

# **McGregor Fund**

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**Financial Report  
with Additional Information  
June 30, 2016**

# McGregor Fund

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## Independent Auditor's Report

To the Board of Trustees  
McGregor Fund

We have audited the accompanying financial statements of McGregor Fund (the "Fund"), which comprise the balance sheet as of June 30, 2016 and 2015 and the related statements of activities and changes in net assets and cash flows for the years 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.

To the Board of Trustees  
McGregor Fund

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of McGregor Fund as of June 30, 2016 and 2015 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As explained in Note 1, the financial statements include certain investments whose fair values have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or partnership general partners. These investments are valued at \$78,805,436 (49.4 percent of net assets) at June 30, 2016 and \$85,650,432 (49.4 percent of net assets) at June 30, 2015. Our opinion is not modified with respect to this matter.

*Plante & Moran, PLLC*

September 7, 2016

# McGregor Fund

## Balance Sheet

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 2,285,186	\$ 3,690,365
Investments (Note 2)	159,492,631	171,313,112
Accrued interest and dividends	56,505	20,615
Other assets:		
Prepaid expenses	38,037	41,123
Prepaid federal excise taxes	29,504	70,116
Other	379,086	77
Total assets	<u>\$ 162,280,949</u>	<u>\$ 175,135,408</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accrued expenses	\$ 56,245	\$ 55,068
Grants payable (Note 3)	1,583,974	1,120,843
Other liabilities	379,009	-
Deferred excise taxes (Note 4)	585,238	751,316
Total liabilities	2,604,466	1,927,227
<b>Net Assets - Unrestricted</b>	<u>159,676,483</u>	<u>173,208,181</u>
Total liabilities and net assets	<u>\$ 162,280,949</u>	<u>\$ 175,135,408</u>

# McGregor Fund

## Statement of Activities and Changes in Net Assets

	Year Ended	
	June 30, 2016	June 30, 2015
<b>Revenue, Gains (Losses), and Other Support</b>		
Interest	\$ 383,687	\$ 225,455
Dividends	1,215,182	1,389,575
Other partnership losses	(1,950,716)	(868,480)
Net realized and unrealized (losses) gains on securities	(3,433,286)	2,111,614
Investment advisory fees and consulting services	(663,889)	(721,310)
Gain on sale of fixed asset	-	8,519
Total revenue, gains (losses), and other support - Net	(4,449,022)	2,145,373
<b>Expenses</b>		
Program services - Grants and related activities	7,883,052	7,749,845
Support services:		
Management and general	1,225,292	1,129,542
Federal excise tax recovery (Note 4)	(125,466)	(74,371)
Federal and State tax on unrelated business income from investments	99,798	30,713
Total expenses	9,082,676	8,835,729
<b>Decrease in Net Assets</b>	(13,531,698)	(6,690,356)
<b>Net Assets - Beginning of year</b>	173,208,181	179,898,537
<b>Net Assets - End of year</b>	<b>\$ 159,676,483</b>	<b>\$ 173,208,181</b>

# McGregor Fund

## Statement of Cash Flows

	Year Ended	
	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>Cash Flows from Operating Activities</b>		
Decrease in net assets	\$ (13,531,698)	\$ (6,690,356)
Adjustments to reconcile decrease in net assets to net cash from operating activities:		
Net realized and unrealized losses (gains) on securities	3,433,286	(2,111,614)
Gain on disposal of property and equipment	-	(8,519)
Changes in operating assets and liabilities which (used) provided cash:		
Accrued interest and dividends	(35,890)	(1,838)
Prepaid expenses	3,086	(4,074)
Prepaid federal excise tax	40,612	(37,233)
Other	-	136,564
Accrued expenses	1,177	(168,962)
Deferred federal excise tax	(166,078)	(187,138)
Grants payable	463,131	(271,538)
Net cash used in operating activities	<u>(9,792,374)</u>	<u>(9,344,708)</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from disposition of property and equipment	-	10,001
Purchases of investments	(23,066,553)	(35,799,952)
Proceeds from sales and maturities of investments	<u>31,453,748</u>	<u>45,273,487</u>
Net cash provided by investing activities	<u>8,387,195</u>	<u>9,483,536</u>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	<u>(1,405,179)</u>	<u>138,828</u>
<b>Cash and Cash Equivalents - Beginning of year</b>	<u>3,690,365</u>	<u>3,551,537</u>
<b>Cash and Cash Equivalents - End of year</b>	<u><u>\$ 2,285,186</u></u>	<u><u>\$ 3,690,365</u></u>

