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# VSBFA

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Virginia Small Business  
Financing Authority

December 16, 2015

The Honorable Terence R. McAuliffe  
Governor of the Commonwealth of Virginia  
Office of the Governor  
Patrick Henry Building, 3rd Floor  
1111 East Broad Street  
Richmond, Virginia 23219

The Honorable Maurice A. Jones  
Secretary of Commerce and Trade  
Patrick Henry Building, 4th Floor  
1111 East Broad Street  
Richmond, Virginia 23219

The Honorable Walter A. Stosch  
Co - Chairman  
Senate Finance Committee  
201 North 9th Street  
10th Floor, General Assembly Building  
Capitol Square  
Richmond, VA 23219

The Honorable Charles J. Colgan  
Co - Chairman  
Senate Finance Committee  
201 North 9th Street  
10th Floor, General Assembly Building  
Capitol Square  
Richmond, VA 23219

The Honorable S. Chris Jones  
Chairman  
House Appropriations Committee  
201 North 9th Street  
9th Floor, General Assembly Building  
Capitol Square  
Richmond, Virginia 23219

Dear Governor McAuliffe, Secretary Jones, Chairman Stosch, Chairman Colgan, and  
Chairman Jones:

Pursuant to Section 2.2-2312 of the Code of Virginia, the Executive Director of the Virginia Small Business Financing Authority (VSBFA) “...shall within 120 days of the close of each fiscal year, submit an annual report of its activities for the preceding fiscal year to the Governor and the chairmen of the House Committee on Appropriations and the Senate Committee on Finance. Each report shall set forth, for the preceding fiscal year, a complete operating and financial statement for the Authority and any loan fund or loan guarantee fund the Authority administers or manages.” Unfortunately, extraordinary circumstances caused an unprecedented delay in the completion of the financial statements of the Virginia Small Business Financing Authority. Happily, these statements are now complete and are attached for your review.

During Fiscal Year 2015 the VSBFA committed \$13.2 million through its direct loan and credit enhancement programs, an increase of 10.0% over the previous fiscal year. One hundred, nineteen small businesses or local Industrial or Economic Development Authorities benefitted from these loans and credit enhancements. More importantly, VSBFA assisted Virginia’s businesses by enabling total private debt and private equity of \$56.9 million as a result of VSBFA’s participation in these projects. This represents a 54% increase over the previous fiscal year. This means that our loans and credit enhancements produced an overall leveraging factor of \$4.30:1 (private to public) during FY ’15 and the leveraging factor on our overall performance since the VSBFA’s inception has been \$17:1. In FY ’15, the VSBFA also facilitated an additional \$115 million in private activity bond financings for manufacturers, and 501 (c) 3 non-profits. The combined loan, credit enhancement, and bond financing assisted Virginia’s businesses and non-profits in creating or retaining 2,204 jobs, an increase of 18% from

the previous year. Since inception, the VSBFA has assisted 2,461 small businesses in creating and saving 29,648 jobs.

In addition, the VSBFA was instrumental in working closely with the State Corporation Commission, the NFIB, the Administration, and the General Assembly, to develop and pass legislation which was introduced equity crowdfunding into Virginia to assist start-up businesses in their efforts to attract more equity funding from private investors with no cost to the Commonwealth.

On behalf of the Board of Directors and staff of the Virginia Small Business Financing Authority, I want to thank you for giving us the opportunity to provide vital programs and services as a part of the Commonwealth's economic development effort. Through these financing programs, we will continue to assist Virginia's financial institutions in providing the credit necessary for Virginia's businesses to grow and increase employment. In addition, with the success of new initiatives in FY '16, we will expand the amount of equity funding necessary to help start up new businesses and bring more businesses and jobs to the Commonwealth.

Please feel free to contact me should you have any questions regarding this report or the attached financial statements.

Respectfully,



Scott E. Parsons  
Executive Director

Cc: Ms. Tracey G. Jeter, Director, Virginia Department of Small Business & Supplier Diversity  
Ms. Gail L. Letts, Chairman of the Board, Virginia Small Business Financing Authority

Attachments

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# VSBFA

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**Virginia Small Business  
Financing Authority**

## **VIRGINIA SMALL BUSINESS FINANCING AUTHORITY**

**(A Component Unit of the Commonwealth of Virginia)**

Management's Discussion and Analysis and  
Basic Financial Statements and Supplementary Information  
for the Fiscal Years ending June 30, 2015 and 2014

# VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

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## **VIRGINIA SMALL BUSINESS FINANCING AUTHORITY**

### **Management's Preparation and Presentation of Basic Financial Statements**

#### ***Management's Responsibility for the Financial Statements***

The financial statements, management discussion and notes which follow herein have not been prepared or audited by a certified public accountant. The management of the Virginia Small Business Financing Authority (the "Authority") is responsible for the preparation and presentation of these accrual based financial statements, management discussion and notes which follow and for the implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements which are free from material misstatement, whether due to fraud or error.

