

Hand Composite Employee Benefit Trust
Beaumont Capital Management Funds
Independent Auditor's Report and Financial Statements
December 31, 2018



Hand Composite Employee Benefit Trust

December 31, 2018

Contents

Independent Auditor's Report	1
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Basic Financial Statements

Statements of Assets and Liabilities – Selected Funds	3
Schedules of Investments	
BCM Decathlon Growth Tactics Fund	5
BCM U.S. Sector Rotation Fund	6
BCM Dynamic Belay™ Fund 2020 QDIA.....	7
BCM Dynamic Belay™ Fund 2030 QDIA.....	8
BCM Dynamic Belay™ Fund 2040 QDIA.....	9
BCM Dynamic Belay™ Fund 2050 QDIA.....	10
BCM Dynamic Belay™ Fund 2060 QDIA.....	11
Statements of Operations – Selected Funds	12
Statements of Changes in Net Assets – Selected Funds	14
Notes to Financial Statements	16

Supplemental Information

Schedules of Investment Purchases and Sales – Selected Funds.....	24
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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 (BCM Decathlon Growth Tactics Fund, BCM U.S. Sector Rotation Fund, BCM DynamicBelay™ Fund 2020 QDIA, BCM DynamicBelay™ Fund 2030 QDIA, BCM DynamicBelay™ Fund 2040 QDIA, BCM DynamicBelay™ Fund 2050 QDIA, and BCM DynamicBelay™ Fund 2060 QDIA) [seven 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, 2018, 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, 2018, 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

BKD, LLP

Houston, Texas
May 24, 2019

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2018

	BCM Decathlon Growth Tactics Fund	BCM U.S. Sector Rotation Fund	BCM DynamicBelay™ 2020 QDIA	BCM DynamicBelay™ 2030 QDIA
Assets				
Investments, at cost	\$ 250,663	\$ 11,278,929	\$ 39,212	\$ 1,534,704
Investments, at fair value	\$ 242,328	\$ 11,186,225	\$ 38,143	\$ 1,499,987
Cash	1,687	257	-	-
Receivable for:				
Investment advisor	82	3,960	7	259
Dividends and interest	129	-	10	292
Total assets	<u>\$ 244,226</u>	<u>\$ 11,190,442</u>	<u>\$ 38,160</u>	<u>\$ 1,500,538</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 196	\$ 6,023	\$ 55	\$ 776
Total liabilities	<u>\$ 196</u>	<u>\$ 6,023</u>	<u>\$ 55</u>	<u>\$ 776</u>
Net assets held for participants:				
Class R	\$ 13	\$ 11	\$ 11	\$ 11
Class R1	244,004	11,184,397	38,083	1,499,740
Class R2	13	11	11	11
Total net assets held for participants	<u>\$ 244,030</u>	<u>\$ 11,184,419</u>	<u>\$ 38,105</u>	<u>\$ 1,499,762</u>
Units outstanding:				
Class R	1	1	1	1
Class R1	19,168	978,173	3,518	132,960
Class R2	1	1	1	1
Total units outstanding	<u>19,170</u>	<u>978,175</u>	<u>3,520</u>	<u>132,962</u>
Net asset value per unit:				
Class R	\$ 12.75	\$ 11.43	\$ 10.83	\$ 11.28
Class R1	<u>\$ 12.73</u>	<u>\$ 11.43</u>	<u>\$ 10.83</u>	<u>\$ 11.28</u>
Class R2	<u>\$ 12.75</u>	<u>\$ 11.43</u>	<u>\$ 10.83</u>	<u>\$ 11.28</u>

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds (Continued)
December 31, 2018

