

**Hand Composite Employee Benefit Trust
P-Solve 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 (P-Solve Return Seeking Fund and P-Solve Long Credit Fund) [two 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 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 audit 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

	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
Assets		
Investments, at cost	\$ 117,100,707	\$ 104,424,230
Investments, at fair value	\$ 115,411,851	\$ 108,383,330
Receivable for:		
Dividends and interest	225,258	496,468
Total assets	115,637,109	108,879,798
 Liabilities		
Accounts payable and accrued liabilities	7,893	23,000
Net Assets Held for Participants - Class R	\$ 115,629,216	\$ 108,856,798
Units Outstanding - Class R	10,553,169	9,198,976
Net Asset Value Per Unit - Class R	\$ 10.96	\$ 11.83

Hand Composite Employee Benefit Trust
Schedules of Investments
P-Solve Return Seeking Fund
December 31, 2014

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
5,614,545	Goldman Fin Sq Mon Mrkt 474	\$ 5,614,545	\$ 5,614,545
	Total Short Term Investments	4.86% <u>5,614,545</u>	<u>5,614,545</u>
<u>U.S. Government Obligations</u>			
4,653,000	U S Treasury Bd Prin Strip	3,992,054	4,051,739
	Total U.S. Government Obligations	3.51% <u>3,992,054</u>	<u>4,051,739</u>
<u>Mutual Funds</u>			
<u>Fixed Income</u>			
390,379	Eaton Vance Floating Rate-I	3,541,088	3,478,281
298,263	Fidelity Total Bond Fund-TB	3,185,570	3,185,448
366,197	Pioneer-Dynamic Credit-Y	3,583,432	3,471,547
94,158	Pyramis Group Tr For Employee Benefit Plans	4,781,341	4,653,312
283,736	TCW Core Fxd Incm-I	3,182,453	3,186,350
	Total Fixed Income	15.57% <u>18,273,884</u>	<u>17,974,938</u>
<u>Equity</u>			
514,031	Boston P A/cap Value-is	11,165,776	11,534,849
276,026	Dodge & Cox Intl Stock Fund	11,921,490	11,623,455
201,065	Harding Loevner Inst Emg M-I	3,737,182	3,496,520
171,600	Vanguard Tot Stk Mkt Ind-ins	7,514,382	8,854,565
	Total Equity	30.77% <u>34,338,830</u>	<u>35,509,389</u>
<u>Other</u>			
223,989	Ivy Asset Strategy Fund-I	6,609,880	5,765,484
438,256	Pimco All Asset Fund Instl	5,426,543	5,083,774
318,891	Westwood Income Opportun - I	4,738,263	4,687,704
	Total Other	13.46% <u>16,774,686</u>	<u>15,536,962</u>
	Total Mutual Funds	59.80% <u>69,387,400</u>	<u>69,021,289</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Return Seeking Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Exchange-traded Funds</u></i>			
<i>Equity</i>			
253,042	Ishares Core Intl Stock ETF	\$ 14,180,197	\$ 13,479,547
187,196	Powershares Ftse Rafi Em Mkt	3,735,583	3,487,461
243,335	Schwab US Broad Market ETF	11,975,350	12,122,950
99,381	Wisdomtree Europe Hedged Equity	5,856,390	5,527,571
42,794	Wisdomtree Japan Hedged Eq	2,359,188	2,106,749
	Total Equity	<i>31.83%</i> <u>38,106,708</u>	<u>36,724,278</u>
	Total Exchange-traded Funds	<i>31.83%</i> <u>38,106,708</u>	<u>36,724,278</u>
	Total Investments	<i>100.00%</i> <u>\$ 117,100,707</u>	<u>\$ 115,411,851</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund
December 31, 2014