### Note I - Nature of Business and Significant Accounting Policies

McGregor Fund (the "Fund"), located in Detroit, Michigan and established in 1925, is a private foundation which was organized to relieve misfortune and promote the well-being of humankind. The primary activity of the Fund is to provide support to Detroit metropolitan area not-for-profit organizations, which operate in five program areas that are of particular interest to the Fund's board of trustees: human service, education, health care, arts and culture, and public benefit.

**Cash Equivalents** - The Fund considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

**Concentration of Credit Risk Arising from Deposit Accounts** - The Fund maintains cash balances at a bank whose accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Fund evaluates the financial institutions with which it deposits funds; however, it is not practical to insure all cash deposits.

**Investments** - Investments in government and corporate debt and equity securities are stated at current quoted market values. The alternative investments, comprised primarily of real estate, private equities, hedge funds, oil and gas, and other limited partnerships, which are not readily marketable, are carried at estimated fair values as provided by the various investment managers. The Fund reviews and evaluates the values provided by the investment managers and agrees with the valuation methods used and significant assumptions used in determining fair value. Those estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed. Purchases and sales of investments are recorded as of the trade date. Gain or loss on the sale of investments is computed using the first-in, first-out method.

**Classification of Net Assets** - Net assets of the Fund are classified based on the presence or absence of donor-imposed restrictions. All net assets of the Fund are unrestricted.

**Tax Status** - The Fund is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. As a private foundation, the Fund is subject to an excise tax on net investment income, including realized gains as defined in the Tax Reform Act of 1969.

**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 revenue, expenses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.



### **Note 1 - Nature of Business and Significant Accounting Policies (Continued)**

**Fair Value Disclosures** - The estimated fair value amounts have been determined by the Fund using available market information and appropriate valuation methodologies. These estimates are subjective in nature and involve uncertainties and matters of considerable judgment. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Fund could realize in a current market exchange. The use of different assumptions, judgments, and/or estimation methodologies may have a material effect on the estimated fair value amounts. All investment securities are carried at fair value in the financial statements.

**Risks and Uncertainties** - The Fund invests 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 changes could materially affect the amounts reported in the balance sheet.

**Upcoming Accounting Pronouncement - NFP Financial Reporting Model** - In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of organizations who follow FASB not-for-profit rules. The ASU will require changes in the way certain information is aggregated and reported by the Fund, including required disclosures about the liquidity and availability of resources. The new standard is effective for the Fund's year ending June 30, 2019 and thereafter and must be applied on a retrospective basis. The Fund is currently evaluating the impact this standard will have on its financial statements.

**Subsequent Events** - The financial statements and related disclosures include evaluation of events up through and including September 7, 2016, which is the date the financial statements were available to be issued.

### Note 2 - Investments

Investments consisted of the following at June 30:

	2016		2015	
	Cost	Fair Value	Cost	Fair Value
Fixed-income and equity securities:				
Domestic fixed-income securities	\$ 8,538,607	\$ 8,799,398	\$ 8,304,305	\$ 8,571,041
International fixed-income securities	5,417,344	5,852,069	5,030,737	5,626,067
U.S. equity securities	21,126,881	31,628,956	29,529,021	39,919,465
Foreign equity securities	33,393,718	34,406,772	25,927,157	31,546,107
Total fixed-income and equity securities	68,476,550	80,687,195	68,791,220	85,662,680
Alternative investments:				
Hedge funds and multistrategy	23,867,319	31,786,329	25,156,800	36,731,441
Oil and gas limited partnerships	12,131,672	8,114,666	13,125,100	9,325,525
Private equity and venture capital limited partnerships	18,486,239	27,684,770	17,216,468	26,766,923
Real estate limited partnerships	4,766,231	7,525,809	6,955,625	9,286,714
Commodities and natural resources limited partnerships	2,502,722	3,693,862	2,502,090	3,539,829
Total alternative investments	61,754,183	78,805,436	64,956,083	85,650,432
Total	\$ 130,230,733	\$ 159,492,631	\$ 133,747,303	\$ 171,313,112

### Note 3 - Grants Payable

Unconditional grants are recognized as an expense at the time of formal approval by the full board of trustees. A present value discount for grants to be paid beyond one year has been calculated using a rate of approximately 0.26 and 0.01 percent at June 30, 2016 and 2015, respectively, based on when the grant was approved. At June 30, 2016 and 2015, the total discount on grants payable was \$5,783 and \$157, respectively.

The following summarizes the changes in grants payable:

	2016	2015
Grants payable - Beginning of year	\$ 1,120,843	\$ 1,392,381
Grants approved	7,905,578	7,759,963
Payments made	(7,436,821)	(8,032,063)
Change in discount on grants payable	(5,626)	562
Grants payable - End of year	\$ 1,583,974	\$ 1,120,843

# McGregor Fund

## Notes to Financial Statements June 30, 2016 and 2015

### Note 3 - Grants Payable (Continued)

	<u>2016</u>	<u>2015</u>
Amounts due in:		
Less than one year	\$ 889,757	\$ 971,000
One to five years	700,000	150,000
Less discount	<u>(5,783)</u>	<u>(157)</u>
Total	<u>\$ 1,583,974</u>	<u>\$ 1,120,843</u>

Conditional grants are expensed when such conditions are substantially met. Conditional grants approved for future payment were \$5,200,000 and \$6,150,000 at June 30, 2016 and 2015, respectively. Included in these amounts is a \$6 million conditional 20-year grant to the Foundation for Detroit's Future (FDF), a supporting organization of the Community Foundation for Southeast Michigan, which was approved by the Fund on August 19, 2014. The grant and payment of the annual grant installments are conditioned upon the terms and conditions outlined in the Fund's agreement with FDF. The Fund made payments on this grant totaling \$300,000 and \$600,000 during the years ended June 30, 2016 and 2015, respectively.

### Note 4 - Excise Taxes

The Fund's excise tax expense (recovery) as of June 30, 2016 and 2015 is comprised of the following:

	<u>2016</u>	<u>2015</u>
Current	\$ 40,612	\$ 112,767
Deferred	<u>(166,078)</u>	<u>(187,138)</u>
Total excise tax recovery	<u>\$ (125,466)</u>	<u>\$ (74,371)</u>

The deferred excise tax liability on the balance sheet represents the tax on unrealized gains on investment securities.

### Note 5 - Deferred Compensation Plan

The Fund sponsors a defined contribution 401(k) plan for all eligible full-time employees, as defined in the plan document. The plan became effective as of January 1, 2008. The Fund contributes a specified percentage of the annual eligible compensation of participants. Total contributions to the plan for the years ended June 30, 2016 and 2015 amounted to approximately \$78,800 and \$81,500, respectively.

### Note 6 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in on the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Fund's assets measured at fair value on a recurring basis at June 30, 2016 and 2015, and the valuation techniques used by the Fund to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Fund's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Fund's policy is to recognize transfers in and transfers out of Level 1, 2, and 3 fair value classifications as of the end of the reporting period.

As of June 30, 2016, the Fund implemented a new guidance that changes the required disclosures for investments valued at net asset value (NAV) per share (or its equivalent) as a practical expedient. Previously, investments measured at fair value using the NAV practical expedient were classified in the fair value hierarchy based on the redemption features associated with the investment. Under the new guidance, investments measured at fair value using net asset value per share (or its equivalent) as a practical expedient are no longer classified in the fair value hierarchy above and the information for 2015 has been adjusted to conform to the new disclosure requirements.