	BCM DynamicBelay™ 2040 QDIA	BCM DynamicBelay™ 2050 QDIA	BCM DynamicBelay™ 2060 QDIA
Assets			
Investments, at cost	\$ 75,827	\$ 81,719	\$ 89,932
Investments, at fair value	\$ 74,440	\$ 77,634	\$ 85,245
Cash	-	1,107	730
Receivable for:			
Capital shares sold	164	-	-
Dividends and interest	9	5	-
Investment advisor	11	13	15
Total assets	<u>\$ 74,624</u>	<u>\$ 78,759</u>	<u>\$ 85,990</u>
Liabilities			
Accounts payable and accrued liabilities	\$ 40	\$ 49	\$ 57
Total liabilities	<u>\$ 40</u>	<u>\$ 49</u>	<u>\$ 57</u>
Net assets held for participants:			
Class R	\$ 11	\$ 12	\$ 11
Class R1	74,562	78,686	85,911
Class R2	11	12	11
Total net assets held for participants	<u>\$ 74,584</u>	<u>\$ 78,710</u>	<u>\$ 85,933</u>
Units outstanding:			
Class R	1	1	1
Class R1	6,666	6,685	7,500
Class R2	1	1	1
Total units outstanding	<u>6,668</u>	<u>6,687</u>	<u>7,502</u>
Net asset value per unit:			
Class R	<u>\$ 11.19</u>	<u>\$ 11.77</u>	<u>\$ 11.45</u>
Class R1	<u>\$ 11.19</u>	<u>\$ 11.77</u>	<u>\$ 11.45</u>
Class R2	<u>\$ 11.19</u>	<u>\$ 11.77</u>	<u>\$ 11.45</u>

Hand Composite Employee Benefit Trust
Schedules of Investments
BCM Decathlon Growth Tactics Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
14,595	TD Bank USA FDIC Insured Deposit Fund	\$ 14,595	\$ 14,595
	Total Short Term Investment	6.02% 14,595	14,595
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
289	iShares Barclays 1-3 Yr Treas Bond Idx	24,048	24,166
217	iShares Barclays Agency Bond Fund	24,055	24,332
224	iShares Intermediate Govt/cdt Bond ETF	23,999	24,241
	Total Fixed Income	30.02% 72,102	72,739
<i>Equity</i>			
577	iShares FTSE/xinhua China 25 Index Fund	24,146	22,549
1,307	iShares MSCI Europe Financials ETF	24,070	22,154
332	iShares MSCI Japan Small Cap ETF	24,093	21,656
388	iShares S&P Global Healthcare Sector Idx	24,130	21,980
397	iShares South Korea Index Fund	24,092	23,367
188	iShares US Financial Services ETF	24,081	21,107
111	iShares US Medical Devices ETF	19,354	22,181
	Total Equity	63.96% 163,966	154,994
	Total Exchange-traded Funds	93.98% 236,068	227,733
	Total Investments	100.00% \$ 250,663	\$ 242,328