Number of Shares		Cost	Fair Value
<u>Short Term Investments</u>			
1,104,580	Goldman Fin Sq Mon Mrkt 474	\$ 1,212,841	\$ 1,212,841
	Total Short Term Investments	<u>1.12%</u> 1,212,841	<u>1,212,841</u>
<u>U.S. Government Obligations</u>			
430,000	U S Treasury Bond 3.125% 08/15/2044 Dd 08/15/14	451,086	462,922
1,655,000	U S Treasury Note 2.250% 11/15/2024 Dd 11/15/14	1,656,228	1,666,120
	Total U.S. Government Obligations	<u>1.96%</u> 2,107,314	<u>2,129,042</u>
<u>Corporate Bonds</u>			
<u>Consumer Discretionary</u>			
80,000	Comcast Corp 3.600% 03/01/2024 Dd 02/26/14	82,305	84,019
240,000	Comcast Corp 4.200% 08/15/2034 Dd 08/12/14	240,457	250,955
345,000	Comcast Corp 4.250% 01/15/2033 Dd 01/14/13	346,942	365,330
190,000	Ford Motor Co 4.750% 01/15/2043 Dd 01/08/13	197,927	200,473
145,000	Hasbro Inc 6.350% 03/15/2040 Dd 03/11/10	172,005	177,500
200,000	Home Depot Inc/the 4.875% 02/15/2044 Dd 09/10/13	216,163	232,457
135,000	Lowe's Cos Inc 5.000% 09/15/2043 Dd 09/11/13	150,650	157,932
105,000	Lowe's Cos Inc 5.500% 10/15/2035 Dd 10/06/05	117,712	128,327
95,000	Macy's Retail Holdings Inc 6.650% 07/15/2024 Dd 07/20/04	115,042	117,809
120,000	Time Warner Cable Inc 6.550% 05/01/2037 Dd 04/09/07	147,034	154,499
145,000	Time Warner Inc 4.650% 06/01/2044 Dd 05/28/14	144,894	151,173
165,000	Time Warner Inc 7.700% 05/01/2032 Dd 04/08/02	224,283	233,118
215,000	Viacom Inc 5.250% 04/01/2044 Dd 03/11/14	225,911	227,359
	Total Consumer Discretionary	<u>2.29%</u> 2,381,325	<u>2,480,951</u>
<u>Consumer Staples</u>			
165,000	Kraft Foods Group Inc 5.000% 06/04/2042 Dd 12/04/12	176,046	181,633
205,000	Kroger Co/the 7.500% 04/01/2031 Dd 05/11/01	266,111	276,850
105,000	Sc Johnson & Son Inc 144a 4.350% 09/30/2044 Dd 10/03/14	104,862	109,784
125,000	Sc Johnson & Son Inc 144a 4.800% 09/01/2040 Dd 08/30/10	130,522	139,574
55,000	Sysco Corp 6.625% 03/17/2039 Dd 03/17/09	72,470	77,749
105,000	Wal-mart Stores Inc 4.750% 10/02/2043 Dd 10/02/13	114,454	122,267
	Total Consumer Staples	<u>0.84%</u> 864,465	<u>907,857</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i>Energy</i>			
130,000	Buckeye Partners Lp 5.600% 10/15/2044 Dd 09/12/14	\$ 130,237	\$ 124,615
80,000	Burlington Resources Finance C 7.200% 08/15/2031 Dd 08/24/01	110,121	110,063
185,000	Conocophillips 5.900% 10/15/2032 Dd 10/09/02	228,730	228,176
320,000	Energy Transfer Partners Lp 5.950% 10/01/2043 Dd 09/19/13	352,196	350,975
245,000	Enterprise Products Operating 5.100% 02/15/2045 Dd 02/12/14	257,931	263,422
220,000	Hess Corp 7.300% 08/15/2031 Dd 08/15/01	284,910	273,327
320,000	Kinder Morgan Energy Partners 6.500% 09/01/2039 Dd 09/16/09	365,958	356,125
215,000	Noble Energy Inc 5.050% 11/15/2044 Dd 11/07/14	214,028	212,512
20,000	Phillips 66 4.875% 11/15/2044 Dd 11/17/14	19,621	20,471
215,000	Rowan Cos Inc 5.850% 01/15/2044 Dd 01/15/14	224,647	198,281
