

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(WITH COMPARATIVE TOTALS FOR 2014)**

WITH INDEPENDENT AUDITORS' REPORT THEREON

**THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
FOR THE YEAR ENDED DECEMBER 31, 2015**

TABLE OF CONTENTS

Independent Auditors' Report	1-2
Statement of Financial Position	3
Statement of Activities and Changes in Net Assets	4
Statement of Cash Flows	5
Statement of Functional Expenses	6
Notes to the Financial Statements	7-15

Bruce D. Norling, CPA, P.C.

Independent Auditors' Report

To the Board of Directors of
The Scholarship Fund of Concord and Carlisle
Concord, MA

We have audited the accompanying financial statements of The Scholarship Fund of Concord and Carlisle (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses, and cash flows 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 The Scholarship Fund of Concord and Carlisle as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Scholarship Fund of Concord and Carlisle's 2014 financial statements, and our report dated June 13, 2015, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bruce D. Norling, CPA, P.C.

May 5, 2016

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

ASSETS	<u>2015</u>	<u>2014</u>
Assets		
Cash and Cash Equivalents	\$ 136,729	\$ 136,916
Marketable Debt Securities	753,467	774,668
Marketable Equity Securities	2,036,588	2,134,655
Accounts Receivables	<u>725</u>	<u>2,550</u>
Total Assets	\$ <u><u>2,927,509</u></u>	\$ <u><u>3,048,789</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accrued Expenses	\$ <u>3,950</u>	\$ <u>3,950</u>
Total Liabilities	\$ <u><u>3,950</u></u>	\$ <u><u>3,950</u></u>
Net Assets		
Unrestricted Net Assets	633,601	853,147
Permanently Restricted Net Assets	<u>2,289,958</u>	<u>2,191,692</u>
Total Net Assets	<u><u>2,923,559</u></u>	<u><u>3,044,839</u></u>
Total Net Assets and Liabilities	\$ <u><u>2,927,509</u></u>	\$ <u><u>3,048,789</u></u>

See Accompanying Notes to Financial Statements

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
Revenue:				
Contributions	\$ 144,910	\$ 98,266	\$ 243,176	\$ 293,423
Total Revenue	<u>144,910</u>	<u>98,266</u>	<u>243,176</u>	<u>293,423</u>
Expenses:				
Program Service	237,500	-	237,500	214,050
Fund Raising	30,453	-	30,453	9,826
Management and General	9,830	-	9,830	10,671
Total Expenses	<u>277,783</u>	<u>-</u>	<u>277,783</u>	<u>234,547</u>
Change in Net Assets from Operating Activities	<u>(132,873)</u>	<u>98,266</u>	<u>(34,607)</u>	<u>58,876</u>
Other Income (Loss)				
Interest and Dividend Income	51,476	-	51,476	48,578
Net Realized Gain (Loss) on Investments	73,761	-	73,761	38,133
Net Unrealized Gain (Loss) on Investments	(195,981)	-	(195,981)	11,826
Investment Management Fees	(15,929)	-	(15,929)	(15,693)
Total Other Income (Loss)	<u>(86,673)</u>	<u>-</u>	<u>(86,673)</u>	<u>82,844</u>
Change in Net Assets	(219,546)	98,266	(121,280)	141,720
Net Assets, Beginning of Year	<u>853,147</u>	<u>2,191,692</u>	<u>3,044,839</u>	<u>2,903,119</u>
Net Assets, End of Year	<u>\$ 633,601</u>	<u>\$ 2,289,958</u>	<u>\$ 2,923,559</u>	<u>\$ 3,044,839</u>

See Accompanying Notes to Financial Statements

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ (121,280)	\$ 141,720
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities -		
Realized / Unrealized (Gains) / Losses	138,149	(34,266)
Permanently Restricted Contributions	(98,266)	(137,661)
Decrease (Increase) in Accounts Receivable	1,825	10,463
(Increase) Decrease in Accrued Expenses	<u>-</u>	<u>(50)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(79,572)</u>	<u>(19,794)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investments	(573,489)	(816,388)
Proceeds from Sale of Investments	569,095	653,755
Cash Reserves/Money Market Investments, Net	<u>(14,487)</u>	<u>25,606</u>
Net Cash Provided by (Used in) Investing Activities	<u>(18,881)</u>	<u>(137,027)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Restricted Contributions Received - Scholarships	<u>98,266</u>	<u>137,661</u>
Net Cash Provided by (Used in) Financing Activities	<u>98,266</u>	<u>137,661</u>
NET INCREASE (DECREASE) IN CASH	(187)	(19,160)
CASH, Beginning of Year	<u>136,916</u>	<u>156,076</u>
CASH, End of Year	<u>\$ 136,729</u>	<u>\$ 136,916</u>