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
BCM U.S. Sector Rotation Fund
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
8,431,996	TD Bank USA FDIC Insured Deposit Fund	<u>\$ 8,431,996</u>	<u>\$ 8,431,996</u>
	Total Short Term Investment	75.38% <u>8,431,996</u>	<u>8,431,996</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Equity</i>			
78,963	Fidelity US Utilities ETF	<u>2,846,933</u>	<u>2,754,229</u>
	Total Equity	24.62% <u>2,846,933</u>	<u>2,754,229</u>
	Total Exchange-traded Funds	24.62% <u>2,846,933</u>	<u>2,754,229</u>
	Total Investments	100.00% <u>\$ 11,278,929</u>	<u>\$ 11,186,225</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
BCM DynamicBelay™ 2020 QDIA
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
12,231	TD Bank USA FDIC Insured Deposit Fund	\$ 12,231	\$ 12,231
	Total Short Term Investment	32.07% <u>12,231</u>	<u>12,231</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
18	iShares Barclays 0-5 Year Tips ETF	1,812	1,764
37	iShares Barclays Aggregate Bond Fund	4,074	3,940
43	iShares Intermediate Govt/cdt Bond ETF	4,794	4,653
96	SPDR Doubleline Ttl Rtn Tactical ETF	4,745	4,548
	Total Fixed Income	39.08% <u>15,425</u>	<u>14,905</u>
<i>Equity</i>			
111	Fidelity US Utilities ETF	4,004	3,872
199	Nushares Enhanced Yield ETF	4,838	4,613
84	Oshares FTSE US Quality Div ETF	2,714	2,522
	Total Equity	28.85% <u>11,556</u>	<u>11,007</u>
	Total Exchange-traded Funds	67.93% <u>26,981</u>	<u>25,912</u>
	Total Investments	100.00% <u>\$ 39,212</u>	<u>\$ 38,143</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
BCM DynamicBelay™ 2030 QDIA
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
518,902	TD Bank USA FDIC Insured Deposit Fund	\$ 518,902	\$ 518,902
	Total Short Term Investment	34.60% <u>518,902</u>	<u>518,902</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
535	iShares Barclays 0-5 Year Tips ETF	53,621	52,441
1,437	iShares Barclays Aggregate Bond Fund	154,356	153,026
1,230	iShares Intermediate Govt/Cdt Bond ETF	134,015	133,111
2,806	SPDR Doubleline Ttl Rtn Tactical ETF	134,978	132,920
	Total Fixed Income	31.43% <u>476,970</u>	<u>471,498</u>
<i>Equity</i>			
4,586	Fidelity US Utilities ETF	165,350	159,960
487	iShares S&P Small Cap 600 Index	35,342	33,759
5,703	Nushares Enhanced Yield ETF	137,345	132,193
2,531	Oshares FTSE US Quality Div ETF	80,607	75,981
379	Vanguard World Ex US Small Cap	39,759	35,884
1,097	Vanguard Total World Stock ETF	80,429	71,810
	Total Equity	33.97% <u>538,832</u>	<u>509,587</u>
	Total Exchange-traded Funds	65.40% <u>1,015,802</u>	<u>981,085</u>
	Total Investments	100.00% <u>\$ 1,534,704</u>	<u>\$ 1,499,987</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
BCM DynamicBelay™ 2040 QDIA
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
26,491	TD Bank USA FDIC Insured Deposit Fund	\$ 26,491	\$ 26,491
	Total Short Term Investment	35.59% <u>26,491</u>	<u>26,491</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
21	iShares Barclays 0-5 Year Tips ETF	2,101	2,058
34	iShares Barclays Aggregate Bond Fund	3,690	3,621
49	iShares Intermediate Govt/cdt Bond ETF	5,375	5,303
111	SPDR Doubleline Ttl Rtn Tactical ETF	5,354	5,258
	Total Fixed Income	21.82% <u>16,520</u>	<u>16,240</u>
<i>Equity</i>			
242	Fidelity US Utilities ETF	8,599	8,441
53	iShares S&P Small Cap 600 Index	3,497	3,674
227	NUShares Enhanced Yield ETF	5,469	5,262
108	Oshares FTSE US Quality Div ETF	3,398	3,242
39	Vanguard World Ex US Small Cap	3,951	3,693
113	Vanguard Total World Stock ETF	7,902	7,397
	Total Equity	42.59% <u>32,816</u>	<u>31,709</u>
	Total Exchange-traded Funds	64.41% <u>49,336</u>	<u>47,949</u>
	Total Investments	100.00% <u>\$ 75,827</u>	<u>\$ 74,440</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
BCM DynamicBelay™ 2050 QDIA
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
31,648	TD Bank USA FDIC Insured Deposit Fund	\$ 31,648	\$ 31,648
	Total Short Term Investment	40.77% <u>31,648</u>	<u>31,648</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
10	iShares Barclays 0-5 Year Tips ETF	997	980
38	iShares Barclays Aggregate Bond Fund	4,080	4,047
22	iShares Intermediate Govt/Cdt Bond ETF	2,402	2,381
51	SPDR Doubleline Ttl Rtn Tactical ETF	2,463	2,416
	Total Fixed Income	12.65% <u>9,942</u>	<u>9,824</u>
<i>Equity</i>			
280	Fidelity US Utilities ETF	10,104	9,766
80	iShares S&P Small Cap 600 Index	6,218	5,546
102	NUShares Enhanced Yield ETF	2,469	2,364
44	Oshares FTSE US Quality Div ETF	1,414	1,321
61	Vanguard World Ex US Small Cap	7,082	5,775
174	Vanguard Total World Stock ETF	12,842	11,390
	Total Equity	46.58% <u>40,129</u>	<u>36,162</u>
	Total Exchange-traded Funds	59.23% <u>50,071</u>	<u>45,986</u>
	Total Investments	100.00% <u>\$ 81,719</u>	<u>\$ 77,634</u>

Hand Composite Employee Benefit Trust
Schedules of Investments (Continued)
BCM DynamicBelay™ 2060 QDIA
December 31, 2018

Number of Shares		Cost	Fair Value
<i><u>Short Term Investment</u></i>			
35,942	TD Bank USA FDIC Insured Deposit Fund	\$ 35,942	\$ 35,942
	Total Short Term Investment	42.16% <u>35,942</u>	<u>35,942</u>
<i><u>Exchange-traded Funds</u></i>			
<i>Fixed Income</i>			
44	iShares Barclays Aggregate Bond Fund	4,780	4,686
	Total Fixed Income	5.50% <u>4,780</u>	<u>4,686</u>
<i>Equity</i>			
322	Fidelity US Utilities ETF	11,608	11,232
116	iShares S&P Small Cap 600 Index	8,716	8,041
257	Vanguard Total World Stock ETF	18,683	16,823
90	Vanguard World Ex US Small Cap	10,203	8,521
	Total Equity	52.34% <u>49,210</u>	<u>44,617</u>
	Total Exchange-traded Funds	57.84% <u>53,990</u>	<u>49,303</u>
	Total Investments	100.00% <u>\$ 89,932</u>	<u>\$ 85,245</u>