40,000	Sunoco Logistics Partners Oper 5.350% 05/15/2045 Dd 11/17/14	39,733	40,443
120,000	Weatherford International Ltd/ 5.950% 04/15/2042 Dd 04/04/12	132,549	101,607
180,000	Williams Partners Lp 4.900% 01/15/2045 Dd 06/27/14	177,889	168,582
	Total Energy	2.26% <u>2,538,550</u>	<u>2,448,599</u>
<i>Financials</i>			
250,000	Aflac Inc 3.625% 11/15/2024 Dd 11/07/14	251,287	254,903
85,000	Alleghany Corp 4.900% 09/15/2044 Dd 09/09/14	84,582	89,164
265,000	Ameriprise Financial Inc 4.000% 10/15/2023 Dd 09/06/13	279,340	280,705
200,000	Bank Of New York Mellon Corp/t 3.650% 02/04/2024 Dd 02/04/14	203,696	209,157
165,000	Cme Group Inc/il 5.300% 09/15/2043 Dd 09/09/13	186,067	199,928
310,000	General Electric Capital Corp 6.750% 03/15/2032 Dd 03/20/02	399,941	423,423
130,000	General Electric Capital Corp 6.875% 01/10/2039 Dd 01/09/09	177,776	183,886
85,000	Hospitality Properties Trust 4.500% 03/15/2025 Dd 09/12/14	85,137	85,567
235,000	Hospitality Properties Trust 4.650% 03/15/2024 Dd 03/12/14	238,545	240,712
180,000	Jefferies Group Llc 6.250% 01/15/2036 Dd 01/26/06	184,163	176,899
75,000	Jefferies Group Llc 6.500% 01/20/2043 Dd 01/18/13	81,229	76,506
320,000	JP Morgan Chase & Co 5.625% 08/16/2043 Dd 08/21/13	355,279	372,129
195,000	Lincoln National Corp 7.000% 06/15/2040 Dd 06/18/10	265,958	270,432
330,000	Metlife Inc 6.400% 12/15/2066 Dd 12/21/06	360,271	367,950
130,000	Midamerican Energy Co 4.800% 09/15/2043 Dd 09/19/13	138,467	150,942
80,000	Nationwide Financial Serv 144a 5.300% 11/18/2044 Dd 11/20/14	79,715	84,396
110,000	Pacific Lifecorp 144a 5.125% 01/30/2043 Dd 01/22/13	112,707	120,976
180,000	Pacificorp 6.350% 07/15/2038 Dd 07/17/08	238,020	246,280
125,000	Petrobras Global Finance Bv 7.250% 03/17/2044 Dd 03/17/14	137,568	123,438
185,000	Protective Life Corp 8.450% 10/15/2039 Dd 10/09/09	268,543	278,771
140,000	State Street Corp 3.300% 12/16/2024 Dd 12/15/14	140,188	142,092
150,000	Teachers Insurance & Annu 144a 4.900% 09/15/2044 Dd 09/18/14	152,224	167,152
240,000	Wells Fargo & Co 3.300% 09/09/2024 Dd 09/09/14	240,860	241,502
195,000	Wells Fargo & Co 4.650% 11/04/2044 Dd 11/04/14	195,683	201,213
	Total Financials	4.60% <u>4,857,246</u>	<u>4,988,123</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i>Healthcare</i>			
140,000	Becton Dickinson And Co 4.685% 12/15/2044 Dd 12/15/14	\$ 141,343	\$ 150,775
60,000	Eli Lilly & Co 4.650% 06/15/2044 Dd 02/25/14	63,245	67,253
150,000	Eli Lilly & Co 5.550% 03/15/2037 Dd 03/14/07	173,998	181,595
60,000	Eli Lilly & Co 5.950% 11/15/2037 Dd 03/06/09	76,005	78,323
250,000	Memorial Sloan-Kettering Cance 5.000% 07/01/2042 Dd 12/08/11	281,015	293,517
230,000	Pfizer Inc 4.400% 05/15/2044 Dd 05/15/14	234,168	250,178
	Total Healthcare	0.94% <u>969,774</u>	<u>1,021,641</u>
<i>Industrials</i>			
240,000	Alfa Sab De Cv 144a 6.875% 03/25/2044 Dd 03/25/14	254,995	261,900
