483	14,481
Total assets	\$ 10,526,125	\$ 10,323,357	\$ 3,424,238	\$ 2,505,971	\$ 9,383,567
Liabilities					
Payable for capital shares redeemed	\$ 43,088	\$ -	\$ -	\$ -	\$ -
Accounts payable and accrued liabilities	9,310	9,071	3,359	2,513	8,242
Total liabilities	\$ 52,398	\$ 9,071	\$ 3,359	\$ 2,513	\$ 8,242
Net assets held for participants:					
Class R1	\$ 9,150,005	\$ 9,557,556	\$ 2,976,948	\$ 2,483,809	\$ 8,552,947
Class R2	13	12	11	10	12
Class R3	908,762	158,905	6,004	4,299	63,638
Class R4	414,947	597,813	437,916	15,340	758,728
Total net assets held for participants	\$ 10,473,727	\$ 10,314,286	\$ 3,420,879	\$ 2,503,458	\$ 9,375,325
Units outstanding:					
Class R1	691,536	786,632	261,369	247,093	697,572
Class R2	1	1	1	1	1
Class R3	69,385	13,193	531	432	5,233
Class R4	31,523	49,329	38,439	1,562	62,243
Total units outstanding	792,445	849,155	300,340	249,088	765,049
Net asset value per unit:					
Class R1	\$ 13.23	\$ 12.15	\$ 11.39	\$ 10.05	\$ 12.26
Class R2	\$ 13.24	\$ 12.15	\$ 11.39	\$ 10.05	\$ 12.26
Class R3	\$ 13.10	\$ 12.04	\$ 11.31	\$ 9.95	\$ 12.16
Class R4	\$ 13.16	\$ 12.12	\$ 11.39	\$ 9.82	\$ 12.19

Hand Composite Employee Benefit Trust

Schedules of Investments

Horizon Focused with Risk Assist Fund

December 31, 2014

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
100,806	Cash Force Bank Insured Deposit Fund	\$ 100,806	\$ 100,806
	Total Short Term Investments	0.96% <u>100,806</u>	<u>100,806</u>
<u>Exchange-traded Funds</u>			
<i>Equity</i>			
13,666	iShares MSCI Europe Financials ETF	324,185	300,925
18,234	iShares S&P 500 Growth Index	1,997,169	2,034,914
11,424	S&P 500 Depository Receipts	2,201,526	2,348,089
15,241	Spdr KBW Bank ETF	509,148	511,336
7,288	Spdr Select Sector Health Care	473,486	498,353
39,963	Vanguard Value ETF	3,364,687	3,376,474
13,112	Wisdomtree Europe Hedged Equity Fund	770,589	729,289
6,496	Wisdomtree Japan Hedged Equity Fund	336,437	319,799
	Total Equity	96.28% <u>9,977,227</u>	<u>10,119,179</u>
	Total Exchange-traded Funds	96.28% <u>9,977,227</u>	<u>10,119,179</u>
<u>Common Trust Fund</u>			
<i>Fixed Income</i>			
290,661	HB&T Short Term Income Fund	290,661	290,661
	Total Fixed Income	2.77% <u>290,661</u>	<u>290,661</u>
	Total Common Trust Fund	2.77% <u>290,661</u>	<u>290,661</u>
	Total Investments	100.00% <u>\$ 10,368,694</u>	<u>\$ 10,510,646</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Horizon Moderate with Risk Assist Fund
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Short Term Investments</u></i>			
70,777	Cash Force Bank Insured Deposit Fund	\$ 70,777	\$ 70,777
	Total Short Term Investments	0.69% <u>70,777</u>	<u>70,777</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
1,412	iShares 20+ Year Treasury Bond Fund	170,055	177,799
7,067	iShares Barclays 1-3 Yr Treas Bond Idx	597,632	596,808
7,979	iShares Barclays Aggregate Bond Fund	864,191	878,647
1,608	iShares Barclays Intermed Credit Bond	177,170	175,803
9,401	Powershares Fundamental Hi Yield Corp Bond Portfolio	181,342	176,739
7,276	Powershares Preferred Portfolio	105,795	106,957
3,558	Spdr Barclays Convertible Secs	170,989	166,835
3,675	Spdr Nuveen S&P High Yield Muni	202,386	211,937
5,957	Vanguard Total Bond Market ETF	487,981	490,678
3,315	Vanguard Total International Bond ETF	173,107	176,060
1,920	Vanguard Long-term Corp Bond	175,970	177,446
3,305	Vanguard Mortgage Backed Securities ETF	175,729	175,198
	Total Fixed Income	34.09% <u>3,482,347</u>	<u>3,510,907</u>
<i>Equity</i>			
8,769	iShares MSCI Europe Financials ETF	209,786	193,093
11,700	iShares S&P 500 Growth Index	1,276,108	1,305,720
7,331	S&P 500 Depository Receipts	1,398,620	1,506,814
9,780	Spdr KBW Bank ETF	325,529	328,119
4,677	Spdr Select Sector Health Care	300,845	319,813
25,644	Vanguard Value ETF	2,159,099	2,166,662
8,414	Wisdomtree Europe Hedged Equity Fund	496,288	467,987
4,169	Wisdomtree Japan Hedged Equity Fund	211,598	205,240
	Total Equity	63.05% <u>6,377,873</u>	<u>6,493,448</u>
	Total Exchange-traded Funds	97.13% <u>9,860,220</u>	<u>10,004,355</u>