In management's opinion, the financial statements, management discussion and notes presented herein present fairly, in all material respects, the financial position of the Virginia Small Business Financing Authority as of June 30, 2015, and the changes in net position from the 2014 fiscal year-end to the 2015 fiscal year-end.

#### ***Non-GASB Compliant Financial Statements***

While these statements have been prepared with generally accepted accounting principles in mind, these statements do not meet all U.S. Governmental Accounting Standards Board (GASB) requirements and therefore cannot be considered to be fully compliant with GASB.

#### ***Change in Reporting Methodology***

As more fully disclosed in the Management Discussion and Analysis for the Fiscal Years ending June 30, 2015 and June 30, 2014 which follow, the Authority made a significant change in reporting methodology during 2015 with regard to program funds related to the Authority's *State Small Business Credit Initiative (SSBCI) Cash Collateral Program* which the Authority began offering in 2013. This change was implemented as a result of the Authority's desire to more accurately reflect our liquidity position in the *SSBCI Cash Collateral Program (CCP)*, and to insure an accurate representation of VSBFA's support obligations to participating banks under this program. The change in reporting methodology and the rationale for implementing it is described more fully in the Management Discussion and Analysis, but the change can be summarized as follows: the Authority has reclassified funds which are held in CCP reserve accounts at participating CCP banks and which are obligated by VSBFA for use by these participating banks. During FY 2013 and FY 2014, these funds were classified as Cash Not Held with Treasurer. During 2015, these funds were reclassified as Restricted Assets and the Authority has recorded an offsetting liability to accurately reflect the Authority's support obligations against the reserve accounts. The Authority has also recorded aggregate expenses of \$3,881,110 for the 2015 CCP support distributions made to our participating banks. Additionally, the Authority has made a prior period adjustment of \$5,650,676, to reflect the net adjustments to the Authority's FY 2015 beginning net position had this reporting methodology been utilized in 2013 and 2014.

# VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

## Management's Discussion and Analysis For the Fiscal Years ending June 30, 2015 and 2014

This section of the Virginia Small Business Financing Authority's (the "Authority") annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal years that ended June 30, 2015 and 2014. Please read it in conjunction with the Authority's financial statements, which follow this section. The annual financial report consists of three parts, management's discussion and analysis, the basic financial statements and the notes to the financial statement.

### FINANCIAL HIGHLIGHTS

The following information represents a comparative analysis of key financial aspects of the Authority's operations between the years ended June 30, 2015 and June 30, 2014.

- The Authority received its third and final tranche of funding under the U.S. *State Small Business Credit Initiative* ("SSBCI") from the U.S. Treasury Department during FY 2015.
- The Authority's *Cash Collateral Program* has continued to enjoy strong demand statewide throughout 2015. Usage among participating *Cash Collateral Program* banks increased during 2015 and at the 2015 fiscal year-end, VSBFA had \$8.1 million in reserve accounts at participating *Cash Collateral Program* banks compared with \$5.2 million in CCP reserve accounts at the 2014 fiscal year-end.
- As demand for our programs increased, the Authority experienced strong loan growth during 2015. Net loans outstanding increased by 29% from \$10.4 million in 2014 to \$13.1 million in 2015. This compares favorably to the change between FY 2013 and FY 2014 when net loans outstanding fell by 7%.
- Total assets for the Authority increased from \$50,742,891 at June 30, 2014 to \$54,968,923 as of June 30, 2015. The increase was due to the Authority's receipt of its third and final tranche of funding from the U.S. *State Small Business Credit Initiative*.
- Although the Authority's total assets increased in 2015, net assets declined from \$48,392,909 at June 30, 2014 to \$43,900,598 at June 30, 2015. This decline in net assets was primarily due to a change in reporting methodology for restricted assets which are held in reserve funds at banks participating in the *SSBCI Capital Access Program*, the *Cash Collateral Program* ("CCP") and the *Virginia Capital Access Program* ("VCAP.") The majority of these restricted assets are federal in nature and attributable to funding through the U.S. SSBCI program. (See additionally, immediately below.)
- The Authority made a significant change in reporting methodology as of our June 30, 2015 year-end. This change was motivated by the Authority's desire to more accurately reflect our liquidity position in the *SSBCI Cash Collateral Program* and *State Cash Collateral Program*, and, additionally, to more accurately reflect the Authority's support obligations to participating banks under both programs-
  - The CCP program utilizes reserve accounts at participating banks to offset potential losses the bank may incur in the future from the enrolled CCP loans. VSBFA obligates these CCP reserves by committing transaction-specific collateral support (relative to a specific loan at a specific bank) for a specified period of time and up to a specified maximum amount. Funds in these reserve accounts are "clawed back" and returned to our SSBCI program when commitments expire or loans are repaid in full, or periodically, as the bank collects payments and the principal balance of the loan declines.
  - From time to time, the Authority has utilized VSBFA funds to support a loan through the CCP program which did not qualify for SSBCI funding. Those State CCP funds have been maintained in the same reserve accounts as SSBCI funds.