See Accompanying Notes to Financial Statements

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>2015 Total</u>	<u>2014 Total</u>
Scholarship Expense	\$ 237,500	\$ -	\$ -	\$ 237,500	\$ 214,050
Stationery, Printing and Postage	-	-	29,563	29,563	9,376
Professional Fees	-	6,500	-	6,500	6,500
Phonathon	-	-	890	890	450
Insurance and Bond	-	1,729	-	1,729	1,729
Office Expenses	-	1,476	-	1,476	2,317
Filing Fees	-	125	-	125	125
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	<u>\$ 237,500</u>	<u>\$ 9,830</u>	<u>\$ 30,453</u>	<u>\$ 277,783</u>	<u>\$ 234,547</u>

See Accompanying Notes to Financial Statements

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

1. NATURE OF ORGANIZATION

The Scholarship Fund of Concord and Carlisle (the Fund) was established in 1966 to assist deserving young men and women from the Concord-Carlisle community, in obtaining, the benefit of the educational opportunities which may be open to them after completion of their secondary school studies. The organization was previously known as the Concord Carlisle Scholarship Fund. The Fund is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Fund's revenues are derived principally from contributions and investment activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation

Net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions for student education Scholarships. Accordingly, net assets and changes therein are classified as follows:

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained in perpetuity by the Fund. The balance at December 31, 2015 represents contributions related to scholarships. Investment income earned can be used annually to support the purpose of the Fund.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Fund and/or the passage of time.

Unrestricted net assets - Net assets not subject to donor-imposed stipulations. All funds over which the Board of Directors has discretionary control have been included in unrestricted net assets.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions and/or time restrictions. Revenues are reported as unrestricted net assets if the donor-imposed restrictions are met in the same reporting period. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or law. Expirations of temporary restrictions on net assets are reported as reclassifications between the applicable classes of net assets.

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

Expirations of temporary restrictions occur when donor-imposed restrictions are fulfilled to the extent of the expense incurred unless the expense is for a purpose that is directly attributable to another specified external source of revenue.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions subject to donor-imposed stipulations that are met in the same reporting period are reported as unrestricted support. Unconditional promises to give with due dates scheduled after the balance sheet date are shown as increases in temporarily restricted net assets and are reclassified to unrestricted net assets when the related purpose or time restrictions are met. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of gift.

Contributed Services

Many individuals volunteer their time and perform a variety of tasks that assist the Fund with campaign solicitations and various committee assignments. No amounts have been reflected in the financial statements for donated services as the following criteria were not met. Contributions are recognized if the services received require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Cash and Cash Equivalents

The Fund considers all highly liquid investments with maturity of three months or less when purchased and other certificates of deposit with longer maturity whose early withdrawal fee would be considered immaterial, to be "cash equivalents".

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statement of financial position. Investment income or loss (including gains and losses on investments, interest and dividends) is included in the statement of activities and changes in net assets as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or law.

Fair Value Measurements

The Fund determines the fair market values of its financial assets and liabilities, as well as non-financial assets and liabilities that are recognized or disclosed at fair value on a recurring basis, based on the following fair value hierarchy established in accordance with generally accepted accounting principles.

Level 1: Quoted prices in active markets for identical assets or liabilities the Fund has the ability to access.

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

Level 2: Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of model or other valuation methodologies. Level 2 also includes practical expedient investments with notice periods for redemption of 90 days or less.

Level 3: Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation. Level 3 also included practical expedient investments with notice periods for redemption of more than 90 days.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2015 and 2014.

Fixed Income Mutual Funds and Equity Securities: Valued at their quoted net asset value of shares held at year-end.

Fixed Income Securities: Valued at their quoted market price based on similar instruments held at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Fund is required to apply the provisions of U.S. generally accepted accounting principles to fair value measurements for nonfinancial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a non-recurring basis. The Fund has no nonfinancial assets or liabilities required to be accounted for on a non-recurring basis as of December 31, 2015.