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Schedules of Investments (Continued)
Horizon Moderate with Risk Assist Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
224,515	HB&T Short Term Income Fund	\$ 224,515	\$ 224,515
	Total Fixed Income	2.18% <u>224,515</u>	<u>224,515</u>
	Total Common Trust Fund	2.18% <u>224,515</u>	<u>224,515</u>
	Total Investments	100.00% <u>\$ 10,155,512</u>	<u>\$ 10,299,647</u>

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Schedules of Investments (Continued)
Horizon Conservative with Risk Assist Fund
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Short Term Investments</u></i>			
17,201	Cash Force Bank Insured Deposit Fund	\$ 17,201	\$ 17,201
	Total Short Term Investments	0.50% <u>17,201</u>	<u>17,201</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
803	iShares 20+ Year Treasury Bond Fund	96,643	101,114
4,019	iShares Barclays 1-3 Yr Treas Bond Idx	339,899	339,405
4,537	iShares Barclays Aggregate Bond Fund	493,590	499,614
914	iShares Barclays Intermed Credit Bond	100,733	99,928
5,346	Powershares Fundamental Hi Yield Corp Bond Portfolio	102,972	100,505
4,138	Powershares Preferred Portfolio	60,169	60,829
2,023	Spdr Barclays Convertible Secs	97,476	94,858
2,089	Spdr Nuveen S&P High Yield Muni	115,836	120,473
1,092	Vanguard Long-term Corp Bond	100,084	100,923
1,880	Vanguard Mortgage Backed Securities ETF	99,962	99,659
3,387	Vanguard Total Bond Market ETF	278,292	278,987
1,885	Vanguard Total International Bond ETF	98,412	100,112
	Total Fixed Income	58.46% <u>1,984,068</u>	<u>1,996,407</u>
<i>Equity</i>			
1,790	iShares MSCI Europe Financials ETF	42,537	39,416
2,388	iShares S&P 500 Growth Index	260,223	266,501
1,496	S&P 500 Depository Receipts	286,986	307,488
1,996	Spdr KBW Bank ETF	65,605	66,966
954	Spdr Select Sector Health Care	60,988	65,235
5,235	Vanguard Value ETF	440,763	442,305
1,718	Wisdomtree Europe Hedged Equity Fund	101,324	95,555
851	Wisdomtree Japan Hedged Equity Fund	42,539	41,893
	Total Equity	38.81% <u>1,300,965</u>	<u>1,325,359</u>
	Total Exchange-traded Funds	97.27% <u>3,285,033</u>	<u>3,321,766</u>