- Since the Authority's receipt of SSBCI funding in 2013, the Authority has shown the CCP reserve accounts at participating banks as Restricted Cash Not Held with the Treasurer. This reporting methodology implied these funds were liquid and available immediately to be deployed for additional *CCP* activity. In fact, the funds maintained in CCP reserve accounts at participating banks cannot be considered as cash because these funds have been committed to participating banks for their potential future and because of the federal regulations governing their use.
  - Consequently, effective June 30, 2015, the Authority reclassified all SSBCI CCP and State CCP funds held in CCP reserve accounts as Restricted Assets, resulting in Total Restricted Assets of \$10,667,144 as of the 2015 fiscal year-end. In order to accurately reflect the Authority's legal obligations to participating banks under the CCP program – arising from the Authority's commitments to provide these funds for the participating bank's use in the event of future losses on a CCP enrolled loan – the Authority has recorded an offsetting liability of \$10,667,144.
  - As a result of this change, the Authority additionally recorded a prior period adjustment which reduced the Authority's Net Position for prior periods by \$5,650,676.
  - In addition to the changes described above which impacted the Authority's balance sheet, the Authority also recorded aggregate operating expenditures of \$3,883,110 for the *Cash Collateral Program* to reflect the distribution of SSBCI CCP and State CCP funds the CCP reserve accounts at participating banks. These distributions were offset by \$330,664 in SSBCI and VSBFA funds which were "clawed-back" by the Authority from participating CCP banks (as a result of reductions in the principal balance of loans supported by the CCP reserve funds) and \$1,378,846 of SSBCI and VSBFA funds which were returned from participating CCP banks because the Authority's CCP support had expired or the loan had been paid in full.
- During 2015, the Authority distributed \$3,974,018 to banks for the purpose of extending credit enhancement support through the SSBCI CCP, State CCP and CAP programs (including SSBCI CAP, VCAP and TCAP.) Although these distributions are included in the Authority's operating expenses, it is important to note these distributions are not "operating expenses" in the traditional sense. They are classified as such due to the limitations in the Commonwealth's accounting system.
  - Fee income from the Authority's bond issuances increased very slightly by \$20,084 from \$806,966 in 2014 to \$827,050 in 2015, following a decline in bond fee income from 2013 to 2014. The Authority's revenue from this source is inconsistent from year-to-year given that demand for these bonds is driven by U.S. Internal Revenue Service (IRS) regulations governing these bonds and by the U.S. capital markets. The Authority's revenue from bond issuances is also affected by other factors, including the repayment of bonds in our existing portfolio. (VSBFA bond fees are paid on the outstanding principal balance of existing bonds, VSBFA fees decline as those bonds are repaid.) Additionally, the Authority continues to be impacted by the Memorandum of Understanding it voluntarily entered into in March 2012 whereby VSBFA agreed to share 40% of its bond fee revenue from non-profit bond issuances with local economic development authorities around the Commonwealth.
  - In 2014, the VSBFA entered into a Memorandum of Understanding (MOU) with the Center for Innovative Technology (CIT) to provide up to \$2 million in funding from the Authority's SSBCI funds for CIT's Gap Fund, the Commonwealth's venture capital fund. The Authority's agreement with CIT allows CIT to utilize SSBCI funding to make debt or equity investments in Virginia small technology businesses for purposes which are compliant with U.S. Treasury SSBCI policies and guidelines. In late 2015, CIT had exhausted that initial funding and the Authority agreed, contingent upon approval by the U.S. Treasury Department, to increase the SSBCI funding allocated to the CIT Gap Fund to up to \$3 million. As of November 2015, Treasury approval of the increased CIT allocation was expected but still pending.
  - In June 2015, the Chief Credit Officer of the Authority retired after an eighteen year career with the Authority. She was replaced by a Regional Lending Manager and senior staff member of the Authority staff who has been employed by the Authority since 1992. In June 2015, the Authority hired a new staff member



for a newly created position within its loan accounting function. In November 2015, the Authority hired a new Regional Lending Manager to fill the position vacated by the Authority's new Chief Credit Officer.

## **Management's Discussion and Analysis For the Fiscal Years Ending June 30, 2014 and 2013**

This section of the Virginia Small Business Financing Authority's (the "Authority") annual financial report presents management's discussion and analysis of the Authority's financial performance during the fiscal years that ended June 30, 2014 and 2013. Please read it in conjunction with the Authority's financial statements, which follow this section. The annual financial report consists of three parts, management's discussion and analysis, the footnotes and the basic financial statements.

### **FINANCIAL HIGHLIGHTS**

The following information represents a comparative analysis of key financial aspects of the Authority's operations between the years ended June 30, 2014 and June 30, 2013.