Fair values of financial instruments for which the Fund did not elect the fair value option includes cash and cash equivalents, receivables, and accounts payable. Certain of these instruments are short term in nature and accordingly fair values are estimated to approximate carrying values.

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

Restricted Net Assets

The Fund accepts contributions in memory of or in honor of individuals (Named Funds). All contributions into the Named Funds become part of the permanent, protected endowment and are classified as restricted net assets. Earnings generated from the protected endowment are distributed as scholarships. Any undistributed earnings are residually classified as unrestricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from the estimates.

Nonprofit Status and Income Taxes

The Fund qualifies as an organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code and, therefore, is not subject to income tax. The Fund is not a private foundation under Section 509(a)(1). Certain unrelated business income as defined in the Internal Revenue Code, is subject to federal income tax. For the year ended December 31, 2015, there was no liability for tax on unrelated business income.

The Fund adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles in the United States. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Fund has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Fund believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Fund's financial condition, results of operations or cash flows. Accordingly, the Fund has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2015. The Fund's policy is to classify income tax related interest and penalties in operating expenses.

The Fund is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Fund's federal and state income tax returns are generally open to examination for the past three years.

2014 Comparative Information and Reclassifications

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles.

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

Accordingly, such information should be read in conjunction with the Fund's financial statements for the year ended December 31, 2014, from which the summarized information was derived. Certain amounts were reclassified in 2014 for enhanced comparability to 2015 figures.

3. ENDOWMENT FUNDS

The Fund maintains an endowment that consists of over 40 separately contributed, individually named and restricted funds bearing the name of individuals or organizations.

Interpretation of Relevant Law

The board of trustees of The Scholarship Fund of Concord and Carlisle has interpreted the Uniform Prudent Management of Institutional funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Fund classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Fund-by-Fund Analysis

(a) Changes in Endowment Net Assets

Changes in endowment net assets for the year ended December 31, 2015 are as follows:

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, 12/31/14	\$ 853,147	2,191,692	3,044,839
Investment return:			
Investment income	51,476	-	51,476
Net gain on investments	<u>(138,149)</u>	<u>-</u>	<u>(138,149)</u>
Total Investment return	<u>766,474</u>	<u>2,191,692</u>	<u>2,958,166</u>

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

Contributions	\$ 144,910	98,266	243,176
Appropriation of endowment Assets for expenditure	(277,783)	-	(277,783)
Change in donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Endowment net assets, 12/31/15	<u>\$ 633,601</u>	<u>2,289,958</u>	<u>2,923,559</u>

Changes in endowment net assets for the year ended December 31, 2014 are as follows:

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, December 31, 2013	\$ 849,088	2,054,031	2,903,119
Investment return:			
Investment income	48,578	-	48,578
Net gain on investments	<u>34,266</u>	<u>-</u>	<u>34,266</u>
Total Investment return	<u>82,844</u>	<u>-</u>	<u>82,844</u>
Contributions	\$ 155,762	137,661	293,423
Appropriation of endowment Assets for expenditure	(234,547)	-	(234,547)
Change in donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Endowment net assets, December 31, 2014	<u>\$ 853,147</u>	<u>2,191,692</u>	<u>3,044,839</u>

(b) Funds with Deficiencies

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (deficit). When donor endowment fund deficits exist, they are classified as a reduction of unrestricted net assets. There were no deficiencies of this nature as of December 31, 2015 and 2014.

(c) Return Objectives and Risk Parameters and Strategies Employed for Achieving Objectives

The primary investment objective of the Fund is to attain an average annual total return (net of investment management fees) competitive with a benchmark portfolio having a 65/35% mixture of equities and fixed income over the long term, where the long term is defined by 5 years.

(d) Spending Policy and How Investment Objectives Relate to Spending Policy

The Fund's investment policies should be based on the assumption that the annual spending over the long term will average 5%, and will not in any single year exceed 6%, of the average trailing three year ending market value of the Fund. Because the Fund's spending is expected to be less than the long-term real rate of investment return, the purchasing power of the endowment should increase over the long-term.