# McGregor Fund

## Notes to Financial Statements June 30, 2016 and 2015

### Note 6 - Fair Value Measurements (Continued)

#### Assets Measured at Fair Value on a Recurring Basis at June 30, 2016

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Balance at June 30, 2016
<b>Assets</b>					
Cash equivalents - Money market mutual funds	\$ 2,236,659	\$ -	\$ -	\$ -	\$ 2,236,659
Investments:					
U.S. government securities	-	2,377,367	-	-	2,377,367
Domestic municipal bonds	-	2,534,719	-	-	2,534,719
Domestic corporate bonds	-	3,887,312	-	-	3,887,312
International fixed-income securities limited partnership	-	-	-	5,852,069	5,852,069
U.S. equity mutual funds	13,877,237	-	-	-	13,877,237
U.S. equity commingled funds	-	-	-	17,751,719	17,751,719
Foreign equity mutual funds	16,544,016	-	-	-	16,544,016
Foreign equity commingled funds	-	-	-	17,862,756	17,862,756
Hedge fund and multistrategy	-	-	-	31,786,329	31,786,329
Oil and gas limited partnerships	-	-	-	8,114,666	8,114,666
Private equity and venture capital limited partnerships	-	-	-	27,684,770	27,684,770
Real estate limited partnerships	-	-	-	7,525,809	7,525,809
Commodities and natural resources limited partnerships	-	-	-	3,693,862	3,693,862
Total investments	<u>30,421,253</u>	<u>8,799,398</u>	<u>-</u>	<u>120,271,980</u>	<u>159,492,631</u>
Total assets	<u>\$ 32,657,912</u>	<u>\$ 8,799,398</u>	<u>\$ -</u>	<u>\$ 120,271,980</u>	<u>\$ 161,729,290</u>

### Note 6 - Fair Value Measurements (Continued)

#### Assets Measured at Fair Value on a Recurring Basis at June 30, 2015

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value	Balance at June 30, 2015
<b>Assets</b>					
Cash equivalents - Money market mutual funds	\$ 3,371,202	\$ -	\$ -	\$ -	\$ 3,371,202
Investments:					
Domestic fixed-income mutual funds	8,571,041	-	-	-	8,571,041
International fixed-income securities limited partnership	-	-	-	5,626,067	5,626,067
U.S. equity mutual funds	14,063,827	-	-	-	14,063,827
U.S. equity commingled funds	-	-	-	17,555,838	17,555,838
Foreign equity mutual funds	18,388,156	-	-	-	18,388,156
Foreign equity commingled funds	-	-	-	21,457,751	21,457,751
Hedge fund and multistrategy	-	-	-	36,731,441	36,731,441
Oil and gas limited partnerships	-	-	-	9,325,525	9,325,525
Private equity and venture capital limited partnerships	-	-	-	26,766,923	26,766,923
Real estate limited partnerships	-	-	-	9,286,714	9,286,714
Commodities and natural resources limited partnerships	-	-	-	3,539,829	3,539,829
Total investments	41,023,024	-	-	130,290,088	171,313,112
Total assets	\$ 44,394,226	\$ -	\$ -	\$ 130,290,088	\$ 174,684,314

The fair value of U.S. government securities, domestic municipal bonds, and domestic corporate bonds is determined using quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry standard models that consider various assumptions, including time value and yield curve as well as other relevant economic measures.

The Fund also holds other assets and liabilities not measured at fair value on a recurring basis, including accrued interest and dividends, accrued expenses, grants payable, other assets, and other liabilities. The fair value of these assets and liabilities is equal to the carrying amounts in the accompanying financial statements due to the short maturity of such instruments. The inputs are based on terms in contractual agreements. The fair values of these financial instruments are determined using Level 2 inputs.