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Schedules of Investments (Continued)
Horizon Conservative with Risk Assist Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
76,191	HB&T Short Term Income Fund	\$ 76,191	\$ 76,191
	Total Fixed Income	2.23% <u>76,191</u>	<u>76,191</u>
	Total Common Trust Fund	2.23% <u>76,191</u>	<u>76,191</u>
	Total Investments	100.00% <u>\$ 3,378,425</u>	<u>\$ 3,415,158</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Horizon Conservation Plus with Risk Assist Fund
December 31, 2014

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
8,571	Cash Force Bank Insured Deposit Fund	\$ 8,571	\$ 8,571
	Total Short Term Investments	0.34% <u>8,571</u>	<u>8,571</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
793	iShares 20+ Year Treasury Bond Fund	95,706	99,855
3,967	iShares Barclays 1-3 Yr Treas Bond Idx	335,507	335,013
4,479	iShares Barclays Aggregate Bond Fund	487,975	493,227
902	iShares Barclays Intermed Credit Bond	99,252	98,616
5,276	Powershares Fundamental Hi Yield Corp Bond Portfolio	101,943	99,189
4,084	Powershares Preferred Portfolio	59,383	60,035
1,997	Spdr Barclays Convertible Secs	96,661	93,639
2,063	Spdr Nuveen S&P High Yield Muni	114,703	118,973
1,078	Vanguard Long-term Corp Bond	98,801	99,629
1,855	Vanguard Mortgage Backed Securities ETF	98,632	98,334
3,344	Vanguard Total Bond Market ETF	275,436	275,445
1,861	Vanguard Total International Bond ETF	97,248	98,838
	Total Fixed Income	78.93% <u>1,961,247</u>	<u>1,970,793</u>
<i>Equity</i>			
663	iShares MSCI Europe Financials ETF	15,721	14,599
884	iShares S&P 500 Growth Index	97,744	98,654
553	S&P 500 Depository Receipts	107,668	113,664
739	Spdr KBW Bank ETF	24,662	24,793
353	Spdr Select Sector Health Care	23,066	24,138
1,938	Vanguard Value ETF	163,172	163,742
635	Wisdomtree Europe Hedged Equity Fund	37,454	35,319
315	Wisdomtree Japan Hedged Equity Fund	16,347	15,508
	Total Equity	19.64% <u>485,834</u>	<u>490,417</u>
	Total Exchange-traded Funds	98.57% <u>2,447,081</u>	<u>2,461,210</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Horizon Conservation Plus with Risk Assist Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
27,260	HB&T Short Term Income Fund	\$ 27,260	\$ 27,260
	Total Fixed Income	1.09% <u>27,260</u>	<u>27,260</u>
	Total Common Trust Fund	1.09% <u>27,260</u>	<u>27,260</u>
	Total Investments	100.00% <u>\$ 2,482,912</u>	<u>\$ 2,497,041</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Horizon Growth with Risk Assist Fund
December 31, 2014