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2018

	BCM Decathlon Growth Tactics Fund	BCM U.S. Sector Rotation Fund	BCM DynamicBelay™ 2020 QDIA	BCM DynamicBelay™ 2030 QDIA
Income				
Interest	\$ 8	\$ 1,635	\$ 1	\$ 95
Dividends	3,133	222,652	940	34,287
Total income	3,141	224,287	941	34,382
Expenses				
Investment management and administrative	170	10,040	31	1,160
Custody	326	6,401	100	1,711
Other	2	-	1	1
Class R1 expenses	852	50,206	78	2,899
Total expenses before expense reimbursement	1,350	66,647	210	5,771
Expense reimbursement	(852)	(50,206)	(78)	(2,899)
Total expenses	498	16,441	132	2,872
Net Investment Income	2,643	207,846	809	31,510
Net Realized and Unrealized Losses on Investments				
Net realized losses on investments	(2,856)	(1,186,376)	(1,796)	(76,312)
Net change in unrealized appreciation/depreciation on investments	(14,610)	(382,319)	(1,070)	(53,204)
Net realized and unrealized losses	(17,466)	(1,568,695)	(2,866)	(129,516)
Net Decrease in Net Assets Resulting From Operations	\$ (14,823)	\$ (1,360,849)	\$ (2,057)	\$ (98,006)

Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds (Continued)
Year Ended December 31, 2018

	BCM DynamicBelay™ 2040 QDIA	BCM DynamicBelay™ 2050 QDIA	BCM DynamicBelay™ 2060 QDIA
Income			
Interest	\$ 2	\$ 4	\$ 3
Dividends	1,304	2,151	1,766
Total income	<u>1,306</u>	<u>2,155</u>	<u>1,769</u>
Expenses			
Investment management and administrative	48	99	76
Custody	110	225	176
Other	-	25	8
Class R1 expenses	120	246	189
Total expenses before expense reimbursement	278	595	449
Expense reimbursement	(120)	(246)	(189)
Total expenses	<u>158</u>	<u>349</u>	<u>260</u>
Net Investment Income	<u>1,148</u>	<u>1,806</u>	<u>1,509</u>
Net Realized and Unrealized Losses on Investments			
Net realized losses on investments	(2,842)	(3,946)	(3,456)
Net change in unrealized appreciation/depreciation on investments	(2,628)	(6,390)	(7,669)
Net realized and unrealized losses	<u>(5,470)</u>	<u>(10,336)</u>	<u>(11,125)</u>
Net Decreases in Net Assets Resulting From Operations	<u>\$ (4,322)</u>	<u>\$ (8,530)</u>	<u>\$ (9,616)</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2018

	BCM Decathlon Growth Tactics Fund	BCM U.S. Sector Rotation Fund	BCM DynamicBelay™ 2020 QDIA	BCM DynamicBelay™ 2030 QDIA
Operations				
Net investment income	\$ 2,643	\$ 207,846	\$ 809	\$ 31,510
Net realized losses	(2,856)	(1,186,376)	(1,796)	(76,312)
Change in unrealized appreciation/ depreciation	(14,610)	(382,319)	(1,070)	(53,204)
Net decrease in net assets from operations	(14,823)	(1,360,849)	(2,057)	(98,006)
Net Increase (Decrease) in Net Assets From Participant Transactions	94,339	(13,924)	1,767	621,925
Increase (Decrease) in Net Assets Held For Participants	79,516	(1,374,773)	(290)	523,919
Net Assets Held For Participants				
Beginning of year	164,514	12,559,192	38,395	975,843
End of year	\$ 244,030	\$ 11,184,419	\$ 38,105	\$ 1,499,762

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds (Continued)
Year Ended December 31, 2018