- During the second half of FY 2013 two new loan programs were introduced as a result of the Authority's SSBCI funding: the Cash Collateral Program and the Loan Purchase Participation. Activity under the Cash Collateral Program was nominal in 2013, but during 2014 demand for the CCP program increased substantially as word of the program spread throughout the banking community. The Loan Purchase Participation failed to generate significant interest with the banks and that program was eventually discontinued during FY 2105.
- The Authority's cash increased from \$12,447,114 at June 30, 2013 to \$23,523,003 at June 30, 2014. The primary reason for the increase was the Authority's receipt of funding under the U.S. *State Small Business Credit Initiative* ("SSBCI") from the U.S. Treasury Department. However, as noted in the Management Discussion for 2014 and 2015 above, the cash reported at the 2013 and 2014 fiscal year-ends did include SSBCI funds which were deployed and which were then on deposit in reserve accounts at banks participating in the *Cash Collateral Program*. Given that those funds had been pledged by VSBFA under the *Cash Collateral Program* to participating banks, the cash shown in 2014 is substantially overstated.
- The cash shown for June 30, 2014 and June 30, 2013 has not been restated here to reflect the subsequent change in reporting methodology which was made in 2015 and detailed above in the Management Discussion for 2014 and 2015. However, if an adjustment had been made in order to be consistent with the subsequent reporting change, the Authority's reported cash in 2014 would have been reduced by \$5,650,676, which was the amount of funds on deposit in reserve accounts at participating *Cash Collateral Program* banks as of June 30, 2014.
- Restricted assets shown for June 30, 2014 and June 30, 2013 have also not been restated here to reflect subsequent change in reporting methodology which was made in 2015 and detailed above in the Management Discussion for 2014 and 2015. However, if an adjustment had been made in order to be consistent with the subsequent reporting change made in 2015, the Authority's reported Restricted Assets for 2014 would have increased by \$5,650,676, which was the amount of funds on deposit in reserve accounts at participating *Cash Collateral Program* banks as of June 30, 2014.
- Net loans receivable (due on direct loans made by VSBFA to borrowers) showed a small decline from 2013 to 2014, falling from \$11,267,556 in 2013 to \$10,441,487 in 2014. This decline was due in part to the staff's focus in 2014 on the deployment of SSBCI funding through the *Cash Collateral Program*.
- In January 2014 the former host agency to the Authority, the Department of Business Assistance, was abolished and merged with the former Department of Minority Business Enterprise to form a new agency, the Department of Small Business and Supplier Diversity.

**VIRGINIA SMALL BUSINESS FINANCING AUTHORITY**  
**Management's Discussion and Analysis**  
**For the Fiscal Years Ending June 30, 2013 through June 30, 2015**

**FINANCIAL ANALYSIS OF THE AUTHORITY**

The following table summarizes select financial information regarding the Authority's operations as of the dates and for the periods indicated:

	06/30/2015	6/30/2014	6/30/2013	% change 2015 vs 2014	% change 2014 vs 2013
Cash	\$17,843,688*	\$23,523,003*	\$12,447,114*	-24%	89%
Investments	\$12,982,897	\$15,704,249	\$18,388,968	-17%	-15%
Loans receivable (net)	\$13,426,321	\$10,441,587	\$11,267,556	29%	-7%
Restricted Assets (CCP and CAP reserve accounts)	\$10,667,144*	\$1,045,063*	\$1,265,395*	921%*	-17%*
Other assets (Interest Rec.)	\$48,873	\$28,989	\$25,723	68%	13%
Total assets	\$54,968,923	\$50,742,891	\$43,394,756	8%	17%
Obligations under Securities Lending Program	\$364,211	\$1,089,881	\$906,899	-67%	20%
Support Obligations under CCP and CAP programs and other liabilities	\$10,704,114*	\$1,110,223	\$1,321,536	-16%	8%
Total liabilities	\$11,068,325	\$2,200,104	\$2,228,435	-1%	-38%
Net Assets	\$43,900,598*	\$48,392,909	\$41,166,321	18%	2%

\*Impacted by the change in reporting methodology for the *SSBCI Cash Collateral Program* and the *State Cash Collateral Program*.

	2015	2014
Restricted	\$37,964,407	\$42,915,723
Unrestricted	\$4,936,191	\$5,477,186
 Total Net Assets	 \$43,900,598	 \$48,392,909

Description of Net Assets The Authority's Net Assets are reported on the Statement of Net Assets. The Authority has Restricted Assets and Unrestricted Assets as described below:

1. Restricted These net assets represent funds that have been received by the Authority for specific financing programs from various funding sources, including: the federal government, the state government for use in conjunction with certain federal grants, funds which are administered by the Authority on behalf of other state agencies and which are restricted by federal grants or by state legislation, and funds that are restricted due to commitments, deficiency guaranties and loan portfolio insurance agreements that represent legal obligations of the Authority to the respective banks.

Federally restricted net assets managed by the Authority are the *Child Care Financing Program*, the *State Small Business Credit Initiative - U.S. Treasury*, and the *Federal Economic Development Loan Fund - U.S. Economic Development Administration*. The Net Assets under these programs are \$3,680,871, \$7,663,083 and \$19,163,207 respectively totaling \$30,507,161.

