THE COMMUNITY FOUNDATION

Serving Richmond & Central Virginia

Combined Financial Statements

December 31, 2015 and 2014

Keiter
Your Opportunity Advisors

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THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

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Keiter
Your Opportunity Advisors

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Governors of
The Community Foundation
Serving Richmond and Central Virginia

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of The Community Foundation *Serving Richmond and Central Virginia* (the "Foundation") and affiliated organizations, which comprise the combined statements of financial position as of December 31, 2015 and 2014, and the related combined statements of activities and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of combined 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 combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the combined 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 combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Foundation and affiliated organizations as of December 31, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the basic combined financial statements as a whole. The 2015 supplemental information on pages 29 through 30 is presented for purposes of additional analysis and is not a required part of the basic combined 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 basic combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic combined financial statements or to the basic combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the supplemental information is fairly stated in all material respects in relation to the basic combined financial statements taken as a whole.

Keiter

June 8, 2016
Glen Allen, Virginia

THE COMMUNITY FOUNDATION

Serving Richmond and Central Virginia

Combined Statements of Financial Position
December 31, 2015 and 2014

Assets	2015	2014
Cash and cash equivalents	$ 14,735,949	$ 13,413,118
Investments, at fair value	566,118,899	545,760,730
Pledges, notes and other receivables	23,296,699	22,890,936
Prepaid expenses	50,570	62,150
Property and equipment, net	248,568	185,298
Cash surrender value of life insurance	32,972	28,923
Assets held in trust, at fair value	78,992,497	81,430,664
Total assets	$ 683,476,154	$ 663,771,819

Liabilities and Net Assets	2015	2014
Accrued expenses	$ 507,150	$ 491,098
Distributions payable	11,942,217	25,006,479
Liability under gift annuities	313,564	306,632
Liability under trust agreements	54,076,654	56,614,512
Funds held as agency endowments	4,337,742	4,068,983
Total liabilities	71,177,327	86,487,704
Net assets:		
Unrestricted	346,681,882	340,947,687
Temporarily restricted	77,873,842	84,042,735
Permanently restricted	187,743,103	152,293,693
Total net assets	612,298,827	577,284,115
Total liabilities and net assets	$ 683,476,154	$ 663,771,819

See accompanying notes to the combined financial statements.

THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

Combined Statements of Activities
Year Ended December 31, 2015, with Summarized Financial Information for 2014

	2015				2014
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Support and revenue (losses):					
Contributions	$ 27,548,189	$ 3,655,871	$ 35,831,163	$ 67,035,223	$ 42,181,311
Net change in value of investment in The Richmond Fund, LP	3,447,467	2,841,394	-	6,288,861	26,913,737
Net realized and unrealized gain (loss) on investments	2,406,224	(2,473,322)	(381,753)	(448,851)	4,834,408
Net investment income	1,903,612	2,722,687	-	4,626,299	2,938,152
Contributions to charitable trusts (net of the liability)	-	53,139	-	53,139	65,471
Investment income from trusts	9,479	273,486	-	282,965	329,554
Program service and other miscellaneous revenue	270,120	411,834	-	681,954	239,361
Unrestricted support (losses)	1,583,406	(1,583,406)	-	-	-
Total support and revenue	37,168,497	5,901,683	35,449,410	78,519,590	77,501,994
Net assets released from restriction	12,070,576	(12,070,576)	-	-	-
Expenditures:					
Grant and program distributions	(36,001,313)	-	-	(36,001,313)	(30,885,933)
Program and operating expenses	(6,136,657)	-	-	(6,136,657)	(4,410,403)
Income tax expense	(447,211)	-	-	(447,211)	(670,095)
Other distributions	(919,697)	-	-	(919,697)	(535,502)
Total expenditures	(43,504,878)	-	-	(43,504,878)	(36,501,933)
Change in net assets before transfers	5,734,195	(6,168,893)	35,449,410	35,014,712	41,000,061
Net assets transferred to a supporting organization	-	-	-	-	20,792,599
Change in net assets	5,734,195	(6,168,893)	35,449,410	35,014,712	61,792,660
Net assets, beginning of year	340,947,687	84,042,735	152,293,693	577,284,115	515,491,455
Net assets, end of year	$ 346,681,882	$ 77,873,842	$ 187,743,103	$ 612,298,827	$ 577,284,115

See accompanying notes to the combined financial statements.

THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

Combined Statement of Activities
Year Ended December 31, 2014

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue (losses):				
Contributions	$ 30,432,169	$ 4,187,125	$ 7,562,017	$ 42,181,311
Net change in value of investment in The Richmond Fund, LP	13,604,652	13,309,085	-	26,913,737
Net realized and unrealized gain (loss) on investments	4,279,571	638,287	(83,450)	4,834,408
Net investment income	1,636,411	1,301,741	-	2,938,152
Contributions to charitable trusts (net of the liability)	-	65,471	-	65,471
Investment income from trusts	69,929	259,625	-	329,554
Program service and other miscellaneous revenue	422	238,939	-	239,361
Unrestricted support (losses)	1,439,150	(1,439,150)	-	-
Total support and revenue	51,462,304	18,561,123	7,478,567	77,501,994
Net assets released from restriction	15,438,914	(15,380,800)	(58,114)	-
Expenditures:				
Grant and program distributions	(30,885,933)	-	-	(30,885,933)
Program and operating expenses	(4,410,403)	-	-	(4,410,403)
Excise tax expense on trust investment income	(670,095)	-	-	(670,095)
Other distributions	(535,502)	-	-	(535,502)
Total expenditures	(36,501,933)	-	-	(36,501,933)
Change in net assets before transfers	30,399,285	3,180,323	7,420,453	41,000,061
Net assets transferred to a supporting organization	20,792,599	-	-	20,792,599
Change in net assets	51,191,884	3,180,323	7,420,453	61,792,660
Net assets, beginning of year	289,755,803	80,862,412	144,873,240	515,491,455
Net assets, end of year	$ 340,947,687	$ 84,042,735	$ 152,293,693	$ 577,284,115

See accompanying notes to the combined financial statements.

THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

Combined Statements of Cash Flows
Years Ended December 31, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Change in net assets	$ 35,014,712	$ 61,792,660
Adjustments to reconcile change in net assets to net cash and cash equivalents from operating activities:		
Depreciation	69,477	58,231
Net change in value of investment in The Richmond Fund, LP	(6,288,861)	(26,913,737)
Net realized and unrealized loss (gain) on investments	448,851	(4,834,408)
Transfer to a supporting organization	-	(20,792,599)
Change in assets and liabilities:		
Pledges, notes and other receivables	(405,763)	1,025,426
Prepaid expenses	11,580	48,421
Real estate held for resale	-	1,418,900
Cash surrender value of life insurance	(4,049)	(3,972)
Accrued expenses	16,052	118,015
Distributions payable	(13,064,262)	(18,946,722)
Net cash provided by (used in) operating activities	15,797,737	(7,029,785)
Cash flows from investing activities:		
Net (purchases of) proceeds from sale of investments	(14,518,159)	8,702,404
Purchase of property and equipment	(132,747)	(82,167)
Net cash (used in) provided by investing activities	(14,650,906)	8,620,237
Cash flows from financing activities:		
Decrease (increase) in assets held in trust	2,438,167	(28,777)
Increase (decrease) in liability under gift annuities	6,932	(11,839)
Decrease in liability under trust agreements	(2,537,858)	(45,529)
Increase in funds held as agency endowments	268,759	344,974
Net cash provided by financing activities	176,000	258,829
Net change in cash and cash equivalents	1,322,831	1,849,281
Cash and cash equivalents, beginning of year	13,413,118	11,563,837
Cash and cash equivalents, end of year	$ 14,735,949	$ 13,413,118
Supplemental disclosure of cash flow information:		
Non-cash transactions:		
Transfer to a supporting organization	$ -	$ 20,792,599

See accompanying notes to the combined financial statements.

THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

Notes to Combined Financial Statements

1. Organization and Business:

The Community Foundation *Serving Richmond and Central Virginia* (the "Foundation") is a publicly-supported charity formed and existing exclusively to support charitable purposes primarily in, and for the benefit of, Richmond and Central Virginia. The Foundation is composed of two legal entities that operate as a single, consolidated organization: Greater Richmond Community Foundation, a charitable trust, and The Community Foundation, Inc., a charitable corporation. These entities share the same tax identification number and report their financial and program operations on a combined basis. The Foundation operates under the purpose and authority established by the Declaration of Trust, initially executed in 1968 and subsequently incorporated into the governing documents of the corporate entity which was established in 1993.

In 2013, Middle School Renaissance 2020 ("MSR 2020") was formed to strengthen outcomes for Richmond Public School middle-school students and during 2015 began doing business as NextUp. NextUp takes a systems approach to program design and delivery and seeks to build a more comprehensive out-of-school time, division wide solution for Richmond Public School middle-school students. NextUp operates as a single-member LLC of the Foundation.

The accompanying combined financial statements include the resources and financial activities of the Foundation and eight affiliated entities. Seven of these entities are organized as supporting organizations of the Foundation. Supporting organizations are 501(c)3 charities that are classified by the Internal Revenue Service ("IRS") as public charities because their governing documents describe their alignment of charitable purpose with one or more named publicly supported charities, and there is documented shared governance, financial relationships and operating activities that meet IRS tests. The seven supporting organizations that are included in the annual audit and financial reporting process are the Garland and Agnes Taylor Gray Foundation ("Gray Foundation"), the Annabella R. Jenkins Foundation ("Jenkins Foundation"), the R.E.B. Foundation, the Pauley Family Foundation, the Jane and Arthur Flippo Endowment Foundation, the Commonwealth Foundation for Cancer Research and the Ann K. Kirby Foundation. Effective January 1, 2014, the Commonwealth Foundation for Cancer Research was re-organized as a Type I supporting organization (previously a Type III supporting organization) and as of that date its net assets and results of operation are included in the combined financial statements. The Gray Foundation was dissolved effective July 1, 2015 and all assets were transferred to the Foundation (see Note 12).

1. Organization and Business, Continued:

The Partnership for Nonprofit Excellence (the "Partnership") is a related publically supported entity. The Partnership was organized to support the charitable purposes of the Foundation, and all of the Partnership's Board of Directors are appointed by the Foundation. The programs conducted by all of these affiliated organizations are reflected in the accompanying combined financial statements. All significant intercompany transactions and accounts are eliminated.

2. Summary of Significant Accounting Policies:

Basis of Accounting: The Foundation and affiliated organizations prepare their financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("GAAP").

Cash and Cash Equivalents: The Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments: The Foundation and affiliates' investments are reported at fair value in the combined statements of financial position. The fair value of marketable equity and debt securities is determined using quoted market prices. Certain less marketable investments are generally carried at values determined by the respective investment managers using valuation approaches that can generally be classified as either; an income or earnings approach, a cost or asset approach, or a market approach. Fair value approximates carrying values. Investments are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the risks in the near term could materially affect amounts reported on the combined financial statements. Unrealized gains and losses are included in the combined statements of activities.

Property and Equipment and Depreciation: Property and equipment consists primarily of office furniture and equipment recorded at cost for purchased items and at fair value for contributed items. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Accumulated depreciation equaled $440,088 and $380,302 as of December 31, 2015 and 2014, respectively.

Net Assets: Under the terms of the governing documents, the Board of Governors (the "Board") has the ability to modify any restrictions or condition on the distribution of funds for any specified charitable purposes or to specified organizations if, in the sole judgment of the Board of Governors, the restriction or condition has become, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community.

2. Summary of Significant Accounting Policies, Continued:

Net Assets, Continued: As a result of the inability to distribute corpus unless certain restrictions or conditions have become unnecessary, incapable of fulfillment or inconsistent with the needs of the community, all contributions not classified as temporarily restricted or unrestricted are classified as permanently restricted net assets for financial reporting purposes. Unrestricted net assets include all gifts that impose no restrictions on the Foundation as to their use or purpose. Such funds are expended for charitable purposes as deemed appropriate by the Board. The principal of some unrestricted funds is treated by the Board as endowed funds.

