

**Hand Composite Employee Benefit Trust
P-Solve Funds**

Independent Auditor's Report and Financial Statements

December 31, 2015

Hand Composite Employee Benefit Trust
December 31, 2015

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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, 2015, 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, 2015, 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 7, 2016

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2015

	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
Assets		
Investments, at cost	\$ 108,682,319	\$ 116,122,690
Investments, at fair value	\$ 102,276,700	\$ 107,990,822
Receivable for:		
Dividends and interest	6,934	374,611
Total assets	\$ 102,283,634	\$ 108,365,433
Liabilities		
Accounts payable and accrued liabilities	\$ 13,592	\$ 23,028
Total liabilities	\$ 13,592	\$ 23,028
Net assets held for participants - Class R	\$ 102,270,042	\$ 108,342,405
Units outstanding - Class R	9,570,616	9,544,364
Net asset value per unit - Class R	\$ 10.69	\$ 11.35

Hand Composite Employee Benefit Trust
Schedules of Investments
P-Solve Return Seeking Fund
December 31, 2015

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
6,787,120	Goldman Fin Sq Mon Mrkt 474	\$ 6,787,120	\$ 6,787,120
	Total Short Term Investment	6.64% <u>6,787,120</u>	<u>6,787,120</u>
<u>U.S. Government Obligations</u>			
\$ 2,282,000	U.S. Treasury Bd Prin Strip	2,040,799	2,027,758
	Total U.S. Government Obligations	1.98% <u>2,040,799</u>	<u>2,027,758</u>
<u>Mutual Funds</u>			
<u>Fixed Income</u>			
368,391	Eaton Vance Floating Rate-I	3,327,057	3,098,165
279,752	Fidelity Total Bond Fund-TB	2,993,334	2,870,260
244,910	TCW Core Fxd Incm-I	2,748,224	2,684,208
	Total Fixed Income	8.46% <u>9,068,615</u>	<u>8,652,633</u>
<u>Equity</u>			
489,421	Boston P A/cap Value-IS	10,763,073	10,395,302
158,994	Dodge & Cox Intl Stock Fund	6,928,116	5,800,090
201,611	Harding Loevner Inst Emg M-I	3,658,062	3,028,191
239,861	Invesco Balanced Risk	4,324,624	4,199,962
448,925	Lazard Inter Strat Eq-Inst	6,567,801	5,984,173
344,463	Pioneer-Dynamic Credit-Y	3,356,475	3,079,505
82,113	Pyramis Group Tr For Employee	4,164,805	4,118,781
	Total Equity	35.79% <u>39,762,956</u>	<u>36,606,004</u>
<u>Other</u>			
231,522	Ivy Asset Strategy Fund-I	6,710,861	5,132,849
294,618	Westwood Income Opportun - I	4,374,304	4,154,114
	Total Other	9.08% <u>11,085,165</u>	<u>9,286,963</u>
	Total Mutual Funds	53.33% <u>59,916,736</u>	<u>54,545,600</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Return Seeking Fund (Continued)
December 31, 2015

Number of Shares		Cost	Fair Value
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
19,375	Vanguard Total Bond Market	\$ 1,610,343	\$ 1,564,725
	Total Fixed Income	1.53% <u>1,610,343</u>	<u>1,564,725</u>
<i>Equity</i>			
183,296	iShares Core Intl Stock ETF	9,999,630	9,069,486
115,212	iShares Currency Hedged MSCI	2,990,884	2,974,774
58,462	iShares MSCI Eurozone ETF	2,260,141	2,048,508
166,361	iShares MSCI Japan ETF	2,034,595	2,016,295
277,882	Schwab US Broad Market ETF	13,666,704	13,627,334
94,096	Vanguard Tot Stk Mkt-Inst	4,219,323	4,780,071
56,610	Wisdomtree Europe Hedged Equit	3,156,044	2,835,029
	Total Equity	36.52% <u>38,327,321</u>	<u>37,351,497</u>
	Total Exchange-traded Funds	38.05% <u>39,937,664</u>	<u>38,916,222</u>
	Total Investments	100.00% <u>\$ 108,682,319</u>	<u>\$ 102,276,700</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund
December 31, 2015