State net assets are “restricted” by deficiency guaranties, guaranty commitments, loan commitments, outstanding checks issued by the Authority and accrued payroll. The state restricted net assets at June 30, 2015 were \$7,457,246, which included outstanding guaranties under the *Loan Guaranty Program*, unfunded state loan commitments to the Authority’s borrowers, outstanding checks and accrued payroll.

2. Unrestricted As of June 30, 2015, unrestricted net assets totaled \$4,936,191, which include VSBFA operating/LGP (\$630,466), State EDLF (\$2,114,255), Microloan (\$1,403,957), VCAP (\$20,840), ECAF (\$462,914), TCAP (\$51,358), and PACE (\$252,401).

## VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

### Management's Discussion and Analysis Statements of Revenues, Expenses and Changes in Net Assets June 30, 2015 and 2014

	<b>2015</b>	<b>2014</b>
Operating revenues:		
Interest on loans receivable	\$503,292	\$447,589
Charges for sales and service	\$838,802	\$829,576
Other	\$42,593	\$456,020
Total operating revenues	\$1,384,687	\$1,733,185
Operating expenses:		
Personal services (11XX)	\$567,078	\$565,528
Contractual Services (12XX)	\$18,636	\$61,587
Supplies (13XX)	\$5,191	\$6,231
Equipment (15XX)	\$278	\$105
Distributions ( <i>Capital Access Program</i> fee matching distributions) (14XX)	\$90,908	\$98,772
Other (including <i>Cash Collateral Program</i> support distributions, charge-offs and miscellaneous)	\$3,909,267	\$19,855
Allowance for Bad Debt	\$274,007	\$213,094
Total operating expenses	\$4,865,365	\$965,172
Net operating income (loss)	(\$3,480,678)	\$768,013
Non-operating revenues:		
Interest income	\$98,721	\$89,874
Other (including <i>CCP</i> returned collateral, <i>CCP</i> clawbacks and recoveries)	(\$1,637,226)	\$997
Income before transfers	(\$5,019,183)	\$858,884
Transfers		
Operating transfers in (intrafunds)	\$5,742,014	\$10,525,551
Operating transfers out (intrafunds )	(\$1,150,937)	(\$5,569,985)
Operating transfers in from <i>CCP</i> banks - <i>CCP</i> clawbacks and returned collateral ( <i>SSBCI CCP</i> and <i>State CCP</i> funds)	\$1,675,368	\$29,225
Operating transfers out <i>CCP</i> banks	(\$4,578,420)	(\$4,984,791)
Transfer in from U S Treasury <i>SSBCI</i> program	\$6,104,083	\$ 5,924,544
Transfers out to <i>CIT</i>	(\$1,977,532)	-0-
Total net transfers	\$5,814,576	\$5,924,554
<b>Change in net assets</b>	<b>\$795,393</b>	<b>\$6,783,438</b>

**VIRGINIA SMALL BUSINESS FINANCING AUTHORITY**  
**Notes to Financial Statements**  
**June 30, 2014 and 2015**

**(1) Organization and Summary of Significant Accounting Policies**

**(a) Organization**

The Virginia Small Business Financing Authority was created by the Virginia General Assembly in 1984 as a public body corporate and a political subdivision of the Commonwealth of Virginia. The Authority is governed by an eleven-member board, appointed by the Governor of the Commonwealth of Virginia. The Authority's major activities are to provide financial assistance to businesses in the Commonwealth through bond issuances, direct loans, loan guaranties, portfolio loan loss reserves, and other assistance.

For financial reporting purposes, the Authority is a component unit of the Commonwealth of Virginia. The accounts of the Authority and other Authority-administered state and federal funds, are combined to form the Component Unit - Proprietary Funds of the Commonwealth of Virginia. The financial statements of the Authority include the activities of the *SSBCI Cash Collateral Program*, the *SSBCI Capital Access Program* and the *SSBCI EDLF Program* which are all funded through the State Small Business Credit Initiative through the U.S. Treasury, the *Child Care Financing Program* direct loan program, the U.S. Department of Commerce - Economic Development Administration funded *Economic Development Loan Fund* direct loan program, a VSBFA funded *Economic Development Loan Program* direct loan program, a VSBFA funded *Cash Collateral Program*, the *Small Business Environmental Compliance Assistance Fund* direct loan program, the *Small Business Micro Loan Program* direct loan program, the *Small Business Growth Fund* (also known as the *Virginia Capital Access Program*), the *PACE Program*, formerly of the Department of Minority Business Enterprise, the *Southside Tobacco Region Capital Access Program*, the *Industrial Development Bond Program*, and the *Loan Guaranty Program*, which are described in more detail in Section (2).

**(b) Basis of Accounting**

The Authority utilizes the accrual basis of accounting in preparing its financial statements where revenues are recognized when earned and expenses when incurred. The accounts are organized on the basis of funds, which are set up in accordance with the authorizing act, the various grants, and agreements between the Authority and the other state agencies.