225,000	General Electric Co 4.500% 03/11/2044 Dd 03/11/14	233,297	247,325
20,000	Ingersoll-rand Luxembourg Fina 4.650% 11/01/2044 Dd 10/28/14	19,882	20,335
330,000	Koninklijke Philips Nv 5.000% 03/15/2042 Dd 03/09/12	358,033	369,338
240,000	Rockwell Collins Inc 4.800% 12/15/2043 Dd 12/16/13	258,122	277,572
245,000	Siemens Financieringsmaat 144a 6.125% 08/17/2026 Dd 08/16/06	302,621	303,975
250,000	United Parcel Service Inc 6.200% 01/15/2038 Dd 01/15/08	321,067	332,458
250,000	United Technologies Corp 4.500% 06/01/2042 Dd 06/01/12	266,695	272,197
175,000	United Technologies Corp 6.050% 06/01/2036 Dd 05/26/06	219,089	230,916
	Total Industrials	2.14% <u>2,233,801</u>	<u>2,316,016</u>
<i>Information Technology</i>			
280,000	Cisco Systems Inc 5.900% 02/15/2039 Dd 02/17/09	338,770	352,427
230,000	Harris Corp 6.150% 12/15/2040 Dd 12/03/10	264,235	278,957
265,000	Intel Corp 4.250% 12/15/2042 Dd 12/11/12	259,499	273,112
90,000	International Business Machine 5.875% 11/29/2032 Dd 11/27/02	111,938	115,375
210,000	Kla-tencor Corp 5.650% 11/01/2034 Dd 11/06/14	211,483	222,796
200,000	Microsoft Corp 4.875% 12/15/2043 Dd 12/06/13	219,306	235,414
105,000	Motorola Solutions Inc 5.500% 09/01/2044 Dd 08/19/14	107,837	110,703
140,000	Oracle Corp 4.500% 07/08/2044 Dd 07/08/14	144,228	152,065
60,000	Oracle Corp 6.500% 04/15/2038 Dd 04/09/08	78,035	80,740
	Total Information Technology	1.68% <u>1,735,331</u>	<u>1,821,589</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i>Materials</i>			
285,000	BHP Billiton Finance Usa Ltd 5.000% 09/30/2043 Dd 09/30/13	\$ 310,445	\$ 323,053
230,000	CF Industries Inc 5.150% 03/15/2034 Dd 03/11/14	240,299	240,580
80,000	Ei Du Pont De Nemours & Co 4.150% 02/15/2043 Dd 02/15/13	77,709	80,587
20,000	Freeport-mcmoran Inc 5.400% 11/14/2034 Dd 11/14/14	19,904	19,498
95,000	International Paper Co 4.800% 06/15/2044 Dd 06/10/14	94,653	97,014
280,000	Lyondellbasell Industries Nv 5.750% 04/15/2024 Dd 04/09/12	324,095	320,234
95,000	Mosaic Co/the 5.625% 11/15/2043 Dd 11/13/13	107,826	108,871
40,000	Newmont Mining Corp 4.875% 03/15/2042 Dd 03/08/12	33,840	34,839
	Total Materials	<u>1.13%</u> <u>1,208,771</u>	<u>1,224,676</u>
<i>Telecommunication Services</i>			
310,000	AT&T Inc 4.350% 06/15/2045 Dd 06/15/13	278,088	292,254
225,000	AT&T Inc 5.550% 08/15/2041 Dd 08/18/11	244,520	250,718
90,000	Deutsche Telekom International Var Rt 06/15/2030 Dd 07/06/00	131,548	132,944
130,000	Orange Sa Var Rt 03/01/2031 Dd 09/01/01	190,758	198,300
390,000	Verizon Communications Inc 4.400% 11/01/2034 Dd 10/29/14	382,819	387,653
375,000	Verizon Communications Inc 5.050% 03/15/2034 Dd 03/17/14	391,366	400,022
150,000	Verizon Communications Inc 6.400% 09/15/2033 Dd 09/18/13	183,103	184,767
115,000	Vodafone Group Plc 4.375% 02/19/2043 Dd 02/19/13	109,353	112,078
	Total Telecommunication Services	<u>1.81%</u> <u>1,911,555</u>	<u>1,958,736</u>