Number of Shares or Principal Amount		Cost	Fair Value
<u>Short Term Investments</u>			
1,527,302	Goldman Fin Sq Mon Mrkt 474	\$ 1,527,302	\$ 1,527,302
329,320	Goldman Fin Sq Mon Mrkt 474	329,320	329,320
	Total Short Term Investments	1.72% <u>1,856,622</u>	<u>1,856,622</u>
<u>U.S. Government Obligations</u>			
\$ 1,245,000	U.S. Treasury Bond,2.875% 08/15/2045 Dd 08/15/15	1,218,788	1,209,158
340,000	U.S. Treasury Note,2.250% 11/15/2025 Dd 11/15/15	341,423	339,243
	Total U.S. Government Obligations	1.43% <u>1,560,211</u>	<u>1,548,401</u>
<u>Corporate Bonds</u>			
<u>Consumer Discretionary</u>			
70,000	21st Century Fox America 144a,4.950% 10/15/2045 Dd 10/21/15	69,558	68,937
420,000	21st Century Fox America Inc,6.200% 12/15/2034 Dd 12/03/04	484,239	476,886
400,000	Comcast Corp,4.250% 01/15/2033 Dd 01/14/13	412,400	393,050
435,000	Electricite De France Sa 144a,4.950% 10/13/2045 Dd 10/13/15	434,278	422,365
135,000	Ford Motor Co,4.750% 01/15/2043 Dd 01/08/13	128,409	127,255
145,000	Hasbro Inc,6.350% 03/15/2040 Dd 03/11/10	172,212	157,962
95,000	Macy's Retail Holdings Inc,6.650% 07/15/2024 Dd 07/20/04	113,274	107,015
120,000	Time Warner Cable Inc,6.550% 05/01/2037 Dd 04/09/07	146,343	121,438
175,000	Time Warner Inc,7.700% 05/01/2032 Dd 04/08/02	228,509	218,428
230,000	Viacom Inc,5.250% 04/01/2044 Dd 03/11/14	241,661	189,773
	Total Consumer Discretionary	2.11% <u>2,430,883</u>	<u>2,283,109</u>
<u>Consumer Staples</u>			
55,000	Dr Pepper Snapple Group Inc,4.500% 11/15/2045 Dd 11/09/15	54,856	53,776
105,000	SC Johnson & Son Inc 144a,4.350% 09/30/2044 Dd 10/03/14	104,864	101,241
225,000	SC Johnson & Son Inc 144a,4.800% 09/01/2040 Dd 08/30/10	247,311	232,992
55,000	Sysco Corp,6.625% 03/17/2039 Dd 03/17/09	72,058	66,220
	Total Consumer Staples	0.42% <u>479,089</u>	<u>454,229</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2015