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
70,430	Cash Force Bank Insured Deposit Fund	\$ 70,430	\$ 70,430
	Total Short Term Investments	0.75% <u>70,430</u>	<u>70,430</u>
<u>Exchange-traded Funds</u>			
<i>Fixed Income</i>			
554	iShares 20+ Year Treasury Bond Fund	66,840	69,760
2,791	iShares Barclays 1-3 Yr Treas Bond Idx	236,030	235,700
3,143	iShares Barclays Aggregate Bond Fund	341,848	346,107
634	iShares Barclays Intermed Credit Bond	69,860	69,315
3,703	Powershares Fundamental Hi Yield Corp Bond Portfolio	71,984	69,616
2,853	Powershares Preferred Portfolio	41,492	41,939
1,399	Spdr Barclays Convertible Secs	68,076	65,599
1,449	Spdr Nuveen S&P High Yield Muni	80,143	83,564
753	Vanguard Long-term Corp Bond	69,026	69,592
1,309	Vanguard Mortgage Backed Securities ETF	69,593	69,390
2,361	Vanguard Total Bond Market ETF	193,910	194,476
1,308	Vanguard Total International Bond ETF	68,307	69,468
	Total Fixed Income	14.79% <u>1,377,109</u>	<u>1,384,526</u>
<i>Equity</i>			
10,456	iShares MSCI Europe Financials ETF	249,951	230,241
13,862	iShares S&P 500 Growth Index	1,512,039	1,546,999
8,690	S&P 500 Depository Receipts	1,660,390	1,786,143
11,645	Spdr KBW Bank ETF	387,971	390,690
5,784	Spdr Select Sector Health Care	372,605	395,510
30,289	Vanguard Value ETF	2,550,853	2,559,118
10,399	Wisdomtree Europe Hedged Equity Fund	611,751	578,392
5,423	Wisdomtree Japan Hedged Equity Fund	273,344	266,975
	Total Equity	82.84% <u>7,618,904</u>	<u>7,754,068</u>
	Total Exchange-traded Funds	97.64% <u>8,996,013</u>	<u>9,138,594</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
Horizon Growth with Risk Assist Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Common Trust Fund</u></i>			
<i>Fixed Income</i>			
150,715	HB&T Short Term Income Fund	\$ 150,715	\$ 150,715
	Total Fixed Income	<u>1.61% 150,715</u>	<u>150,715</u>
	Total Common Trust Fund	<u>1.61% 150,715</u>	<u>150,715</u>
	Total Investments	<u>100.00% \$ 9,217,158</u>	<u>\$ 9,359,739</u>

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2014

	Horizon Focused Fund	Horizon Moderate Fund	Horizon Conservative Fund	Horizon Conservation Plus Fund	Horizon Growth Fund
Income					
Interest	\$ 12	\$ 8	\$ 4	\$ 4	\$ 13
Dividends	182,243	185,654	74,480	64,049	166,671
Total income	182,255	185,662	74,484	64,053	166,684
Expenses					
Investment management and administrative	66,948	63,607	25,339	21,081	58,069
Class R3 expenses	3,209	958	233	17	194
Class R4 expenses	1,393	526	901	11	2,071
Other fees	100	44	234	334	279
Audit	1,785	1,696	676	562	1,548
Total expenses	73,435	66,831	27,383	22,005	62,161
Net Investment Income	108,820	118,831	47,101	42,048	104,523
Net Realized and Unrealized Gains (Losses) on Investments					
Net realized gains on investments	432,563	375,077	127,377	70,999	389,580
Net change in unrealized appreciation/ depreciation on investments	(63,667)	30,782	5,415	16,296	12,636
Net realized and unrealized gains	368,896	405,859	132,792	87,295	402,216
Net Increase in Net Assets Resulting From Operations	\$ 477,716	\$ 524,690	\$ 179,893	\$ 129,343	\$ 506,739

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2014

	Horizon Focused Fund	Horizon Moderate Fund	Horizon Conservative Fund	Horizon Conservation Plus Fund	Horizon Growth Fund
Operations					
Net investment income	\$ 108,820	\$ 118,831	\$ 47,101	\$ 42,048	\$ 104,523
Net realized gains	432,563	375,077	127,377	70,999	389,580
Change in unrealized appreciation/ depreciation	(63,667)	30,782	5,415	16,296	12,636
Net increase in net assets from operations	477,716	524,690	179,893	129,343	506,739
Net Increase (Decrease) in Net Assets From Participant Transactions	<u>2,272,054</u>	<u>2,748,976</u>	<u>(755,179)</u>	<u>(1,247,055)</u>	<u>3,828,412</u>
Increase (Decrease) in Net Assets	2,749,770	3,273,666	(575,286)	(1,117,712)	4,335,151
Net Assets					
Beginning of year	<u>7,723,957</u>	<u>7,040,620</u>	<u>3,996,165</u>	<u>3,621,170</u>	<u>5,040,174</u>
End of year	<u><u>\$ 10,473,727</u></u>	<u><u>\$ 10,314,286</u></u>	<u><u>\$ 3,420,879</u></u>	<u><u>\$ 2,503,458</u></u>	<u><u>\$ 9,375,325</u></u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2014

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 91 portfolios (the Funds); the financial statements of five of those funds are included in this report.