	BCM DynamicBelay™ 2040 QDIA	BCM DynamicBelay™ 2050 QDIA	BCM DynamicBelay™ 2060 QDIA
Operations			
Net investment income	\$ 1,148	\$ 1,806	\$ 1,509
Net realized losses	(2,842)	(3,946)	(3,456)
Change in unrealized appreciation/ depreciation	(2,628)	(6,390)	(7,669)
Net decrease in net assets from operations	(4,322)	(8,530)	(9,616)
Net Increase (Decrease) in Net Assets From Participant Transactions	21,060	(116,147)	(2,080)
Increase (Decrease) in Net Assets Held For Participants	16,738	(124,677)	(11,696)
Net Assets Held For Participants			
Beginning of year	57,846	203,387	97,629
End of year	\$ 74,584	\$ 78,710	\$ 85,933

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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 92 portfolios (the Funds); the financial statements of seven of these 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 owned are redeemed, at which time the market value of redeemed units is distributed. Investment income and realized gains (if any) earned by the Funds are reinvested, thereby increasing the respective unit values.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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 May 24, 2019, 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
BCM Decathlon Growth Tactics Fund	Beaumont Capital Management
BCM U.S. Sector Rotation Fund	Beaumont Capital Management
BCM DynamicBelay™ Fund 2020 QDIA	Beaumont Capital Management
BCM DynamicBelay™ Fund 2030 QDIA	Beaumont Capital Management
BCM DynamicBelay™ Fund 2040 QDIA	Beaumont Capital Management
BCM DynamicBelay™ Fund 2050 QDIA	Beaumont Capital Management
BCM DynamicBelay™ Fund 2060 QDIA	Beaumont Capital Management

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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

During the year ended December 31, 2018, the investment advisor voluntarily reimbursed the Funds for investment advisor fees.

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	Trustee/ Administrative Fees	Investment Advisory Fees	Other Fees	Total Fees
BCM Decathlon Growth Tactics Fund:				
Class R	0.080%	0.000%	0.200%	0.280%
Class R1	0.080%	0.400%	0.200%	0.680%
Class R2	0.080%	0.400%	0.575%	1.055%
BCM U.S. Sector Rotation Fund:				
Class R	0.080%	0.000%	0.040%	0.120%
Class R1	0.080%	0.400%	0.040%	0.520%
Class R2	0.080%	0.400%	0.415%	0.895%
BCM DynamicBelay™ 2020:				
Class R	0.080%	0.000%	0.200%	0.280%
Class R1	0.080%	0.200%	0.200%	0.480%
Class R2	0.080%	0.200%	0.575%	0.855%
BCM DynamicBelay™ 2030:				
Class R	0.080%	0.000%	0.070%	0.150%
Class R1	0.080%	0.200%	0.070%	0.350%
Class R2	0.080%	0.200%	0.445%	0.725%
BCM DynamicBelay™ 2040:				
Class R	0.080%	0.000%	0.200%	0.280%
Class R1	0.080%	0.200%	0.200%	0.480%
Class R2	0.080%	0.200%	0.575%	0.855%
BCM DynamicBelay™ 2050:				
Class R	0.080%	0.000%	0.200%	0.280%
Class R1	0.080%	0.200%	0.200%	0.480%
Class R2	0.080%	0.200%	0.575%	0.855%
BCM DynamicBelay™ 2060:				
Class R	0.080%	0.000%	0.200%	0.280%
Class R1	0.080%	0.200%	0.200%	0.480%
Class R2	0.080%	0.200%	0.575%	0.855%

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2018

Note 3: Financial Highlights

	Class R1						
	BCM Decathlon Growth Tactics Fund	BCM U.S. Sector Rotation Fund	BCM DynamicBelay™ 2020 QDIA	BCM DynamicBelay™ 2030 QDIA	BCM DynamicBelay™ 2040 QDIA	BCM DynamicBelay™ 2050 QDIA	BCM DynamicBelay™ 2060 QDIA
Net asset value, beginning of year	\$ 13.36	\$ 12.83	\$ 11.42	\$ 12.06	\$ 12.06	\$ 12.87	\$ 12.79
Net investment income	0.17	0.14	0.23	0.26	0.23	0.19	0.20
Net realized and unrealized losses	(0.80)	(1.54)	(0.82)	(1.04)	(1.10)	(1.29)	(1.54)
Net decrease from investment operations	(0.63)	(1.40)	(0.59)	(0.78)	(0.87)	(1.10)	(1.34)
Net asset value, end of year	<u>\$ 12.73</u>	<u>\$ 11.43</u>	<u>\$ 10.83</u>	<u>\$ 11.28</u>	<u>\$ 11.19</u>	<u>\$ 11.77</u>	<u>\$ 11.45</u>
Total return	(4.79%)	(10.91%)	(5.17%)	(6.47%)	(7.21%)	(8.55%)	(10.48%)
Ratio to average net assets:							
Net investment income	1.23%	1.11%	2.07%	2.17%	1.89%	1.49%	1.60%
Expenses without expense reimbursement	0.63%	0.36%	0.54%	0.40%	0.46%	0.49%	0.48%
Expenses with expense reimbursement	0.23%	0.09%	0.34%	0.20%	0.26%	0.29%	0.28%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