Number of Shares or Principal Amount		Cost	Fair Value
<i>Energy</i>			
\$ 225,000	Buckeye Partners LP,5.600% 10/15/2044 Dd 09/12/14	\$ 217,806	\$ 167,996
210,000	Burlington Northern Santa Fe L,4.700% 09/01/2045 Dd 08/20/15	210,580	209,544
130,000	Burlington Resources Finance C,7.200% 08/15/2031 Dd 08/24/01	171,422	148,793
185,000	Conocophillips,5.900% 10/15/2032 Dd 10/09/02	227,008	189,283
320,000	Energy Transfer Partners LP,5.950% 10/01/2043 Dd 09/19/13	351,706	256,720
40,000	Energy Transfer Partners LP,6.500% 02/01/2042 Dd 01/17/12	36,618	32,532
110,000	Enlink Midstream Partners LP,5.050% 04/01/2045 Dd 11/12/14	95,572	68,209
25,000	EnSCO Plc,5.750% 10/01/2044 Dd 09/29/14	23,847	16,480
275,000	Enterprise Products Operating,5.100% 02/15/2045 Dd 02/12/14	279,188	230,350
175,000	Hess Corp,7.300% 08/15/2031 Dd 08/15/01	224,329	173,745
300,000	Kinder Morgan Energy Partners,6.500% 09/01/2039 Dd 09/16/09	342,052	247,007
245,000	Marathon Petroleum Corp,5.850% 12/15/2045 Dd 12/14/15	244,381	227,684
185,000	Noble Holding International Lt,6.950% 04/01/2045 Dd 03/16/15	173,819	118,379
230,000	Petroleos Mexicanos,5.500% 06/27/2044 Dd 06/26/12	222,491	173,038
265,000	Rowan Cos Inc,5.850% 01/15/2044 Dd 01/15/14	267,626	159,913
70,000	Shell International Finance Bv,4.375% 05/11/2045 Dd 05/11/15	66,266	66,085
40,000	Sunoco Logistics Partners Oper,5.350% 05/15/2045 Dd 11/17/14	39,737	29,704
140,000	Williams Partners LP,4.000% 09/15/2025 Dd 03/03/15	139,577	104,827
180,000	Williams Partners LP,4.900% 01/15/2045 Dd 06/27/14	177,925	114,596
	Total Energy	2.53% <u>3,511,950</u>	<u>2,734,885</u>
<i>Financials</i>			
260,000	Alleghany Corp,4.900% 09/15/2044 Dd 09/09/14	261,808	246,575
285,000	Citigroup Inc,4.400% 06/10/2025 Dd 06/10/15	284,930	287,852
285,000	Citigroup Inc,4.450% 09/29/2027 Dd 09/29/15	285,451	283,113
100,000	Goldman Sachs Group Inc/the,4.750% 10/21/2045 Dd 10/21/15	99,087	99,338
105,000	Goldman Sachs Group Inc/the,4.250% 10/21/2025 Dd 10/21/15	104,277	104,197
310,000	Goldman Sachs Group Inc/the,4.800% 07/08/2044 Dd 07/08/14	318,043	308,203
60,000	Hsbc Bank Usa Na/new York Ny,5.875% 11/01/2034 Dd 10/25/04	70,260	69,525
135,000	Hospitality Properties Trust,4.500% 03/15/2025 Dd 09/12/14	136,284	129,613
235,000	Hospitality Properties Trust,4.650% 03/15/2024 Dd 03/12/14	238,226	231,299
265,000	Host Hotels & Resorts LP,4.000% 06/15/2025 Dd 05/15/15	265,443	254,030
280,000	JPMorgan Chase & Co,4.950% 06/01/2045 Dd 05/29/15	278,244	279,946
255,000	Jefferies Group LLC,6.500% 01/20/2043 Dd 01/18/13	263,534	235,784
220,000	Lincoln National Corp,7.000% 06/15/2040 Dd 06/18/10	299,384	275,942