**(c) Conduit Debt Obligations**

From time to time, the Authority has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the Authority, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**(d) Loans Receivable**

Loans receivable are stated at their unpaid principal balance, less an allowance for loan losses. The interest method is computed on a loan-by-loan basis, but is typically on the basis of actual days/365.

**(e) Allowance for Loan Losses**

There will be a discussion of loan losses, if any, under each program discussion. If actual charges-offs exceed this amount, the Authority will increase the allowance.

For the direct loan programs, receivables are charged-off when a 120-day delinquency is reached and we determine that repayment is deemed highly unlikely. For non-bankruptcy cases, the Authority's collections are sent to the OAG for collection and debts are reported as required under the Debt Set-Off Program.

Based upon the nominal losses incurred from the *Loan Guaranty Program* over the Authority's thirty year history, the Authority has determined that a loss reserve of 2% of our notes receivable is appropriate. This is due to the fact that our loan portfolios have continued to perform better than one would expect for a government lending program. In addition, if a loan is deemed at risk under the *Loan Guaranty Program*, the Authority will deduct the full amount of the principal balance from the guaranty capacity calculation in order to account for any potential loss from that specific transaction.

Funds distributed to banks through the Authority's CAP programs (including the *SSBCI CAP*, *VCAP*, and *TCAP* programs) fund an actual loan loss reserve account at the participating banks. By virtue of the nature of these programs, the Authority's liability is limited to funds distributed; consequently, no additional allowance for loan losses is required for these programs.

**(f) Compensation**

Compensation for all employees of the Authority is based upon the Commonwealth's compensation plan for state employees. The Executive Director is an employee of the Commonwealth and is non-restricted. The remaining staff members are employees of the Authority and are "restricted" in that their employment and compensation are tied to the various funds administered by the Authority. Compensation expense is charged to several of the programs that allow for such administrative costs.

**(g) Retirement Plans**

Employees of the Authority participate in a defined benefit pension plan administered by the Virginia Retirement System (VRS). The VRS also administers life insurance and health related plans for employees. Information relating to these plans is available at the statewide level only in the Commonwealth of Virginia's Comprehensive Annual Financial Report (CAFR). The Commonwealth, not the Authority, has overall responsibility for contributions to these plans.

**(h) Compensated Absences**

Authority employees are granted vacation and sick pay in varying amounts as services are provided. Employees may accumulate, subject to certain limitations, unused vacation and sick pay earned and, upon retirement, termination or death, may be compensated for certain amounts at their then current rates of pay. The amount of vacation and sick pay recognized as expense is the amount earned each year.

## **(2) Description of Account and Fund Groups**

### ***(a) The Industrial Development Bond Program***

The Authority is a conduit issuer of tax-exempt and taxable Industrial Development Revenue Bonds to provide creditworthy businesses with access to long-term, fixed asset financing for new and expanding manufacturing facilities and exempt projects, such as solid waste disposal facilities. During fiscal 2003, the Authority was given the legislative authority to issue bonds for qualified 501c3s for projects such as hospital expansions and college and university foundations. The repayment of the Authority issued bonds is the responsibility of the respective for-profit or 501 (c)(3) not-for-profit entity and the financing of such bonds is provided by the private sector and not provided by the Authority or the Commonwealth. Neither the Authority nor the Commonwealth guarantee payment and, as described in Section 9-221 of the Code of Virginia, no bonds issued by the Authority constitute a debt, liability, or general obligation of the Commonwealth. The Authority charges an annual administrative fee based upon the outstanding principal amount of the bonds it has issued, payable on each anniversary date of the closing of the bond issue. Such fees may vary upon the amount and type of issuance, but typically the issuance fee for a for-profit entity is one-eighth of one percent annually on the then outstanding principal balance of the loan supporting the bond. For bonds issued on behalf of 501c3s the annual fee is one-tenth of one percent annually on the then outstanding principal balance of the loan supporting the bond, with a cap of \$250,000. Per an agreement with certain localities of the Commonwealth, the VSBFA shares 40% of its bond fee revenue generated from 501 (c)(3)'s with all localities in Virginia. The VSBFA collects the full amount of the fee due from the 501 (c)(3) and then calculates the appropriate amount due to the localities on a pro-rata basis based on the amount of the issuance per locality. The VSBFA then pays the amount due to the locality per the agreement. The remaining monies collected are put in the VSBFA Operating account and are used to support the loan programs for the VSBFA and some administrative costs.

In 2009 the VSBFA's legislation was amended to expand the definition of "Business Enterprise to include any *entity acquiring, constructing, improving, maintaining, or operating a qualified transportation facility under the Public-Private Transportation Act of 1995 (§ 56-556 et seq).*" In the 2013-2014 budget and again in the 2015-2016 budget there is language that documents an agreed upon fee structure for a road project financed by a bond that was approved by the VSBFA this year. It states: *"For the I-95 HOV/HOT Lanes project as evidenced by the Comprehensive Agreement approved pursuant to the Public-Private Transportation Act of 1995, the maximum fee and/or premium charged by the Virginia Small Business Financing Authority pursuant to §§ 2.2-2291 and 2.2-2285, Code of Virginia, for acting as the conduit issuer for any bond financing is not to exceed \$25,000 per annum."* We expect this budget language to continue for future budgets.