4. FAIR VALUE OF INVESTMENTS

Most investments are held by Wells Fargo Advisors. Wells Fargo Advisors is custodian for the purposes of holding investments, collecting associated earnings and making distributions. The Treasurer, the seven-member investment committee, which includes individuals with investment experienced, along with the Wells Fargo advisor are responsible for making investments.

The following table sets forth by level, within the fair value hierarchy, the Fund's investments at fair value as of December 31, 2015 and 2014:

Fair Value at December 31, 2015		
Description	Level 1	Total
Wells Fargo Bank, N.A. (Money Market)	\$ 61,079	61,079
Marketable Equity Securities Exchange Traded Funds:		

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

Ishares S&P Midcap Growth	165,157	165,157
Ishares S&P Midcap Value	142,885	142,885
Ishares S&P Smallcap Growth	144,618	144,618
Ishares S&P Smallcap Value	144,279	144,279
Ishares S&P 500 Growth	309,503	309,503
Ishares S&P 500 Value	305,966	305,966
Powershares DB Commodity	55,671	55,671
Vanguard Global ETF	40,529	40,529
Vanguard MSCI EAFE	357,942	357,942
Vanguard MSCI Emerging Markets	307,194	307,194
Vanguard REIT	62,844	62,844
Total Exchange Traded Funds	<u>2,036,588</u>	<u>2,036,588</u>
Marketable Debt Securities		
Fixed Income:		
Corporate Bonds	<u>753,467</u>	<u>753,467</u>
Total Fixed Income Securities	<u>753,467</u>	<u>753,467</u>
Total Investments	\$ <u>2,851,134</u>	<u>2,851,134</u>

Fair Value at December 31, 2014

Description	Level 1	Total
Wells Fargo Bank, N.A. (Money Market)	\$ 46,592	46,592
Marketable Equity Securities		
Exchange Traded Funds:		
Ishares S&P Midcap Value	178,105	178,105
Ishares S&P Midcap Growth	200,041	200,041
Ishares S&P Smallcap Growth	179,975	179,975
Ishares S&P Smallcap Value	180,387	180,387
Ishares S&P 500 Growth	321,919	321,919
Ishares S&P 500 Value	320,635	320,635
Powershares DB Commodity	51,106	51,106
Vanguard MSCI EAFE	359,362	359,362
Vanguard MSCI Emerging Markets	298,879	298,879
Vanguard REIT	44,246	44,246
Total Exchange Traded Funds	<u>2,134,655</u>	<u>2,134,655</u>

THE SCHOLARSHIP FUND OF CONCORD AND CARLISLE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015
(With Comparative Totals for December 31, 2014)

Marketable Debt Securities		
Fixed Income:		
Corporate Bonds	774,668	774,668
Total Fixed Income Securities	<u>774,668</u>	<u>774,668</u>
Total Investments	\$ <u>2,955,916</u>	<u>2,955,916</u>

Investment income from cash equivalents and investments is comprised of the following for the year ended December 31, 2015 and 2014 respectively:

	<u>2015</u>	<u>2014</u>
Dividend & Interest	\$ 51,476	\$ 48,578
Net Unrealized Gains (Losses)	(195,981)	11,826
Net Realized Gains (Losses)	<u>73,761</u>	<u>38,133</u>
Total Investment Income (Loss)	<u>\$ (70,744)</u>	<u>\$ 98,537</u>

Expenses relating to investments, including custodial fees and investment advisory fees, amounted to \$15,929 and \$15,693 in 2015 and 2014 respectively and have been netted against investment revenues in the accompanying Statement of Activities and Changes in Net Assets.

5. CONCENTRATION OF CREDIT AND MARKET RISK

Financial instruments, which potentially expose the Fund to concentrations of credit risk consist of temporary cash investments and marketable securities. The Fund places its investments with high quality financial institutions and reputable investment companies to reduce credit risk. The Fund's investments are in a diverse portfolio as detailed elsewhere in the notes. The Fund's exposure to credit risk is directly impacted by fluctuations in trading markets. The Fund's cash accounts are held at financial institutions with Federal insured limits of up to \$250,000 for each financial institution. Balances held at these institutions during the year can exceed this limit. The Fund believes it is not exposed to any significant credit risk on cash.

6. SUBSEQUENT EVENTS

The Fund did not have any recognized or non-recognized subsequent events after December 31, 2015, the date of the statement of financial position. Subsequent events have been evaluated through May 5, 2016, the date the financial statements were available to be issued.