Temporarily restricted net assets consist of irrevocable charitable trusts, lead trusts, restricted contributions receivable, and the remaining portion of donor-restricted endowment funds that are not classified as permanently restricted net assets. When donor restrictions expire, that is, when a stipulated time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statements of activities as net assets released from restrictions.

Permanently restricted net assets represent the fair value of the original gift as of the gift date and the original fair value of subsequent gifts to donor-restricted endowment funds.

Funds Held as Agency Endowments: The Foundation is a recipient organization that accepts contributions from organizations and agrees to use those assets on behalf of a specified beneficiary and recognizes the fair value of those assets as a liability to the specified beneficiary. The Foundation maintains variance power and legal ownership of agency endowment funds and as such, continues to report the funds as assets of the Foundation.

Revenue Recognition: The Foundation and affiliated organizations report contributions as support when they are received or pledged by the donor. The Foundation and affiliated organizations report restricted contributions as temporarily restricted support if they are restricted for use in a subsequent year or if they are restricted for specific purpose. When a donor restriction expires (i.e., when a stipulated time restriction ends or the purpose is met) temporarily restricted net assets are reclassified to unrestricted.

Non-Cash Contributions: Contributions of property are recorded by the Foundation and affiliated organizations at the fair value of the property at the date of gift as determined by appraisal, discounted as appropriate. Contributions of equity securities are recorded at the fair value of the stock at the date of gift based on quoted market values. When the gifted stock is sold, the Foundation and affiliated organizations recognize the expense of broker fees and commissions; however, if the stock is held for investment purposes, its carrying value is periodically adjusted for changes in market performance.

2. Summary of Significant Accounting Policies, Continued:

Concentrations of Credit Risk: Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents and pledges and notes receivable. The Foundation and affiliated organizations place their cash and cash equivalents with financial institutions located in Richmond, Virginia. At times, these balances may exceed the FDIC insurance limits.

Receivables are from individuals, corporations and foundations located primarily in the Richmond metropolitan area. The Foundation and affiliated organizations believe their credit risk related to these receivables is limited due to the nature of their donors.

Income Taxes: In 1970, the Foundation received the original letter of tax exempt status from the IRS. In 1993, the Foundation filed a ruling request with the IRS related to the Foundation's new organization, as described in Note 1. In its letter dated September 1, 1994, the IRS ruled that the Foundation, as designed and operated, is a qualifying public charity as defined in Section 501(c)(3) of the Internal Revenue Code ("IRC"), and therefore, is exempt from federal and state income taxes. As a result of certain investments, the Foundation is subject to unrelated business income tax. Certain affiliated trusts pay excise taxes on their investment income. All supporting organizations included in the combined financial statements are designed and operated as qualifying public charities as defined in Section 501(c)(3).

Income Tax Uncertainties: The Foundation has adopted Financial Accounting Standards Board ("FASB") guidance related to accounting for uncertainty in income taxes, which clarifies the accounting for income taxes by prescribing the minimum recognition threshold that a tax position is required to meet before being recognized in the Foundation's combined financial statements. The interpretation also provides guidance on derecognition, classification, interest and penalties, disclosure and transition.

In accordance with the interpretation, the Foundation discloses the expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the facts of the Foundation's position and records unrecognized tax benefits or liabilities for known, or anticipated tax issues based on the Foundation's analysis of whether additional taxes would be due to the authority given their full knowledge of the tax position. The Foundation has completed its assessment and determined that there were no tax positions which would require recognition under the interpretation. The Foundation is not currently under audit by any tax jurisdiction.

2. Summary of Significant Accounting Policies, Continued:

Use of Estimates in the Preparation of Financial Statements: The preparation of combined financial statements in conformity with GAAP 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 combined financial statements and the reported amounts of support and revenue and expenditures during the reporting period. Actual results could differ from those estimates.

New Accounting Guidance: In May 2015, FASB issued ASU No. 2015-07, "Disclosure for Investments in Certain Entities that Calculated Net Asset Value per Share (or Its Equivalent)", which eliminates the requirement to categorize investments in the fair value hierarchy if their fair value is measured using net asset value per share as a practical expedient. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016 with early adoption permitted. The Foundation has elected not to early adopt this ASU and intends to adopt it prior to the required transition date.

Subsequent Events: Management has evaluated subsequent events through June 8, 2016, the date the combined financial statements were available to be issued, and has determined that other than the items disclosed in Note 16, there are no subsequent events to be reported in the accompanying combined financial statements.

3. Investments:

As of December 31, 2015 and 2014, the cost of investments and their fair values were as follows:

	2015		2014	
	At Cost	At Fair Value	At Cost	At Fair Value
Unrestricted	$ 232,750,633	$ 322,196,890	$ 228,210,227	$ 322,326,289
Temporarily restricted	55,497,567	73,442,976	56,260,429	79,462,762
Permanently restricted	128,823,370	170,479,033	101,933,387	143,971,679
	$ 417,071,570	$ 566,118,899	$ 386,404,043	$ 545,760,730

3. Investments, Continued:

As of December 31, 2015 and 2014, the costs of investments and their related fair values by major investment type were as follows:

	2015		2014	
	Cost	Market	Cost	Market
Cash equivalents	$ 17,820,875	$ 17,820,876	$ 66,237,829	$ 66,237,830
Equity securities	61,982,301	78,682,497	18,618,671	25,856,118
Fixed income	200,000	218,373	200,000	215,934
Alternatives:				
Marketable	6,449,470	8,042,668	6,699,470	7,443,100
Non-marketable	33,101,393	49,429,142	31,402,446	51,741,266
The Richmond Fund, LP	297,517,531	411,925,343	263,245,627	394,266,482
	$ 417,071,570	$ 566,118,899	$ 386,404,043	$ 545,760,730

The Foundation had unfunded commitments to alternative investments totaling $2,968,015 as of December 31, 2015.