For those funds with more than one class of units, each class has equal rights as to earnings and assets except that each class bears different distribution, shareholder servicing and transfer agent expenses. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of units based on its relative net assets.

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, 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

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2014

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.

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:

Fund	Investment Management Advisor
Horizon Focused with Risk Assist Fund	Horizon Investments, LLC
Horizon Moderate with Risk Assist Fund	Horizon Investments, LLC
Horizon Conservative with Risk Assist Fund	Horizon Investments, LLC
Horizon Conservation Plus with Risk Assist Fund	Horizon Investments, LLC
Horizon Growth with Risk Assist Fund	Horizon Investments, LLC

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 table on the following page 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, 2014

Fund	Administrative Fees	Investment Advisory Fees	Service Fees	Other Fees	Total Fees
Horizon Focused Fund:					
Class R1	0.15%	0.60%	0.00%	0.05%	0.80%
Class R2	0.15%	0.60%	0.25%	0.05%	1.05%
Class R3	0.15%	0.60%	0.40%	0.05%	1.20%
Class R4	0.15%	0.60%	0.80%	0.05%	1.60%
Horizon Moderate Fund:					
Class R1	0.15%	0.60%	0.00%	0.05%	0.80%
Class R2	0.15%	0.60%	0.25%	0.05%	1.05%
Class R3	0.15%	0.60%	0.40%	0.05%	1.20%
Class R4	0.15%	0.60%	0.80%	0.05%	1.60%
Horizon Conservative Fund:					
Class R1	0.15%	0.60%	0.00%	0.05%	0.80%
Class R2	0.15%	0.60%	0.25%	0.05%	1.05%
Class R3	0.15%	0.60%	0.40%	0.05%	1.20%
Class R4	0.15%	0.60%	0.80%	0.05%	1.60%
Horizon Conservation Plus Fund:					
Class R1	0.15%	0.60%	0.00%	0.05%	0.80%
Class R2	0.15%	0.60%	0.25%	0.05%	1.05%
Class R3	0.15%	0.60%	0.40%	0.05%	1.20%
Class R4	0.15%	0.60%	0.80%	0.05%	1.60%
Horizon Growth Fund:					
Class R1	0.15%	0.60%	0.00%	0.05%	0.80%
Class R2	0.15%	0.60%	0.25%	0.05%	1.05%
Class R3	0.15%	0.60%	0.40%	0.05%	1.20%
Class R4	0.15%	0.60%	0.80%	0.05%	1.60%

Note 3: Financial Highlights

	Class R1				
	Horizon Focused Fund	Horizon Moderate Fund	Horizon Conservative Fund	Horizon Conservation Plus Fund	Horizon Growth Fund
Net asset value, beginning of year	\$ 12.59	\$ 11.46	\$ 10.80	\$ 9.60	\$ 11.52
Net investment income	0.16	0.16	0.15	0.15	0.15
Net realized and unrealized gains	0.48	0.53	0.44	0.30	0.59
Net increase from investment operations	0.64	0.69	0.59	0.45	0.74
Net asset value, end of year	\$ 13.23	\$ 12.15	\$ 11.39	\$ 10.05	\$ 12.26
Total return	5.08%	6.02%	5.46%	4.69%	6.42%
Ratio to average net assets:					
Net investment income	1.23%	1.34%	1.33%	1.50%	1.28%
Expenses	0.74%	0.73%	0.72%	0.79%	0.72%

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Notes to Financial Statements