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2015

Number of Shares or Principal Amount		Cost	Fair Value
<i>Financials (continued)</i>			
\$ 275,000	Metlife Inc,4.875% 11/13/2043 Dd 11/13/13	\$ 287,920	\$ 288,504
140,000	Nationwide Financial Serv 144a,5.300% 11/18/2044 Dd 11/20/14	153,204	140,152
275,000	Pacific Lifecorp 144a,5.125% 01/30/2043 Dd 01/22/13	288,093	280,185
130,000	Pacificcorp,6.250% 10/15/2037 Dd 10/03/07	168,263	160,806
180,000	Pacificcorp,6.350% 07/15/2038 Dd 07/17/08	236,534	224,547
185,000	Protective Life Corp,8.450% 10/15/2039 Dd 10/09/09	266,822	244,008
105,000	Santander Issuances Sau,5.179% 11/19/2025 Dd 11/19/15	105,000	103,409
200,000	Societe Generale Sa 144a,4.250% 04/14/2025 Dd 04/14/15	197,060	188,743
250,000	Societe Generale Sa 144a,4.750% 11/24/2025 Dd 11/24/15	249,063	241,909
370,000	Teachers Insurance & Annu 144a,4.900% 09/15/2044 Dd 09/18/14	397,987	373,732
370,000	Wells Fargo & Co,4.300% 07/22/2027 Dd 07/22/15	371,011	377,968
	Total Financials	5.03% <u>5,625,928</u>	<u>5,429,380</u>
<i>Healthcare</i>			
295,000	Abbvie Inc,4.700% 05/14/2045 Dd 05/14/15	295,497	288,352
195,000	Baxalta Inc 144a,4.000% 06/23/2025 Dd 06/23/15	194,839	192,973
255,000	Biogen Inc,5.200% 09/15/2045 Dd 09/15/15	257,500	255,096
350,000	Gilead Sciences Inc,4.750% 03/01/2046 Dd 09/14/15	351,026	354,209
280,000	Laboratory Corp of America Hol,4.700% 02/01/2045 Dd 01/30/15	288,726	255,824
125,000	Medtronic Inc,4.625% 03/15/2045 Dd 03/15/15	129,409	128,932
230,000	Memorial Sloan-kettering Cance,5.000% 07/01/2042 Dd 12/08/11	264,780	246,322
140,000	Novartis Capital Corp,4.000% 11/20/2045 Dd 11/20/15	137,337	137,126
280,000	Unitedhealth Group Inc,4.750% 07/15/2045 Dd 07/23/15	288,313	294,921
	Total Healthcare	1.99% <u>2,207,427</u>	<u>2,153,755</u>
<i>Industrials</i>			
404,000	GE Capital International 144a,4.418% 11/15/2035 Dd 10/26/15	373,862	412,275
325,000	General Electric Co,4.500% 03/11/2044 Dd 03/11/14	348,868	334,468
118,000	General Electric Co,6.750% 03/15/2032 Dd 03/20/02	155,553	154,180
175,000	Ingersoll-rand Luxembourg Fina,4.650% 11/01/2044 Dd 10/28/14	164,605	167,490
330,000	Koninklijke Philips Nv,5.000% 03/15/2042 Dd 03/09/12	357,487	316,608
110,000	Norfolk Southern Corp,4.650% 01/15/2046 Dd 11/03/15	109,265	105,178
175,000	United Technologies Corp,6.050% 06/01/2036 Dd 05/26/06	217,793	209,849

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2015

Number of Shares or Principal Amount		Cost	Fair Value
<i>Industrials (continued)</i>			
\$ 200,000	United Technologies Corp,4.500% 06/01/2042 Dd 06/01/12	\$ 213,222	\$ 201,408
	Total Industrials	1.76% <u>1,940,655</u>	<u>1,901,456</u>
<i>Information Technology</i>			
205,000	Apple Inc,3.450% 02/09/2045 Dd 02/09/15	201,873	176,496
270,000	Apple Inc,4.375% 05/13/2045 Dd 05/13/15	272,804	272,622
235,000	BHP Billiton Finance Usa Ltd,5.000% 09/30/2043 Dd 09/30/13	260,187	211,219
265,000	Harris Corp,6.150% 12/15/2040 Dd 12/03/10	302,181	290,156
105,000	Hewlett Packard Enterpris 144a,6.350% 10/15/2045 Dd 10/09/15	104,929	99,681
360,000	Intel Corp,4.900% 07/29/2045 Dd 07/29/15	374,988	380,506
90,000	International Business Machine,5.875% 11/29/2032 Dd 11/27/02	111,076	107,307
210,000	Kla-tencor Corp,5.650% 11/01/2034 Dd 11/06/14	211,438	204,610
150,000	Lam Research Corp,3.800% 03/15/2025 Dd 03/12/15	151,380	141,189
440,000	Microsoft Corp,4.200% 11/03/2035 Dd 11/03/15	441,015	449,310
160,000	Motorola Solutions Inc,5.500% 09/01/2044 Dd 08/19/14	168,331	125,716
130,000	Oracle Corp,6.500% 04/15/2038 Dd 04/09/08	165,712	163,032
120,000	Qualcomm Inc,4.800% 05/20/2045 Dd 05/20/15	117,822	106,621
330,000	Visa Inc,4.150% 12/14/2035 Dd 12/14/15	328,646	333,161
	Total Information Technology	2.84% <u>3,212,382</u>	<u>3,061,626</u>
<i>Materials</i>			
20,000	Freeport-mcmoran Inc,5.400% 11/14/2034 Dd 11/14/14	19,907	10,600
225,000	International Paper Co,4.800% 06/15/2044 Dd 06/10/14	230,788	204,687
50,000	Monsanto Co,3.375% 07/15/2024 Dd 07/01/14	47,938	47,670
145,000	Mosaic Co/the,5.625% 11/15/2043 Dd 11/13/13	168,688	138,982
205,000	Rio Tinto Finance Usa Ltd,3.750% 06/15/2025 Dd 06/16/15	203,695	186,089
300,000	Southern Copper Corp,5.875% 04/23/2045 Dd 04/23/15	296,529	229,837
	Total Materials	0.76% <u>967,545</u>	<u>817,865</u>
<i>Telecommunication Services</i>			
335,000	AT&T Inc,5.550% 08/15/2041 Dd 08/18/11	372,233	336,632
310,000	AT&T Inc,4.350% 06/15/2045 Dd 06/15/13	278,547	265,196
300,000	AT&T Inc,4.500% 05/15/2035 Dd 05/04/15	299,156	277,458