The Foundation invests its assets to achieve a long-term rate of return that exceeds its payout rate, plus the rate of inflation. Volatility is minimized by investing globally in diverse, non-correlating classes of assets. Due in part to the University of Richmond's (the "University") performance record in accomplishing these objectives with its own endowment, in 2008, the Foundation and certain of its affiliated organizations entered into an investment partnership with the University called The Richmond Fund, LP (the "Richmond Fund").

The general partner of the Richmond Fund is the Richmond Fund Management Company, LLC, a subsidiary of Spider Management Company, LLC ("SMC"), the investment company for the University's endowment. A rate of return agreement is used to equalize the quarterly rate of return of the University's pooled endowment managed by SMC and the Richmond Fund's rate of return. There are no contribution commitments for the Foundation and withdrawals can be made each calendar quarter with a minimum of 60 days advance notice.

3. Investments, Continued:

As of December 31, 2015 and 2014, the ownership interests and summarized activity of the Foundation and its affiliated organizations in the Richmond Fund for the years then ended are as follows:

	The Community Foundation	Jenkins Foundation	Gray Foundation	R.E.B. Foundation	Total
Ownership percentage of The Richmond Fund, LP at December 31, 2015	23.0%	2.8%	0.0%	1.2%	27.0%
Balance, January 1, 2014	$ 276,698,953	$ 42,620,435	$ 23,191,579	$ 18,341,777	$ 360,852,744
Additions	11,000,000	-	-	-	11,000,000
Distributions	-	(2,050,000)	(1,850,000)	(600,000)	(4,500,000)
Investment income	20,870,365	3,055,303	1,661,028	1,327,042	26,913,738
Balance, December 31, 2014	308,569,318	43,625,738	23,002,607	19,068,819	394,266,482
Additions	14,200,000	-	-	-	14,200,000
Distributions	-	(2,200,000)	-	(630,000)	(2,830,000)
Transfers	24,201,904	-	(24,201,904)	-	-
Investment income	4,043,760	739,761	1,199,297	306,043	6,288,861
Balance, December 31, 2015	$ 351,014,982	$ 42,165,499	$ -	$ 18,744,862	$ 411,925,343

Net change in value of investment in The Richmond Fund, LP, net realized and unrealized (loss) gain on investments, and net investment income (loss) included in the accompanying combined statements of activities, in total, is shown net of investment expenses of $3,136,959 for 2015 and $3,020,475 for 2014.

4. Pledges, Notes, and Other Receivables:

Pledges, notes and other receivables consist of the following assets at December 31, 2015 and 2014:

	2015		2014	
	Current	Long-term	Current	Long-term
Pledges receivable	$ 1,180,022	$ 8,874,329	$ 4,043,278	$ 5,464,204
Receivable from charitable trusts	439,027	5,687,411	410,888	5,296,568
Other receivables	397,273	6,718,637	663	7,675,335
	$ 2,016,322	$ 21,280,377	$ 4,454,829	$ 18,436,107

The Foundation used a rate of 2.0% at December 31, 2015 and 2014 to discount to present value its pledges receivable.

4. Pledges, Notes, and Other Receivables, Continued:

Included in long-term other receivables, the Foundation has a note receivable with a principal balance of $6,368,075 as of December 31, 2015 and 2014. Accrued interest totaled $338,642 as of December 31, 2015 and $1,164,127 as of December 31, 2014. The note was issued in November 2009 by Commonwealth Foundation for Cancer Research and bears interest at an annual rate of seven percent. The note is secured by real estate. The note is due on demand but is not expected to be called or collected within the next year.

5. Cash Surrender Value of Life Insurance:

Cash surrender value of life insurance is carried at its stated value which approximates its fair value.

The Foundation is the beneficiary under four life insurance policies as of December 31, 2015 and 2014. At December 31, 2015 and 2014, the face amount of these policies totaled $10,200,000. During 2015 and 2014, the Foundation received no proceeds from life insurance.

6. Distributions Payable:

Distributions payable, recorded at pledged amounts, consist of the following at December 31, 2015:

2016	$ 8,279,200
2017	2,005,625
2018	809,142
2019	473,375
2020	182,375
Thereafter	192,500
Total	$ 11,942,217

The Foundation used a rate of 2.0% at December 31, 2015 and 2014 to discount to present value its distributions payable.

7. Charitable Trusts:

The Foundation is the named trustee under numerous charitable unitrust agreements ("Unitrusts"). Under the trust agreements, the Unitrusts pay an annual benefit to the trust beneficiaries throughout their lives based on a percentage of the fair value of the trust assets as defined by the trust agreement. The fair value of the assets of the Unitrusts is included on the combined statements of financial position as assets held in trust. Temporarily restricted contribution income is recognized to the extent that the fair value of the trust assets exceeds the present value of the future payments to the trust beneficiaries.

The Foundation is also the named trustee under one charitable annuity trust agreement. The terms of this trust are similar to those of the Unitrusts except that the annual payout to the beneficiaries is a fixed amount. The charitable annuity trust was terminated during 2014.

The present value of the future payments to the trust beneficiaries is based on life span, actuarial factors derived from IRS Publication 1458, and a discount rate of 2.0% as of December 31, 2015 and 2014, per IRC Section 7520(a).

The Foundation is the named trustee and beneficiary of three charitable lead trusts. Under the trust agreements, the lead trusts pay an annual benefit for a specified term based on a percentage of the fair value of the trust assets. The fair value of the assets of the lead trusts is included on the combined statements of financial position as assets held in trust. A liability for the present value of the future payout at termination is included on the combined statements of financial position as a liability under trust agreements.

The Foundation has been named beneficiary of numerous charitable trusts that the Foundation does not serve as trustee. For 2015 and 2014, the changes in value of these split interest agreements were $67,745 and $128,731, respectively. These amounts are included on the combined statements of activities as a component of net realized and unrealized gain on investments.

8. Line of Credit:

The Foundation has available a revolving line of credit with a bank providing for maximum borrowings of $5,000,000 through September 30, 2016. Interest on funds advanced is payable monthly at the one-month LIBOR rate plus 1.75% (2.18% and 1.92% at December 31, 2015 and 2014, respectively). There were no borrowings on the line of credit for the years ended December 31, 2015 and 2014.