<i>Utilities</i>			
265,000	Alabama Power Co 4.150% 08/15/2044 Dd 08/26/14	268,334	278,216
65,000	American Transmission Sy 144a 5.000% 09/01/2044 Dd 09/25/14	65,613	69,535
210,000	Consolidated Edison Co Of New 4.450% 03/15/2044 Dd 03/06/14	211,843	227,109
370,000	Duke Energy Progress Inc 4.375% 03/30/2044 Dd 03/06/14	386,789	406,262
115,000	Electricite De France Sa 144a 5.600% 01/27/2040 Dd 01/26/10	128,403	135,908
170,000	Electricite De France Sa 144a 6.950% 01/26/2039 Dd 01/26/09	227,954	230,955
75,000	Enel Finance Internationa 144a 6.000% 10/07/2039 Dd 10/07/09	80,495	88,127
330,000	Exelon Generation Co Llc 5.600% 06/15/2042 Dd 12/15/12	357,293	369,180
300,000	Nstar Electric Co 4.400% 03/01/2044 Dd 03/07/14	313,956	328,992
245,000	Public Service Co Of Colorado 4.300% 03/15/2044 Dd 03/10/14	249,228	263,743
220,000	South Carolina Electric & Gas 5.450% 02/01/2041 Dd 01/27/11	260,326	271,115
80,000	Southern California Edison Co 5.350% 07/15/2035 Dd 06/27/05	97,034	97,104
	Total Utilities	<u>2.55%</u> <u>2,647,268</u>	<u>2,766,246</u>
	Total Corporate Bonds	<u>20.24%</u> <u>21,348,086</u>	<u>21,934,434</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<u>Foreign Government</u>			
<i>Foreign Government Obligations</i>			
210,000	Brazilian Government Internati 5.625% 01/07/2041 Dd 10/07/09	\$ 216,989	\$ 226,275
575,000	Mexico Government Internationa 4.750% 03/08/2044 Dd 03/08/12	572,726	599,438
	Total Foreign Government Obligations	0.76% <u>789,715</u>	<u>825,713</u>
	Total Foreign Government	0.76% <u>789,715</u>	<u>825,713</u>
<u>Municipals</u>			
<i>Municipal Bonds</i>			
155,000	California St 7.550% 04/01/2039 Dd 04/28/09	215,153	239,349
180,000	Chicago Il Transit Auth Sales 6.899% 12/01/2040 Dd 08/06/08	215,687	227,473
155,000	Illinois St 5.100% 06/01/2033 Dd 06/12/03	155,123	154,022
120,000	Pennsylvania St 4.650% 02/15/2026 Dd 01/21/10	131,334	134,190
200,000	New Jersey St Transprt Trust 6.561% 12/15/2040 Dd 01/14/10	254,204	258,524
270,000	New York Ny 5.985% 12/01/2036 Dd 12/17/09	319,983	341,626
215,000	New York City Ny Muni Wtr Fin 6.011% 06/15/2042 Dd 03/18/10	276,271	291,761
30,000	New York City Ny Muni Wtr Fin 5.882% 06/15/2044 Dd 11/18/10	36,059	40,542
55,000	New York St Dorm Auth St Perso 5.389% 03/15/2040 Dd 10/14/10	66,692	69,985
	Total Municipal Bonds	1.62% <u>1,670,506</u>	<u>1,757,472</u>
	Total Municipals	1.62% <u>1,670,506</u>	<u>1,757,472</u>
<u>Mutual Funds</u>			
<i>Fixed Income</i>			
4,140,416	Delaware Extnd Duration Bd-I	26,778,548	27,368,151
1,699,079	Pimco Long-term Credit-inst	21,250,410	21,935,108
2,292,496	Vanguard L/T Invest Gr-adm	23,025,111	24,644,332
	Total Fixed Income	68.23% <u>71,054,069</u>	<u>73,947,591</u>
	Total Mutual Funds	68.23% <u>71,054,069</u>	<u>73,947,591</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2014