December 31, 2014

	Class R2				
	Horizon Focused Fund	Horizon Moderate Fund	Horizon Conservative Fund	Horizon Conservation Plus Fund	Horizon Growth Fund
Net asset value, beginning of year	\$ 12.59	\$ 11.46	\$ 10.81	\$ 9.60	\$ 11.53
Net investment income	0.14	0.14	0.16	0.17	0.14
Net realized and unrealized gains	0.51	0.55	0.42	0.28	0.59
Net increase from investment operations	0.65	0.69	0.58	0.45	0.73
Net asset value, end of year	\$ 13.24	\$ 12.15	\$ 11.39	\$ 10.05	\$ 12.26
Total return	5.16%	6.02%	5.37%	4.69%	6.33%
Ratio to average net assets:					
Net investment income	1.11%	1.20%	1.44%	1.71%	1.18%
Expenses	0.68%	0.65%	0.79%	0.89%	0.66%

	Class R3				
	Horizon Focused Fund	Horizon Moderate Fund	Horizon Conservative Fund	Horizon Conservation Plus Fund	Horizon Growth Fund
Net asset value, beginning of year	\$ 12.51	\$ 11.40	\$ 10.81	\$ 9.54	\$ 11.48
Net investment income (loss)	0.11	0.04	(0.03)	0.13	0.13
Net realized and unrealized gains	0.48	0.60	0.53	0.28	0.55
Net increase from investment operations	0.59	0.64	0.50	0.41	0.68
Net asset value, end of year	\$ 13.10	\$ 12.04	\$ 11.31	\$ 9.95	\$ 12.16
Total return	4.72%	5.61%	4.63%	4.30%	5.92%
Ratio to average net assets:					
Net investment income (loss)	0.83%	0.38%	(0.26)%	1.28%	1.09%
Expenses	1.14%	0.82%	0.49%	1.26%	1.22%

	Class R4				
	Horizon Focused Fund	Horizon Moderate Fund	Horizon Conservative Fund	Horizon Conservation Plus Fund	Horizon Growth Fund
Net asset value, beginning of year	\$ 12.59	\$ 11.46	\$ 10.80	\$ 9.60	\$ 11.52
Net investment income	0.21	1.16	0.46	1.91	0.28
Net realized and unrealized gains (losses)	0.36	(0.50)	0.13	(1.69)	0.39
Net increase from investment operations	0.57	0.66	0.59	0.22	0.67
Net asset value, end of year	\$ 13.16	\$ 12.12	\$ 11.39	\$ 9.82	\$ 12.19
Total return	4.53%	5.76%	5.46%	2.29%	5.82%
Ratio to average net assets:					
Net investment income	1.22%	3.21%	1.34%	1.65%	1.93%
Expenses	1.62%	2.14%	1.08%	0.97%	2.02%

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Note 4: Participant Unit Transactions

	Horizon Focused Fund		Horizon Moderate Fund		Horizon Conservative Fund		Horizon Conservation Plus Fund		Horizon Growth Fund	
	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars
Class R1:										
Proceeds from sales of units	336,688	\$ 4,281,671	278,839	\$ 3,256,574	101,647	\$ 1,129,612	134,586	\$ 1,336,637	416,508	\$ 4,864,976
Cost of units redeemed	(204,835)	(2,606,417)	(95,858)	(1,125,069)	(210,191)	(2,322,202)	(264,083)	(2,598,265)	(152,856)	(1,792,506)
Net change in Class R1 from participant transactions	<u>131,853</u>	<u>1,675,254</u>	<u>182,981</u>	<u>2,131,505</u>	<u>(108,544)</u>	<u>(1,192,590)</u>	<u>(129,497)</u>	<u>(1,261,628)</u>	<u>263,652</u>	<u>3,072,470</u>
Class R3:										
Proceeds from sales of units	15,810	199,282	12,453	139,847	6,097	65,051	181	1,765	1,917	22,581
Cost of units redeemed	(582)	(7,332)	(10,081)	(118,834)	(5,567)	(62,284)	(258)	(2,525)	(165)	(1,891)
Net change in Class R3 from participant transactions	<u>15,228</u>	<u>191,950</u>	<u>2,372</u>	<u>21,013</u>	<u>530</u>	<u>2,767</u>	<u>(77)</u>	<u>(760)</u>	<u>1,752</u>	<u>20,690</u>
Class R4:										
Proceeds from sales of units	33,805	435,101	51,514	621,869	39,633	448,177	1,696	16,653	75,384	893,057
Cost of units redeemed	(2,283)	(30,251)	(2,186)	(25,411)	(1,196)	(13,533)	(135)	(1,320)	(13,143)	(157,805)
Net change in Class R4 from participant transactions	<u>31,522</u>	<u>404,850</u>	<u>49,328</u>	<u>596,458</u>	<u>38,437</u>	<u>434,644</u>	<u>1,561</u>	<u>15,333</u>	<u>62,241</u>	<u>735,252</u>
Net change in net assets from participant transactions		<u>\$ 2,272,054</u>		<u>\$ 2,748,976</u>		<u>\$ (755,179)</u>		<u>\$ (1,247,055)</u>		<u>\$ 3,828,412</u>