9. Temporarily Restricted Net Assets:

Temporarily restricted net assets at year-end were available for the following purposes:

	2015	2014
Donor advised funds	$ 22,935,306	$ 25,099,976
Beneficial interest in trusts	15,755,861	17,071,235
Program specific funds	39,182,675	41,871,524
	$ 77,873,842	$ 84,042,735

10. Endowment Funds:

The Foundation's endowment consists of over 400 permanently endowed named funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Governors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Governors of the Foundation 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 Foundation 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. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

10. Endowment Funds, Continued:

Endowment Investing and Spending Policies: The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Governors, the endowment funds are invested in a manner that is intended to produce stated investment results while assuming a moderate level of investment risk. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective return through diversification of asset classes. The current long-term return objective is to earn 5% per year, plus the rate of inflation. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater value on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money annually distributed from the Foundation's various endowed funds for grantmaking and administration. The current spending policy is to distribute an amount up to 5% of a moving twelve-quarter average, unless a different amount is stated in the fund agreement. This is consistent with the Foundation's objective to maintain the purchasing power of endowment assets as well as to provide additional real growth through new gifts and investment return.

Funds with Deficits: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were ($810,971) as of December 31, 2015 and ($18,227) as of December 31, 2014.

10. Endowment Funds, Continued:

Endowment net asset composition by type of fund was as follows as of December 31, 2015 and 2014:

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (810,971)	$ 41,963,270	$ 182,182,746	$ 223,335,045
Board-designated funds	176,333,083	-	-	176,333,083
Total funds	$ 175,522,112	$ 41,963,270	$ 182,182,746	$ 399,668,128

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (18,227)	$ 47,014,470	$ 146,494,983	$ 193,491,226
Board-designated funds	179,275,290	-	-	179,275,290
Total funds	$ 179,257,063	$ 47,014,470	$ 146,494,983	$ 372,766,516

10. Endowment Funds, Continued:

Changes in endowment net assets were as follows for the years ended December 31, 2015 and 2014:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, January 1, 2014	$195,668,131	$ 41,217,162	$138,932,967	$ 375,818,260
Investment gain	11,237,570	12,843,726	-	24,081,296
New gifts	618,521	-	7,562,016	8,180,537
Appropriation of endowment assets for expenditure	(28,267,159)	(7,046,418)	-	(35,313,577)
Net assets, December 31, 2014	179,257,063	47,014,470	146,494,983	372,766,516
Investment gain	1,151,756	3,751,842	-	4,903,598
New gifts	2,317,420	-	35,687,763	38,005,183
Appropriation of endowment assets for expenditure	(7,204,127)	(8,803,042)	-	(16,007,169)
Net assets, December 31, 2015	$175,522,112	$ 41,963,270	$182,182,746	$ 399,668,128

11. Fair Value Measurements:

In September 2006, the FASB issued guidance relating to fair value measurements. This FASB guidance establishes a framework for measuring fair value, clarifies the definition of fair value within that framework and expands disclosure requirements regarding the use of fair value measurements. The guidance became effective for financial statements issued for fiscal years beginning after November 15, 2007.

The guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal and most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The guidance establishes a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the assets or liabilities fall within different levels of the hierarchy, the classification is based on the lowest level that is significant to the fair value measurement of the asset or liability. Classification of assets and liabilities within the hierarchy considers the market in which the assets or liabilities are traded and the reliability and transparency of the assumptions used to determine fair value. The hierarchy requires the use of observable market data when available. The levels of the hierarchy are defined as follows:

Level 1 – Unadjusted quoted prices that are available in active markets for the identical assets or liabilities at the measurement date.

Level 2 – Other observable inputs available at the measurement date, other than quoted prices included in Level 1, either directly or indirectly, including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data and reflect the use of significant management judgment. These values are generally determined using pricing models for which the assumptions utilize management's estimates of market participant assumptions.

11. Fair Value Measurements, Continued:

Assets and liabilities measured at fair value on a recurring basis at December 31, 2015 include the following:

	Fair Value Using			Assets/liabilities
	Level 1	Level 2	Level 3	at Fair Value
Assets:				
Investments:				
Cash equivalents	$ 17,820,876	$ -	$ -	$ 17,820,876
Equity securities	78,682,497	-	-	78,682,497
Fixed income	218,373	-	-	218,373
Marketable alternatives	-	8,042,668	-	8,042,668
Non-Marketable alternatives	-	-	49,429,142	49,429,142
The Richmond Fund, LP	-	-	411,925,343	411,925,343
Total investments	96,721,746	8,042,668	461,354,485	566,118,899
Pledges, notes and other receivables	2,016,322	21,280,377	-	23,296,699
Cash surrender value of life insurance	32,972	-	-	32,972
Assets held in trusts	69,758,982	9,159,981	73,534	78,992,497
Total	$168,530,022	$ 38,483,026	$461,428,019	$ 668,441,067
Liabilities:				
Distributions payable	$ -	$ 11,942,217	$ -	$ 11,942,217
Liability under gift annuities	-	313,564	-	313,564
Liability under trust agreements	-	54,076,654	-	54,076,654
Funds held as agency endowments	-	4,337,742	-	4,337,742
Total	$ -	$ 70,670,177	$ -	$ 70,670,177

THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

Notes to Combined Financial Statements, Continued

11. Fair Value Measurements, Continued:

Assets and liabilities measured at fair value on a recurring basis at December 31, 2014 include the following:

	Fair Value Using			Assets/liabilities
	Level 1	Level 2	Level 3	at Fair Value
Assets:				
Investments:				
Cash equivalents	$ 66,237,830	$ -	$ -	$ 66,237,830
Equity securities	25,856,118	-	-	25,856,118
Fixed income	215,934	-	-	215,934
Marketable alternatives	-	7,443,100	-	7,443,100
Non-Marketable alternatives	-	-	51,741,266	51,741,266
The Richmond Fund, LP	-	-	394,266,482	394,266,482
Total investments	92,309,882	7,443,100	446,007,748	545,760,730
Pledges, notes and other receivables	4,454,829	18,436,107	-	22,890,936
Cash surrender value of life insurance	28,923	-	-	28,923
Assets held in trusts	73,046,324	7,744,918	639,422	81,430,664
Total	$169,839,958	$ 33,624,125	$446,647,170	$ 650,111,253
Liabilities:				
Distributions payable	$ -	$ 25,006,479	$ -	$ 25,006,479
Liability under gift annuities	-	306,632	-	306,632
Liability under trust agreements	-	56,614,512	-	56,614,512
Funds held as agency endowments	-	4,068,983	-	4,068,983
Total	$ -	$ 85,996,606	$ -	$ 85,996,606

11. Fair Value Measurements, Continued:

The following table provides a reconciliation between the beginning and ending balances of assets measured at fair value on a recurring basis in the table above that used significant unobservable inputs (Level 3):

	Investments in Non-Marketable Alternatives	Investment in Richmond Fund, LP	Beneficial Interest in Trusts
Balance at January 1, 2014	$ 9,166,492	$ 360,852,744	$ 659,432
Purchases	2,861,151	11,000,000	-
Transfer to a supporting organization	46,091,791	-	-
Distributions	(1,476,117)	(4,500,000)	(152,318)
Net change in value of investments	(4,902,051)	26,913,738	132,308
Balance at December 31, 2014	51,741,266	394,266,482	639,422
Purchases	4,386,465	14,200,000	-
Receipt of private company stock	6,440,000	-	-
Distributions	(18,193,752)	(2,830,000)	(652,638)
Net change in value of investments	5,055,163	6,288,861	86,750
Balance at December 31, 2015	$ 49,429,142	$ 411,925,343	$ 73,534

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

The investments in alternatives are valued by general partners of the funds based on several criteria established in the fund agreement. All exchange traded securities are measured at the listed price at a specified time. Financial instruments that are tied to an underlying exchange traded security are valued at the listed price provided that the general partner determines that the price accurately reflects fair value. All other assets and liabilities of the fund are valued based on a calculation of fair value based on supporting information by the general partner using valuation approaches that can be classified as either; an income or earnings approach, a cost or asset approach, or a market approach. These approaches focus on either discounting future earnings or equity payouts, valuing the underlying assets and liabilities under a hypothetical sale transaction which may involve the use of independent appraisers, or by identifying and selecting publicly traded securities with similar investment characteristics.

11. Fair Value Measurements, Continued:

The investment in the Richmond Fund is valued by the general partner based on several criteria established in the Richmond Fund agreement. The Richmond Fund operates as a fund of funds and as such the general partner reviews the fair values of each underlying fund based on available information. The Richmond Fund undergoes semi-annual independent audits, and the Foundation values its investment in the Richmond Fund using net asset value as a practical expedient

In 2015, the Foundation received a gift of private company stock valued at $6,440,000. The Foundation values its investment based on an independent, third party valuation of the stock performed on an annual basis. The valuation utilized the income approach in 2015.

The Foundation has investments in certain real estate parcels through the Jane and Arthur Flippo Endowment Foundation and the Commonwealth Foundation for Cancer Research. The Foundation values the real estate using the market approach, through tax assessments or available comparable sales information.

The beneficial interest in trusts are managed investments and are valued by general partners of the investment funds based on several criteria established in the fund agreement. All exchange traded securities are measured at the listed price at a specified time. Financial instruments that are tied to an underlying exchange traded security are valued at the listed price provided that the general partner determines that the price accurately reflects fair value. All other assets and liabilities of the fund are valued based on a calculation of fair value based on supporting information by the general partners.

12. Supporting Organizations and Other Affiliated Entities:

In 2002, the Commonwealth Foundation for Cancer Research was organized as a tax-exempt organization as defined by Section 501(c)(3) of the IRC, and became a supporting organization of The Community Foundation, Inc. Due to changes in federal regulations, which were issued December 2012, the Commonwealth Foundation for Cancer Research elected to re-organize as a Type I supporting organization effective January 1, 2014. Beginning in 2014, the net assets and results of operations of the Commonwealth Foundation for Cancer Research are included in the combined financial statements.

12. Supporting Organizations and Other Affiliated Entities, Continued:

The following assets and liabilities were included in the transfer:

Cash	$ 79,535
Investments, at fair value	46,012,256
Pledges, notes and other receivables	7,086,437
Total assets	$ 53,178,228
Accrued expenses	$ 12,365
Distributions payable	32,373,264
Total liabilities	32,385,629
Net assets	20,792,599
Total liabilities and net assets	$ 53,178,228

The net assets and result of operations are reflected in the combined financial statements for 2015 and 2014.

On December 6, 2006, the Partnership for Nonprofit Excellence (the "Partnership") was organized exclusively to support the charitable purposes of the Foundation, and 100% of the Partnership's Board of Directors is appointed by the Foundation. The Partnership applied for recognition as a tax-exempt public charity as defined by Sections 170 (b)(1)(A)(vi), 501(c)(3), and 509(a)1 of the IRC and was approved with an effective date of December 6, 2006. The net assets and result of operations are reflected in the combined financial statements.

In 1988, the R.E.B. Foundation became a supporting organization of the Foundation. The R.E.B. Foundation is a tax-exempt organization as defined by Section 501(c)(3) of the IRC. The R.E.B. Foundation assists in supporting the educational purposes of the Foundation. The R.E.B. Foundation's net assets and results of operations are reflected in the combined financial statements. Due to changes in federal regulations, which were issued December 2012, the R.E.B. Foundation elected to re-organize as a Type I supporting organization effective August 27, 2013.

In August 1995, the Annabella R. Jenkins Foundation ("Jenkins Foundation") became a supporting organization of the Foundation and is now a Type I supporting organization. The Jenkins Foundation assists in supporting the charitable purposes of the Foundation, with an emphasis on health and medically related charitable purposes. The Jenkins Foundation's net assets and results of operations are reflected in the combined financial statements.