Number of Shares		Cost	Fair Value
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
71,156	Vanguard Long-term Corp Bond	\$ 6,241,699	\$ 6,576,237
	Total Fixed Income	6.07% <u>6,241,699</u>	<u>6,576,237</u>
	Total Exchange-traded Funds	6.07% <u>6,241,699</u>	<u>6,576,237</u>
	Total Investments	100.00% <u>\$ 104,424,230</u>	<u>\$ 108,383,330</u>

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

	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
Income		
Interest	\$ 56,966	\$ 626,778
Dividends	3,706,230	4,611,850
	3,763,196	5,238,628
Expenses		
Investment management and administrative	61,044	111,140
Other	5,547	-
	66,591	111,140
Reimbursement of fees	(2,391)	(791)
	64,200	110,349
Net Investment Income	3,698,996	5,128,279
Net Realized and Unrealized Gains (Losses) on Investments		
Net realized gains on investments	307,456	1,661,733
Net change in unrealized appreciation/ depreciation on investments	(3,337,771)	4,400,013
	(3,030,315)	6,061,746
Net Increase in Net Assets Resulting From Operations	\$ 668,681	\$ 11,190,025

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

	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
Operations		
Net investment income	\$ 3,698,996	\$ 5,128,279
Net realized gains	307,456	1,661,733
Change in unrealized appreciation/depreciation	<u>(3,337,771)</u>	<u>4,400,013</u>
Net increase in net assets from operations	668,681	11,190,025
Net Increase in Net Assets From Participant Transactions	<u>53,002,577</u>	<u>51,270,288</u>
Increase in Net Assets	53,671,258	62,460,313
Net Assets		
Beginning of year	<u>61,957,958</u>	<u>46,396,485</u>
End of year	<u>\$ 115,629,216</u>	<u>\$ 108,856,798</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 two 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 recorded on trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation on investments are determined using 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 and includes accretion of discounts and amortization of premiums. 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 these other 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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2014

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 Advisor

The investment management advisor for the Funds is P-Solve 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 an investment advisory and service agreement with a third-party advisor. These fees compensate the advisor for the services it provides and for expenses borne by the advisor under the agreement.

During the year ended December 31, 2014, the investment advisor voluntarily reimbursed the Funds for a portion of their expenses.

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.

Fund	Administrative Fees	Investment Advisory Fees	Other Fees	Total Fees
P-Solve Return Seeking Fund:				
Class R	0.07%	0.00%	0.02%	0.09%
P-Solve Long Credit Fund:				
Class R	0.07%	0.00%	0.02%	0.09%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2014

Note 3: Financial Highlights

	Class R	
	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
Net asset value, beginning of year	\$ 10.67	\$ 10.15
Net investment income	0.58	0.72
Net realized and unrealized gains (losses)	(0.29)	0.96
Net increase from investment operations	0.29	1.68
Net asset value, end of year	\$ 10.96	\$ 11.83
Total return	2.72%	16.55%
Ratio to average net assets:		
Net investment income	5.24%	6.41%
Expenses without reimbursements	0.09%	0.14%
Expenses with reimbursements	0.09%	0.14%

Note 4: Participant Unit Transactions

Class R:	P-Solve Return Seeking Fund		P-Solve Long Credit Fund	
	Units	Dollars	Units	Dollars
Proceeds from sales of units	5,618,973	\$ 62,656,013	7,809,389	\$ 85,653,253
Cost of units redeemed	(873,522)	(9,653,436)	(3,183,251)	(34,382,965)
Net increase in net assets from participant transactions	4,745,451	\$ 53,002,577	4,626,138	\$ 51,270,288

Hand Composite Employee Benefit Trust

Notes to Financial Statements

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 period 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.