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2015

Number of Shares or Principal Amount		Cost	Fair Value
<i>Telecommunication Services (continued)</i>			
\$ 485,000	Verizon Communications Inc,5.050% 03/15/2034 Dd 03/17/14	\$ 510,519	\$ 483,212
660,000	Verizon Communications Inc,4.400% 11/01/2034 Dd 10/29/14	654,310	608,933
	Total Telecommunication Services	1.83% <u>2,114,765</u>	<u>1,971,431</u>
<i>Utilities</i>			
270,000	Alabama Power Co,4.150% 08/15/2044 Dd 08/26/14	277,377	256,843
140,000	Consolidated Edison Co of New,4.500% 12/01/2045 Dd 11/17/15	140,969	141,719
370,000	Duke Energy Progress LLC,4.375% 03/30/2044 Dd 03/06/14	386,488	375,830
215,000	Exelon Generation Co LLC,5.600% 06/15/2042 Dd 12/15/12	234,525	200,202
225,000	Pacific Gas & Electric Co,6.050% 03/01/2034 Dd 03/23/04	270,855	265,104
275,000	Southwestern Public Service Co,4.500% 08/15/2041 Dd 08/10/11	284,517	284,475
225,000	Virginia Electric & Power Co,6.350% 11/30/2037 Dd 12/04/07	293,619	287,824
	Total Utilities	1.68% <u>1,888,350</u>	<u>1,811,997</u>
	Total Corporate Bonds	20.95% <u>24,378,974</u>	<u>22,619,733</u>
<i><u>Foreign Government</u></i>			
<i>Foreign Government Obligations</i>			
45,000	Colombia Government Internatio,5.625% 02/26/2044 Dd 01/28/14	50,649	41,063
100,000	Colombia Government Internatio,5.000% 06/15/2045 Dd 01/28/15	97,839	83,500
445,000	Mexico Government Internationa,4.750% 03/08/2044 Dd 03/08/12	448,786	405,394
105,000	Peruvian Government Internatio,6.550% 03/14/2037 Dd 03/14/07	129,789	121,275
315,000	Turkey Government Internationa,4.250% 04/14/2026 Dd 04/14/15	306,879	295,329
	Total Foreign Government Obligations	0.88% <u>1,033,942</u>	<u>946,561</u>
	Total Foreign Government	0.88% <u>1,033,942</u>	<u>946,561</u>
<i><u>Municipal</u></i>			
<i>Municipal Bonds</i>			
215,000	Bay Area Ca Toll Auth Toll Bri,6.263% 04/01/2049 Dd 11/05/09	303,517	289,971
294,000	California St,7.550% 04/01/2039 Dd 04/28/09	449,334	427,330

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
P-Solve Long Credit Fund (Continued)
December 31, 2015