12. Supporting Organizations and Other Affiliated Entities, Continued:

In January 1997, the Garland and Agnes Taylor Gray Foundation became a Type III supporting organization of the Foundation and its net assets and results of operations are included in the combined financial statements. Due to anticipated changes in federal regulations, the Gray Foundation elected to re-organize as a Type I supporting organization effective September 9, 2008. In March 2015, the Gray Foundation determined it would proceed with the termination of the Gray Foundation, effective July 1, 2015. The assets of the Gray Foundation were distributed to The Community Foundation.

In June 2011, the Pauley Family Foundation became a Type I supporting organization of the Foundation and its net assets and results of operations are reflected in the combined financial statements.

In June 2013, the Jane and Arthur Flippo Endowment Foundation became a Type I supporting organization of the Foundation and its net assets and results of operations are reflected in the combined financial statements.

In December 2014, the Ann K. Kirby Foundation became a Type I supporting organization of the Foundation. The Ann K. Kirby Foundation expects to receive contributions of $37.5 million during the years 2015 – 2018. As contributions are received, the net assets and results of operations will be reflected in the combined financial statements.

13. Leases:

The Foundation leases office space and equipment under operating leases. The agreement on the office lease requires rent payments of $717,450 through March 2018 and the related expense is recognized on a straight-line basis over the life of the lease. Equipment leases expire at various dates through 2019. Future minimum payments under operating lease obligations consisted of the following at December 31, 2015:

2016	$ 327,926
2017	338,098
2018	94,221
2019	4,128
Total	$ 764,373

Total operating lease expense was $304,547 for 2015 and $300,781 for 2014.

14. Retirement Plans:

Employees are eligible to participate in a 403(b) thrift plan on the first day of the month following employment. Employees are eligible for the 403(b) thrift plan employer matching contribution after 12 months of service, a minimum of 1,000 hours of service, and attaining age 21. Under the terms of the plan, employees are entitled to contribute a portion of their total compensation, within limitations established by the IRC. At the discretion of the Board of Governors, the Foundation may make a matching contribution defined as the lesser of 100% of an employee's contributions or 4.5% of an employee's total annual compensation. Matching contributions amounted to $102,250 for 2015 and $91,988 for 2014.

Eligible employees are vested in a defined benefit plan through United Way of Greater Richmond & Petersburg for employees meeting the eligibility requirements of age 21 and completing one year of service with a minimum of 1,000 hours worked. The plan pays retirees a fixed amount that is based on the number of years of service and compensation history. Pension plan expense was $64,101 for 2015 and $54,778 for 2014. Effective December 31, 2008, the plan sponsor, United Way of Greater Richmond & Petersburg, decided to freeze all future benefit accruals for those who are active participants. The pension plan was also frozen to new participants as of that date. Based on actuarial assumptions, current interest rates, market conditions, requirements of the Pension Protection Act, and other factors, the Foundation is likely to be required to make future contributions to the Plan.

In December 2014, the Foundation established a 401(a) discretionary contribution plan, which was funded for the first time in 2015 with a contribution of $25,000. Participation in the plan is limited to persons whose payroll is reported on the Foundation's EIN. Eligibility further conforms to the eligibility criteria for the 403(b) thrift plan employer matching contributions.

As of January 1, 2006, the Foundation established a nonqualified deferred compensation plan. The plan is designed and intended to comply with and to operate in accordance with Sections 457(f) and 409(A) of the IRC. The plan features cliff vesting at the end of each five-year contribution period. Currently, there is one plan participant. Accrued benefits of $242,913 as of December 31, 2015 and $205,070 as of December 31, 2014, are included in accrued expenses in the accompanying combined statements of financial position. Accrued vested benefits amounted to $86,346 as of December 31, 2015 and $83,831 as of December 31, 2014.

15. Indemnifications:

As permitted under their articles of incorporation, the Foundation and affiliated organizations have certain obligations to indemnify their current and former officers and directors for certain events or occurrences while the officer or director is, or was serving, at the Foundation's and affiliated organizations' request in such capacities. The maximum liability under these obligations is limited by the Code of Virginia. The Foundation's and affiliated organizations' insurance policies serve to limit their exposure. The Foundation and affiliated organizations believe that the estimated fair value of these indemnification obligations is minimal.

16. Subsequent Events:

The Partnership for Nonprofit Excellence was founded in 2006 to support the charitable purposes of The Community Foundation. In 2016, the Partnership reviewed its four partner programs. On April 27, 2016, the Organization's Board of Directors approved a restructuring of Nonprofit Learning Point, Organizational Solutions and ConnectVA. These three programs will consolidate and become a division of The Community Foundation to support nonprofit capacity building. HandsOn Greater Richmond will remain a program of the Partnership for Nonprofit Excellence focused on civic engagement pending further review and restructuring.

In 2016, the Commonwealth Foundation for Cancer Research approved a $40 million matching grant, payable over five years to Sidney Kimmel Comprehensive Cancer Center as matching funds are received to the Cancer Center from other sources.