U.S. Government Obligations. U.S. government obligations are valued using models that incorporate 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. These securities are categorized as Level 2 in the hierarchy.

Corporate Bonds, Foreign Government Obligations and Municipals. The fair value of corporate bonds, foreign government obligations and municipals is estimated using various techniques, which may consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. These securities are categorized as Level 2 in the hierarchy.

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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2014

The following table 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.

	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)
P-Solve Return Seeking Fund				
Short Term Investments	\$ 5,614,545	\$ 5,614,545	\$ -	\$ -
U.S. Government Obligations	4,051,739	-	4,051,739	-
Mutual Funds - Fixed Income	17,974,938	17,974,938	-	-
Mutual Funds - Equity	35,509,389	35,509,389	-	-
Mutual Funds - Other	15,536,962	15,536,962	-	-
Exchange-traded Fund - Equity	36,724,278	36,724,278	-	-
Total	<u>\$ 115,411,851</u>	<u>\$ 111,360,112</u>	<u>\$ 4,051,739</u>	<u>\$ 0</u>
P-Solve Long Credit Fund				
Short Term Investments	\$ 1,212,841	\$ 1,212,841	\$ -	\$ -
U.S. Government Obligations	2,129,042	-	2,129,042	-
Corporate Bonds	21,934,434	-	21,934,434	-
Foreign Government Obligations	825,713	-	825,713	-
Municipal Bonds	1,757,472	-	1,757,472	-
Mutual Funds - Fixed Income	73,947,591	73,947,591	-	-
Exchange-traded Fund - Fixed Income	6,576,237	6,576,237	-	-
Total	<u>\$ 108,383,330</u>	<u>\$ 81,736,669</u>	<u>\$ 26,646,661</u>	<u>\$ 0</u>

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
P-Solve Return Seeking Fund
Year Ended December 31, 2014

Purchases	
Investment Class	Cost
Mutual Funds - Fixed Income	\$ 16,492,230
Mutual Funds - Equity	27,328,634
Mutual Funds - Other	17,343,357
Exchange-traded Funds - Equity	42,678,290
U.S. Government Obligations	<u>1,770,233</u>
Total Investments Purchased	<u><u>\$ 105,612,744</u></u>

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Mutual Funds - Fixed Income	\$ 11,435,488	\$ 11,420,130	\$ 15,358
Mutual Funds - Equity	15,977,987	15,083,835	894,152
Mutual Funds - Other	6,071,971	6,655,338	(583,367)
Exchange-traded Funds - Fixed Income	2,484,374	2,458,729	25,645
Exchange-traded Funds - Equity	<u>13,563,193</u>	<u>13,607,525</u>	<u>(44,332)</u>
Total Investments Sold	<u><u>\$ 49,533,013</u></u>	<u><u>\$ 49,225,557</u></u>	<u><u>\$ 307,456</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
P-Solve Long Credit Fund
Year Ended December 31, 2014

Purchases	
Investment Class	Cost
Corporate Bonds	\$ 36,002,926
US Government Obligations	26,182,176
Foreign Government Obligations	1,282,389
Exchange-traded Funds - Fixed Income	28,313,563
Total Investments Purchased	\$ 91,781,054

Sales			
Investment Class	Proceeds	Cost	Gain
Corporate Bonds	\$ 19,016,148	\$ 18,141,049	\$ 875,099
US Government Obligations	24,269,617	24,074,622	194,995
Foreign Government Obligations	517,972	492,677	25,295
Exchange-traded Funds - Fixed Income	21,795,069	21,228,725	566,344
Total Investments Sold	\$ 65,598,806	\$ 63,937,073	\$ 1,661,733