Note 4: Participant Unit Transactions

	BCM Decathlon Growth Tactics Fund		BCM U.S. Sector Rotation Fund		BCM DynamicBelay™ 2020 QDIA	
	Units	Dollars	Units	Dollars	Units	Dollars
Class R1:						
Proceeds from sales of units	10,664	\$ 147,851	4,899	\$ 62,222	156	\$ 1,767
Cost of units redeemed	(3,810)	(53,512)	(5,723)	(76,146)	-	-
Net increase (decrease) from participant transactions		<u>\$ 94,339</u>		<u>\$ (13,924)</u>		<u>\$ 1,767</u>
	BCM DynamicBelay™ 2030 QDIA		BCM DynamicBelay™ 2040 QDIA		BCM DynamicBelay™ 2050 QDIA	
	Units	Dollars	Units	Dollars	Units	Dollars
Class R1:						
Proceeds from sales of units	52,092	\$ 622,657	2,023	\$ 22,866	3,414	\$ 43,818
Cost of units redeemed	(62)	(732)	(151)	(1,806)	(12,536)	(159,965)
Net increase (decrease) from participant transactions		<u>\$ 621,925</u>		<u>\$ 21,060</u>		<u>\$ (116,147)</u>
	BCM DynamicBelay™ 2060 QDIA					
	Units	Dollars				
Class R1:						
Proceeds from sales of units	1,973	\$ 25,167				
Cost of units redeemed	(2,104)	(27,247)				
Net decrease from participant transactions		<u>\$ (2,080)</u>				

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, as shown below.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of assets and liabilities, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2018.

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. 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 tables present the fair value measurements of assets recognized in the accompanying statements of assets and liabilities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018:

	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)
BCM Decathlon Growth Tactics Fund				
Short Term Investment	\$ 14,595	\$ 14,595	\$ -	\$ -
Exchange-traded Funds - Fixed Income	72,739	72,739	-	-
Exchange-traded Funds - Equity	154,994	154,994	-	-
Total	\$ 242,328	\$ 242,328	\$ 0	\$ 0

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

	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)
BCM U.S. Sector Rotation Fund				
Short Term Investment	\$ 8,431,996	\$ 8,431,996	\$ -	\$ -
Exchange-traded Funds - Equity	2,754,229	2,754,229	-	-
Total	<u>\$ 11,186,225</u>	<u>\$ 11,186,225</u>	<u>\$ 0</u>	<u>\$ 0</u>
BCM DynamicBelay™ 2020 QDIA				
Short Term Investment	\$ 12,231	\$ 12,231	\$ -	\$ -
Exchange-traded Funds - Fixed Income	14,905	14,905	-	-
Exchange-traded Funds - Equity	11,007	11,007	-	-
Total	<u>\$ 38,143</u>	<u>\$ 38,143</u>	<u>\$ 0</u>	<u>\$ 0</u>
BCM DynamicBelay™ 2030 QDIA				
Short Term Investment	\$ 518,902	\$ 518,902	\$ -	\$ -
Exchange-traded Funds - Fixed Income	471,498	471,498	-	-
Exchange-traded Funds - Equity	509,587	509,587	-	-
Total	<u>\$ 1,499,987</u>	<u>\$ 1,499,987</u>	<u>\$ 0</u>	<u>\$ 0</u>
BCM DynamicBelay™ 2040 QDIA				
Short Term Investment	\$ 26,491	\$ 26,491	\$ -	\$ -
Exchange-traded Funds - Fixed Income	16,240	16,240	-	-
Exchange-traded Funds - Equity	31,709	31,709	-	-
Total	<u>\$ 74,440</u>	<u>\$ 74,440</u>	<u>\$ 0</u>	<u>\$ 0</u>
BCM DynamicBelay™ 2050 QDIA				
Short Term Investment	\$ 31,648	\$ 31,648	\$ -	\$ -
Exchange-traded Funds - Fixed Income	9,824	9,824	-	-
Exchange-traded Funds - Equity	36,162	36,162	-	-
Total	<u>\$ 77,634</u>	<u>\$ 77,634</u>	<u>\$ 0</u>	<u>\$ 0</u>
BCM DynamicBelay™ 2060 QDIA				
Short Term Investment	\$ 35,942	\$ 35,942	\$ -	\$ -
Exchange-traded Funds - Fixed Income	4,686	4,686	-	-
Exchange-traded Funds - Equity	44,617	44,617	-	-
Total	<u>\$ 85,245</u>	<u>\$ 85,245</u>	<u>\$ 0</u>	<u>\$ 0</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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
BCM Decathlon Growth Tactics Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 116,669
Exchange-traded Funds - Equity	<u>904,043</u>
Total Investments Purchased	<u>\$ 1,020,712</u>