SUPPLEMENTAL INFORMATION

THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

Combining Statement of Financial Position
December 31, 2015

	The Community Foundation	Partnership for Nonprofit Excellence	Gray Foundation	REB Foundation	Jenkins Foundation	Pauley Family Foundation	Flippo Foundation	Commonwealth Foundation for Cancer Research	Ann K. Kirby Foundation	Total	Combining Entries	Combined Total
Assets												
Cash and cash equivalents	$ 9,338,460	$ 670,221	$ -	$ 634,335	$ 1,733,015	$ 114,959	$ 40,886	$ 2,192,987	$ 11,086	$ 14,735,949	$ -	$ 14,735,949
Investments, at fair value	380,533,557	218,373	-	18,744,861	42,165,499	82,717,181	8,042,668	33,235,903	460,857	566,118,899	-	566,118,899
Pledges, notes and other receivables	16,784,042	150,940	-	-	-	-	-	6,706,717	-	23,641,699	(345,000)	23,296,699
Prepaid expenses	40,733	5,740	-	-	4,097	-	-	-	-	50,570	-	50,570
Property and equipment, net	192,289	56,279	-	-	-	-	-	-	-	248,568	-	248,568
Cash surrender value of life insurance	32,972	-	-	-	-	-	-	-	-	32,972	-	32,972
Assets held in trust, at fair value	74,562,324	-	-	-	4,430,173	-	-	-	-	78,992,497	-	78,992,497
Total assets	$ 481,484,377	$ 1,101,553	$ -	$ 19,379,196	$ 48,332,784	$ 82,832,140	$ 8,083,554	$ 42,135,607	$ 471,943	$ 683,821,154	$ (345,000)	$ 683,476,154
Liabilities and Net Assets												
Liabilities:												
Accrued expenses	$ 462,419	$ 39,230	$ -	$ 50,000	$ 5,501	$ -	$ -	$ -	$ -	$ 557,150	$ (50,000)	$ 507,150
Distributions payable	6,612,690	-	-	-	344,878	29,649	-	5,250,000	-	12,237,217	(295,000)	11,942,217
Liability under gift annuities	176,008	-	-	-	137,556	-	-	-	-	313,564	-	313,564
Liability under trust agreements	54,076,654	-	-	-	-	-	-	-	-	54,076,654	-	54,076,654
Funds held as agency endowments	4,337,742	-	-	-	-	-	-	-	-	4,337,742	-	4,337,742
Total liabilities	65,665,513	39,230	-	50,000	487,935	29,649	-	5,250,000	-	71,522,327	(345,000)	71,177,327
Net assets:												
Unrestricted	155,862,199	396,552	-	19,329,196	42,850,340	82,802,491	8,083,554	36,885,607	471,943	346,681,882	-	346,681,882
Temporarily restricted	76,643,736	665,771	-	-	564,335	-	-	-	-	77,873,842	-	77,873,842
Permanently restricted	183,312,929	-	-	-	4,430,174	-	-	-	-	187,743,103	-	187,743,103
Total net assets	415,818,864	1,062,323	-	19,329,196	47,844,849	82,802,491	8,083,554	36,885,607	471,943	612,298,827	-	612,298,827
Total liabilities and net assets	$ 481,484,377	$ 1,101,553	$ -	$ 19,379,196	$ 48,332,784	$ 82,832,140	$ 8,083,554	$ 42,135,607	$ 471,943	$ 683,821,154	$ (345,000)	$ 683,476,154

See Report of Independent Accountants.

THE COMMUNITY FOUNDATION
Serving Richmond and Central Virginia

Combining Statement of Activities
Year Ended December 31, 2015

	The Community Foundation	Partnership for Nonprofit Excellence	Gray Foundation	REB Foundation	Jenkins Foundation	Pauley Family Foundation	Flippo Foundation	Commonwealth Foundation for Cancer Research	Ann K. Kirby Foundation	Total	Combining Entries	Combined Total
Support and revenue (losses):												
Contributions	$ 63,044,164	$ 965,854	$ -	$ 552,634	$ 235,765	$ -	$ -	$ 3,500,000	$ 785,000	$ 69,083,417	$ (2,048,194)	$ 67,035,223
Net change in value of investment in The Richmond Fund, LP	4,043,760	-	1,199,297	306,043	739,761	-	-	-	-	6,288,861	-	6,288,861
Net realized and unrealized gain (loss) on investments	2,156,638	(2,069)	(4)	(5,626)	(302,796)	(2,405,997)	874,766	(752,273)	(11,490)	(448,851)	-	(448,851)
Net investment income	2,708,549	5,785	(587)	781	115	1,309,636	-	599,673	2,347	4,626,299	-	4,626,299
Contributions to charitable trusts (net of the liability)	53,139	-	-	-	-	-	-	-	-	53,139	-	53,139
Investment income from trusts	58,797	-	-	-	224,168	-	-	-	-	282,965	-	282,965
Misc & other program revenue	27,670	384,164	-	-	-	-	-	270,120	-	681,954	-	681,954
Unrestricted support	-	(60,000)	(89,581)	(54,283)	(225,777)	(273,588)	(36,328)	(45,000)	(2,164)	(786,721)	786,721	-
Total support and revenue (losses)	72,092,717	1,293,734	1,109,125	799,549	671,236	(1,369,949)	838,438	3,572,520	773,693	79,781,063	(1,261,473)	78,519,590
Expenses:												
Grant and program distributions	(32,995,986)	-	46,266	(629,100)	(1,733,378)	(1,442,149)	(25,000)	(219,128)	(260,000)	(37,258,475)	1,257,162	(36,001,313)
Program and operating expenses	(4,348,109)	(1,458,700)	(8,728)	(4,304)	(41,120)	(15,628)	(2,400)	(250,312)	(41,750)	(6,171,051)	34,394	(6,136,657)
Income tax expense	(370,412)	-	-	(14,204)	(3,618)	-	(8,894)	-	-	(397,128)	(50,083)	(447,211)
Other distributions	(925,312)	-	-	-	(14,385)	-	-	-	-	(939,697)	20,000	(919,697)
Total expenditures	(38,639,819)	(1,458,700)	37,538	(647,608)	(1,792,501)	(1,457,777)	(36,294)	(469,440)	(301,750)	(44,766,351)	1,261,473	(43,504,878)
Change in net assets before transfers	33,452,898	(164,966)	1,146,663	151,941	(1,121,265)	(2,827,726)	802,144	3,103,080	471,943	35,014,712	-	35,014,712
Net assets transferred to (from) a supporting organization	24,490,966	-	(24,490,966)	-	-	-	-	-	-	-	-	-
Change in net assets	57,943,864	(164,966)	(23,344,303)	151,941	(1,121,265)	(2,827,726)	802,144	3,103,080	471,943	35,014,712	-	35,014,712
Net assets, beginning of year	357,875,000	1,227,289	23,344,303	19,177,255	48,966,114	85,630,217	7,281,410	33,782,527	-	577,284,115	-	577,284,115
Net assets, end of year	$ 415,818,864	$ 1,062,323	$ -	$ 19,329,196	$ 47,844,849	$ 82,802,491	$ 8,083,554	$ 36,885,607	$ 471,943	$ 612,298,827	$ -	$ 612,298,827

See Report of Independent Accountants.