### Note 6 - Fair Value Measurements (Continued)

#### Investments in Entities that Calculate Net Asset Value per Share

The Fund holds shares or interests in investment companies where the fair value of the investments are measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At year end, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>		
	<u>Fair Value</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency, if Eligible</u>	<u>Redemption Notice Period</u>
International fixed-income securities limited partnership (a)	\$ 5,852,069	\$ 5,626,067	\$ -	Monthly	10 days
U.S. equity commingled funds (b)	17,751,719	17,555,838	-	Daily and quarterly	1-60 days
Foreign equity commingled funds (c)	17,862,756	21,457,751	-	Monthly	10-60 days
Hedge fund and multistrategy (d)	31,786,329	36,731,441	-	17 percent locked through 2016; remainder monthly, quarterly, and annually	30-90 days
Oil and gas limited partnerships (e)	8,114,666	9,325,525	1,378,252	N/A	N/A
Private equity and venture capital limited partnerships (f)	27,684,770	26,766,923	17,249,004	N/A	N/A
Real estate limited partnerships (g)	7,525,809	9,286,714	2,465,104	N/A	N/A
Commodities and natural resources limited partnerships (h)	<u>3,693,862</u>	<u>3,539,829</u>	<u>-</u>	N/A	N/A
Total	<u>\$ 120,271,980</u>	<u>\$ 130,290,088</u>	<u>\$ 21,092,360</u>		

- (a) The international fixed-income securities category includes an investment in a commingled bond fund that invests in foreign sovereign bonds. The fair value of the investment in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital

### Note 6 - Fair Value Measurements (Continued)

- (b) The U.S. equity securities category includes investments in commingled U.S. stock funds. The fair value of the investments in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital or the net asset value per share of the investments, whichever is applicable.
- (c) The foreign equity securities category includes investments in commingled international stock funds. The fair value of the investments in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital or the net asset value per share of the investments, whichever is applicable.
- (d) The hedge funds and multistrategy category includes direct investments in hedge funds that invest in event arbitrage, multistrategy, distressed securities, U.S. long/short equities, and global long/short equities. The fair value of the investments in this category has been estimated using the net asset value per share of the investments.
- (e) The oil and gas limited partnerships category includes investments with energy managers that invest across the energy industry. The fair value of the investments in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying investments of these funds will be liquidated over the next five to 12 years.
- (f) The private equity and venture capital limited partnerships category includes investments with fund of funds, managers that invest in Asian, European, U.S. and U.S. distressed private equity funds, and early stage U.S. venture capital funds. The fair value of the investments in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying investments of these funds will be liquidated over the next six to 12 years.
- (g) The real estate limited partnerships category includes investments with real estate managers that invest in European and U.S. commercial and residential real estate. The fair value of the investments in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying investments of these funds will be liquidated over the next two to seven years.
- (h) The commodities and natural resources limited partnerships category includes investments with a timber manager that invests in U.S. timberland. The fair value of the investments in this category has been estimated using the net asset value of the Fund's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received only as the underlying investments of the funds are liquidated. It is estimated that the underlying investments of these funds will be liquidated beginning in 2021 and will continue over the following several years.



## **Additional Information**

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## Independent Auditor's Report on Additional Information

To the Board of Trustees  
McGregor Fund

We have audited the financial statements of McGregor Fund as of and for the years ended June 30, 2016 and 2015 and have issued our report thereon dated September 7, 2016, which contained an unmodified opinion on those financial statements.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of details of support activities is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Plante & Moran, PLLC*

September 7, 2016

# McGregor Fund

## Schedule of Details of Support Activities

	Year Ended	
	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<b>Management and General Expenses</b>		
Salaries and benefits	\$ 832,819	\$ 837,095
Legal, accounting, and professional fees	41,480	50,389
Other administrative expenses	<u>350,993</u>	<u>242,058</u>
Total management and general expenses	<u>\$ 1,225,292</u>	<u>\$ 1,129,542</u>