Number of Shares or Principal Amount		Cost	Fair Value
<i>Municipal Bonds (continued)</i>			
\$ 180,000	Chicago II Transit Auth Sales,6.899% 12/01/2040 Dd 08/06/08	\$ 215,038	\$ 209,380
150,000	Chicago II Transit Auth Sales,6.899% 12/01/2040 Dd 08/06/08	192,310	174,483
155,000	Illinois St,5.100% 06/01/2033 Dd 06/12/03	155,120	146,731
200,000	New Jersey St Transprt Trust,6.561% 12/15/2040 Dd 01/14/10	253,107	212,528
305,000	New York NY,5.985% 12/01/2036 Dd 12/17/09	363,404	373,134
115,000	New York St Dorm Auth St Perso,5.389% 03/15/2040 Dd 10/14/10	142,420	137,253
330,000	Pennsylvania St,4.650% 02/15/2026 Dd 01/21/10	361,028	353,377
	Total Municipal Bonds	2.15% <u>2,435,278</u>	<u>2,324,187</u>
<i>Mutual Funds</i>			
<i>Fixed Income</i>			
4,398,675	Delaware Extnd Duration Bd-i	28,529,041	26,567,997
1,956,710	Pimco Long-term Credit-Inst	24,370,796	21,171,602
2,344,476	Vanguard L/T Invest Gr-Adm	23,725,535	23,210,310
	Total Fixed Income	65.70% <u>76,625,372</u>	<u>70,949,909</u>
	Total Mutual Funds	65.70% <u>76,625,372</u>	<u>70,949,909</u>
<i>Exchange-traded Funds</i>			
<i>Fixed Income</i>			
38,758	iShares 10+ Year Credit Bond	2,207,807	2,158,045
66,374	Vanguard Long-term Corp Bond	6,024,484	5,587,364
	Total Fixed Income	7.17% <u>8,232,291</u>	<u>7,745,409</u>
	Total Exchange-traded Funds	7.17% <u>8,232,291</u>	<u>7,745,409</u>
	Total Investments	100.00% <u>\$ 116,122,690</u>	<u>\$ 107,990,822</u>

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2015

	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
Income		
Interest	\$ 72,967	\$ 1,289,825
Dividends	1,889,721	5,060,999
Total income	1,962,688	6,350,824
Expenses		
Investment management and administrative	88,712	130,692
Custody fees	34,428	47,590
Service fees	21,535	-
Total expenses before reimbursement of fees	144,675	178,282
Reimbursement of fees	(15,188)	(15,188)
Net expenses	129,487	163,094
Net Investment Income	1,833,201	6,187,730
Net Realized and Unrealized Gains (Losses) on Investments		
Net realized gains on investments	311,841	952,829
Net change in unrealized appreciation/ depreciation on investments	(4,716,763)	(12,090,969)
Net realized and unrealized losses	(4,404,922)	(11,138,140)
Net Decrease in Net Assets Resulting From Operations	\$ (2,571,721)	\$ (4,950,410)

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2015

	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
	<u> </u>	<u> </u>
Operations		
Net investment income	\$ 1,833,201	\$ 6,187,730
Net realized gains	311,841	952,829
Change in unrealized appreciation/depreciation	<u>(4,716,763)</u>	<u>(12,090,969)</u>
Net decrease in net assets from operations	(2,571,721)	(4,950,410)
Net Increase (Decrease) in Net Assets From Participant Transactions	<u>(10,787,453)</u>	<u>4,436,017</u>
Decrease in Net Assets	(13,359,174)	(514,393)
Net Assets		
Beginning of year	<u>115,629,216</u>	<u>108,856,798</u>
End of year	<u><u>\$ 102,270,042</u></u>	<u><u>\$ 108,342,405</u></u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

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 94 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, 2015

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, 2015, 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, 2015