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December 31, 2014

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.

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, 2014.

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.

Exchange-traded Funds. Exchange-traded funds 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.

Common Trust Funds. Common trust fund investments are valued using net asset value of those funds and are included as Level 2 in the hierarchy.

The tables on the following pages presents 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, 2014.

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Notes to Financial Statements

December 31, 2014

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Horizon Focused Fund				
Short Term Investments	\$ 100,806	\$ 100,806	\$ -	\$ -
Exchange-traded Funds - Equity	10,119,179	10,119,179	-	-
Common Trust Fund - Fixed Income	290,661	-	290,661	-
Total	<u>\$ 10,510,646</u>	<u>\$ 10,219,985</u>	<u>\$ 290,661</u>	<u>\$ 0</u>
Horizon Moderate Fund				
Short Term Investments	\$ 70,777	\$ 70,777	\$ -	\$ -
Exchange-traded Funds - Fixed Income	3,510,907	3,510,907	-	-
Exchange-traded Funds - Equity	6,493,448	6,493,448	-	-
Common Trust Fund - Fixed Income	224,515	-	224,515	-
Total	<u>\$ 10,299,647</u>	<u>\$ 10,075,132</u>	<u>\$ 224,515</u>	<u>\$ 0</u>
Horizon Conservative Fund				
Short Term Investments	\$ 17,201	\$ 17,201	\$ -	\$ -
Exchange-traded Funds - Fixed Income	1,996,407	1,996,407	-	-
Exchange-traded Funds - Equity	1,325,359	1,325,359	-	-
Common Trust Fund - Fixed Income	76,191	-	76,191	-
Total	<u>\$ 3,415,158</u>	<u>\$ 3,338,967</u>	<u>\$ 76,191</u>	<u>\$ 0</u>
Horizon Conservation Plus Fund				
Short Term Investments	\$ 8,571	\$ 8,571	\$ -	\$ -
Exchange-traded Funds - Fixed Income	1,970,793	1,970,793	-	-
Exchange-traded Funds - Equity	490,417	490,417	-	-
Common Trust Fund - Fixed Income	27,260	-	27,260	-
Total	<u>\$ 2,497,041</u>	<u>\$ 2,469,781</u>	<u>\$ 27,260</u>	<u>\$ 0</u>

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December 31, 2014

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Horizon Growth Fund				
Short Term Investments	\$ 70,430	\$ 70,430	\$ -	\$ -
Exchange-traded Funds - Fixed Income	1,384,526	1,384,526	-	-
Exchange-traded Funds - Equity	7,754,068	7,754,068	-	-
Common Trust Fund - Fixed Income	150,715	-	150,715	-
Total	\$ 9,359,739	\$ 9,209,024	\$ 150,715	\$ 0

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
Horizon Focused with Risk Assist Fund
Year Ended December 31, 2014

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 4,170,079
Exchange-traded Funds - Equity	50,394,983
Exchange-traded Funds - Fixed Income	2,739,829
Exchange-traded Funds - Other	<u>794,735</u>
Total Investments Purchased	<u>\$ 58,099,626</u>