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Exchange-traded Funds - Fixed Income	\$ 44,745	\$ 44,568	\$ 177
Exchange-traded Funds - Equity	<u>890,386</u>	<u>893,419</u>	<u>(3,033)</u>
Total Investments Sold	<u>\$ 935,131</u>	<u>\$ 937,987</u>	<u>\$ (2,856)</u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
BCM U.S. Sector Rotation Fund
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Equity	<u>\$ 38,400,775</u>
Total Investments Purchased	<u><u>\$ 38,400,775</u></u>

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Equity	<u>\$ 46,338,759</u>	<u>\$ 47,525,135</u>	<u>\$ (1,186,376)</u>
Total Investments Sold	<u><u>\$ 46,338,759</u></u>	<u><u>\$ 47,525,135</u></u>	<u><u>\$ (1,186,376)</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
BCM DynamicBelay™ 2020 QDIA
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 1,520
Exchange-traded Funds - Equity	60,865
Total Investments Purchased	\$ 62,385

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 7,280	\$ 7,421	\$ (141)
Exchange-traded Funds - Equity	63,683	65,338	(1,655)
Total Investment Sales	\$ 70,963	\$ 72,759	\$ (1,796)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
BCM DynamicBelay™ 2030 QDIA
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 220,765
Exchange-traded Funds - Equity	2,618,891
Total Investments Purchased	\$ 2,839,656

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 167,347	\$ 168,038	\$ (691)
Exchange-traded Funds - Equity	2,511,067	2,586,688	(75,621)
Total Investment Sales	\$ 2,678,414	\$ 2,754,726	\$ (76,312)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
BCM DynamicBelay™ 2040 QDIA
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 6,302
Exchange-traded Funds - Equity	101,047
Total Investments Purchased	\$ 107,349

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 8,498	\$ 8,722	\$ (224)
Exchange-traded Funds - Equity	101,635	104,253	(2,618)
Total Investment Sales	\$ 110,133	\$ 112,975	\$ (2,842)

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
BCM DynamicBelay™ 2050 QDIA
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 4,296
Exchange-traded Funds - Equity	<u>194,372</u>
Total Investments Purchased	<u><u>\$ 198,668</u></u>

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 27,603	\$ 28,205	\$ (602)
Exchange-traded Funds - Equity	<u>312,896</u>	<u>316,240</u>	<u>(3,344)</u>
Total Investment Sales	<u><u>\$ 340,499</u></u>	<u><u>\$ 344,445</u></u>	<u><u>\$ (3,946)</u></u>

Hand Composite Employee Benefit Trust
Schedules of Investment Purchases and Sales – Selected Funds (Continued)
BCM DynamicBelay™ 2060 QDIA
Year Ended December 31, 2018

Purchases	
Investment Class	Cost
Exchange-traded Funds - Fixed Income	\$ 1,169
Exchange-traded Funds - Equity	<u>172,571</u>
Total Investments Purchased	<u><u>\$ 173,740</u></u>

Sales			
Investment Class	Proceeds	Cost	Loss
Exchange-traded Funds - Fixed Income	\$ 1,058	\$ 1,115	\$ (57)
Exchange-traded Funds - Equity	<u>206,306</u>	<u>209,705</u>	<u>(3,399)</u>
Total Investment Sales	<u><u>\$ 207,364</u></u>	<u><u>\$ 210,820</u></u>	<u><u>\$ (3,456)</u></u>