See attached Trial Balance Bond Report for a listing of outstanding bonds issued by the Authority.

**(b) VSBFA Operating Fund/Loan Guaranty Program/Microloan Program/State EDLF/State Cash Collateral Program**

Net Assets totaling \$11,605,924 are divided into four separate loan funds, in addition to the operating funds of the VSBFA.

The **Loan Guaranty Program** provides guaranties up to the lesser of \$750,000 or 75% of lines of credit and term loans. This program was funded by \$900,000 of the initial \$1,000,000 appropriation received by the Authority in 1984. In 2002 and again in 2004, \$500,000 and \$600,000 respectively were transferred from the state Economic Development Loan Fund (EDLF (0921)) to provide for continued funding of the program. In '07, '11 and '12 the GA provided additional funding of \$1,250,000, \$1,000,000 and \$5,000,000 respectively. The *Loan Guaranty Program* had guaranties outstanding of \$7,394,587 and no outstanding loan commitments at the 2015 year-end. The Authority charges an upfront guaranty fee of 1.5% of the guaranteed portion of the loan.

The **Microloan Program** had net outstanding loans of \$1,066,101 and no outstanding loan commitments at the 2015 year-end. Allowance for Doubtful Accounts for the *Microloan Program* at the 2015 year-end was \$21,757. Charge-offs in this program totaled \$25,681 for the 2015 fiscal year.

The **State Economic Development Fund** had \$1,501,879 in net outstanding loans and \$115,690 in commitments at the 2015 year-end. Allowance for Doubtful Accounts for the *State Economic Development Fund* at the 2015 year-end was \$30,651. There were no charge-offs in this program during the 2015 fiscal year.

The **State Cash Collateral Program** (State CCP) is a collateral support program, supporting eligible loans at participating banks that have a deficiency in collateral. Loans that are deemed ineligible for participation in the *State Small Business Credit Initiative* CCP, but still deemed eligible for funding from VSBFA funds are funded through this program. At the 2015 year-end the Authority had funded \$1,390,329 in State Cash Collateral Program deposits. These cash collateral deposits are on deposit at participating lenders in accounts owned by the VSBFA. They are considered public funds.

VSBFA has \$626 in outstanding checks and \$36,344 in accrued payroll and benefits. **A portion of the Net Assets in this program are Restricted under the rules of GASBS #34 and #70 due to the formal commitments to provide guaranties, collateral support, and loans to our participating lenders, vendor payments and the legal obligation to the VSBFA of such commitments. \$2,396,394 is unrestricted at year end. Subsequent to the year end, the VSBFA has been in discussion with others that may involve funding for new economic development projects in highly distressed localities.**

In the biennial budget for 2012-2014 there is language that was intended to expand our ability to provide guaranties. The budget language states *"The Virginia Small Business Finance Authority is authorized to insure additional loans for eligible small businesses, pursuant to § 2.2-2290, Code of Virginia, up to an aggregate amount not to exceed four times the principal amount in the Insurance or Guarantee Fund, or up to an aggregate amount of \$15,000,000, whichever is less. In the event that the authority is called upon to pay on guaranties of loans of more than 10 percent of the aggregate amount of all outstanding insured loans, the authority shall not insure any further loans and shall immediately notify the Governor and the Chairmen of the House Appropriations and Senate Finance Committees. Pursuant to § 4-1.03.5 of this act, the Director, Department of Planning and Budget, is authorized to transfer a sum sufficient to the Insurance or*



*Guarantee Fund in the event the amount in the fund falls below the amount needed to honor any guarantee.”*

This change was intended to allow the Authority to once again market the program at a more significant level and provide for additional guaranties to help more small businesses. The “whichever is less” language was inserted in error and must be corrected in order to accomplish the intended goal.

This program’s funds are carried under the Authority’s operating account which also receives the income from the bond program. Earnings from the bonds and the continued funding from the Virginia General Assembly have enabled the Authority to provide the capital for the *Loan Guaranty Program*, the *State EDLF* and *Cash Collateral Program*, the *Microloan Program* and the *Virginia Capital Access Program (VCAP)*. This year the VCAP was able to reimburse the operating account \$37,224 in money “clawed-back” from one inactive bank reserve account. This money will be used to support the VSBFA's existing loan programs and operating expenses.