Note 3: Financial Highlights

	Class R	
	P-Solve Return Seeking Fund	P-Solve Long Credit Fund
Net asset value, beginning of year	\$ 10.96	\$ 11.83
Net investment income	0.17	0.64
Net realized and unrealized losses	(0.44)	(1.12)
Net decrease from investment operations	(0.27)	(0.48)
Net asset value, end of year	\$ 10.69	\$ 11.35
Total return	(2.46)%	(4.06)%
Ratio to average net assets:		
Net investment income	1.53%	5.42%
Expenses without reimbursements	0.12%	0.16%
Expenses with reimbursements	0.11%	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	1,371,029	\$ 15,037,547	1,944,464	\$ 22,790,000
Cost of units redeemed	(2,353,583)	(25,825,000)	(1,599,076)	(18,353,983)
Net increase (decrease) in net assets from participant transactions	(982,554)	\$ (10,787,453)	345,388	\$ 4,436,017

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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2015

- 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, 2015.

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.

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, 2015.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2015

	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)
P-Solve Return Seeking Fund				
Short Term Investment	\$ 6,787,120	\$ 6,787,120	\$ -	\$ -
U.S. Government Obligations	2,027,758	-	2,027,758	-
Mutual Funds - Fixed Income	8,652,633	8,652,633	-	-
Mutual Funds - Equity	36,606,004	36,606,004	-	-
Mutual Funds - Other	9,286,963	9,286,963	-	-
Exchange-traded Funds - Fixed Income	1,564,725	1,564,725	-	-
Exchange-traded Fund - Equity	37,351,497	37,351,497	-	-
Total	\$ 102,276,700	\$ 100,248,942	\$ 2,027,758	\$ 0
P-Solve Long Credit Fund				
Short Term Investments	\$ 1,856,622	\$ 1,856,622	\$ -	\$ -
U.S. Government Obligations	1,548,401	-	1,548,401	-
Corporate Bonds	22,619,733	-	22,619,733	-
Foreign Government Obligations	946,561	-	946,561	-
Municipal Bonds	2,324,187	-	2,324,187	-
Mutual Funds - Fixed Income	70,949,909	70,949,909	-	-
Exchange-traded Funds - Fixed Income	7,745,409	7,745,409	-	-
Total	\$ 107,990,822	\$ 80,551,940	\$ 27,438,882	\$ 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
P-Solve Return Seeking Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
U.S. Government Obligations	\$ 2,183,788
Mutual Funds - Fixed Income	2,897,698
Mutual Funds - Equity	15,246,146
Mutual Funds - Other	935,289
Exchange-traded Funds - Equity	18,832,483
Total Investments Purchased	\$ 40,095,404

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
U.S. Government Obligations	\$ 4,312,206	\$ 4,197,292	\$ 114,914
Mutual Funds - Fixed Income	2,605,000	2,638,146	(33,146)
Mutual Funds - Equity	10,470,000	9,754,484	715,516
Mutual Funds - Other	6,424,651	6,624,810	(200,159)
Exchange-traded Funds - Fixed Income	25,996,822	26,277,483	(280,661)
Exchange-traded Funds - Equity	251,619	256,242	(4,623)
Total Investments Sold	\$ 50,060,298	\$ 49,748,457	\$ 311,841

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
P-Solve Long Credit Fund
Year Ended December 31, 2015

Purchases	
Investment Class	Cost
US Government Obligations	\$ 19,146,277
Corporate Bonds	25,777,559
Foreign Government Obligations	690,256
Municipal Bonds	2,063,040
Mutual Funds - Fixed Income	9,235,590
Exchange-traded Funds - Fixed Income	5,612,817
Total Investments Purchased	\$ 62,525,539

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
US Government Obligations	\$ 19,670,524	\$ 19,630,311	\$ 40,213
Corporate Bonds	22,766,227	22,692,046	74,181
Foreign Government Obligations	365,273	445,875	(80,602)
Municipal Bonds	1,399,159	1,419,441	(20,282)
Mutual Funds - Fixed Income	5,384,120	4,432,988	951,132
Exchange-traded Funds - Fixed Income	3,610,408	3,622,221	(11,813)
Total Investments Sold	\$ 53,195,711	\$ 52,242,882	\$ 952,829