Sales

Investment Class	Proceeds	Cost	Gain (Loss)
Common Trust Funds - Fixed Income	\$ 4,128,103	\$ 4,070,609	\$ 57,494
Exchange-traded Funds - Equity	48,083,813	47,714,742	369,071
Exchange-traded Funds - Fixed Income	2,759,276	2,739,829	19,447
Exchange-traded Funds - Other	<u>781,286</u>	<u>794,735</u>	<u>(13,449)</u>
Total Investments Sold	<u>\$ 55,752,478</u>	<u>\$ 55,319,915</u>	<u>\$ 432,563</u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Horizon Moderate with Risk Assist Fund
Year Ended December 31, 2014

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 3,530,352
Exchange-traded Funds - Equity	30,631,264
Exchange-traded Funds - Fixed Income	8,440,123
Exchange-traded Funds - Other	<u>490,496</u>
Total Investments Purchased	<u>\$ 43,092,235</u>

Sales

Investment Class	Proceeds	Cost	Gain
Common Trust Funds - Fixed Income	\$ 3,462,487	\$ 3,462,487	\$ -
Exchange-traded Funds - Equity	28,957,647	28,602,909	354,738
Exchange-traded Funds - Fixed Income	6,806,975	6,787,593	19,382
Exchange-traded Funds - Other	<u>1,073,349</u>	<u>1,072,392</u>	<u>957</u>
Total Investments Sold	<u>\$ 40,300,458</u>	<u>\$ 39,925,381</u>	<u>\$ 375,077</u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Horizon Conservative with Risk Assist Fund
Year Ended December 31, 2014

Purchases	
Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 1,898,375
Exchange-traded Funds - Equity	7,722,369
Exchange-traded Funds - Fixed Income	6,096,844
Exchange-traded Funds - Other	127,660
Total Investments Purchased	\$ 15,845,248

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Common Trust Funds - Fixed Income	\$ 1,905,141	\$ 1,905,141	\$ -
Exchange-traded Funds - Equity	8,038,309	7,932,821	105,488
Exchange-traded Funds - Fixed Income	6,242,799	6,219,739	23,060
Exchange-traded Funds - Other	361,251	362,422	(1,171)
Total Investments Sold	\$ 16,547,500	\$ 16,420,123	\$ 127,377

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Horizon Conservation Plus with Risk Assist Fund
Year Ended December 31, 2014

Purchases	
Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 1,568,986
Exchange-traded Funds - Fixed Income	6,274,554
Exchange-traded Funds - Equity	3,207,713
Exchange-traded Funds - Other	196,963
Total Investments Purchased	\$ 11,248,216

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Common Trust Funds - Fixed Income	\$ 1,619,932	\$ 1,619,932	\$ -
Exchange-traded Funds - Fixed Income	7,194,625	7,163,445	31,180
Exchange-traded Funds - Equity	3,456,832	3,413,106	43,726
Exchange-traded Funds - Other	193,056	196,963	(3,907)
Total Investments Sold	\$ 12,464,445	\$ 12,393,446	\$ 70,999

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
Horizon Growth with Risk Assist Fund
Year Ended December 31, 2014

Purchases

Investment Class	Cost
Common Trust Funds - Fixed Income	\$ 4,689,438
Exchange-traded Funds - Equity	37,856,543
Exchange-traded Funds - Fixed Income	3,348,812
Exchange-traded Funds - Other	<u>1,045,781</u>
Total Investments Purchased	<u>\$ 46,940,574</u>

Sales

Investment Class	Proceeds	Cost	Gain
Common Trust Funds - Fixed Income	\$ 4,657,371	\$ 4,657,371	\$ -
Exchange-traded Funds - Equity	2,718,454	2,710,626	7,828
Exchange-traded Funds - Fixed Income	34,663,714	34,283,872	379,842
Exchange-traded Funds - Other	<u>1,047,691</u>	<u>1,045,781</u>	<u>1,910</u>
Total Investments Sold	<u>\$ 43,087,230</u>	<u>\$ 42,697,650</u>	<u>\$ 389,580</u>