**(c) *State Small Business Credit Initiative (0715)***

On August 15, 2011 we entered into an agreement with the U.S. Treasury to accept Virginia’s allocation of the money available under the State Small Business Credit Initiative (SSBCI). Virginia has now received \$17,953,191 in three funding tranches. The VSBFA received the second tranche in April 2014 and the third tranche in April 2015. Under our SSBCI program, the VSBFA offers a *Cash Collateral Program*, *SSBCI Capital Access Program*, and a direct “gap” loan program. The VSBFA also used \$1,977,532 of the second tranche to create a new venture fund, in partnership with Virginia’s Center for Innovative Technology (CIT). VSBFA anticipates a portion of the third tranche will be used for additional funding to CIP for the same purpose. The SSBCI has established a goal for participating states to reach a leverage of private sector dollars to SSBCI dollars of 10:1. At the 2015 year-end, the Authority had CAP reserve accounts totaling \$448,613, one direct SSBCI loan in the amount of \$336,488 and *Cash Collateral Program* reserve accounts totaling \$8,143,457. (Also included in the CCP reserves accounts was \$1,390,320 of VSBFA funds utilized to support CCP transactions which did not qualify for SSBCI funding.) All of these federal dollars are Restricted.

**(d) *Child Care Financing Program (0380)***

This program is funded by a federal Child Care and Development Block Grant received by the Virginia Department of Social Services. Under a Memorandum of Agreement the Authority is charged to administer the Child Care and Development Fund. Such administrative duties include creating the program, including the amounts and terms of such loans, processing loan applications, closing and funding of loans, marketing the loan program, and managing the loan portfolio. The *Child Care Financing Program* offers regulated childcare providers or pending regulated providers low-interest installment loans to fund quality enhancement projects or projects to meet or maintain state or local child care requirements, including health, safety and fire codes. A provider must be either a family day provider or operate a child care center. Loan repayments must flow back into the fund to be used to fund future loans and the operating expenses to administer the program. As such, the net assets of this fund are Restricted due to the restraints imposed by the federal grant (GASBS #34) and the MOA mentioned above. At June 30, 2015 net loans receivable totaled \$443,333 and the Authority had \$150,000 in outstanding loan commitments. Allowance for Doubtful Accounts as of the 2015 year-end was \$9,045 and there were no charge-offs for the 2015 year.

**(e) Federal Economic Development Loan Fund (0243)**

The Federal *Economic Development Loan Fund* provides loans generally up to \$1,000,000 to bridge the gap between private debt financing and private equity for projects that will result in job creation or retention. The *Defense Conversion Revolving Loan Fund* provides loans up to \$1,000,000 to assist defense-dependent companies seeking to expand into commercial markets and diversify their operations. Loans can be made to Virginia businesses and to economic development authorities. In an effort to assist our distressed communities, the amount and terms of the loans can be higher and less restrictive for economic development authorities located in highly distressed areas of the Commonwealth. The EDLF was capitalized by three U.S. Economic Development Administration (EDA) grants and the required state matching funds, which are restricted to this fund to be in compliance with the original terms and conditions of the EDA grants. The monies in this program are *non-general funds*. Net loans receivable totaled \$10,003,937 at June 30, 2015 and there were \$3,395,916 in outstanding loan commitments. Allowance for Doubtful Accounts was \$204,162 at June 30, 2015 and there were no charge-offs during 2015. The net assets in this fund are Restricted due to the restraints imposed by the federal grant.

**(f) Small Business Environmental Compliance Assistance Fund (0930)**

This program is funded by the Department of Environmental Quality (DEQ). The Authority administers the Fund for DEQ pursuant to a tri-party cooperative agreement which was executed between the Authority; the former Department of Business Assistance, and DEQ. Under this agreement the Authority is charged to administer the Fund. Such administrative duties include creating the program, including the amounts and terms of such loans, processing loan applications, closing and funding of loans, marketing the loan program, and managing the loan portfolio. Under the enabling legislation, the DEQ fund provides direct loans to small businesses for the purchase of equipment to comply with the federal Clean Air Act, equipment to implement voluntary Pollution Prevention measures, or equipment or structures to implement Agricultural Best Management Practices. The Net Loans Receivable as of June 30, 2015 were \$81,313 and there were no outstanding loan commitments. Allowance for Doubtful Accounts was \$1,659 and there were no charge-offs during 2015 in this program. As of December 2015, the program has been discontinued and the remaining cash on hand as of November 30, 2015 has been transferred back to DEQ. The Authority will continue to service two remaining outstanding loans until paid in full. The Authority and DEQ have agreed to transfer collections from these remaining loans prior to each fiscal year-end until the remaining loans have been paid in full.

**(f) Small Business Growth Fund aka Virginia Capital Access Program (0957)**

The Virginia Small Business Growth Fund, also known as the Authority's *Virginia Capital Access Program (VCAP)*, provides a form of loan portfolio insurance for participating banks through special loan loss reserve accounts which are funded by loan enrollment premiums paid by the bank/borrower and matched by the Authority from the Fund. The monies in these loan loss reserve accounts are available to cover losses on loans enrolled by the participating bank. The Fund has been largely capitalized by state general fund appropriations, and VCAP was initially launched with \$74,717 from the Authority's operating account. In 2005 the Authority received a \$300,000 appropriation from the General Assembly to continue the funding of this program. During '06 \$133,000 was transferred from the Authority's operating/LGP fund to the Virginia Capital Access Program (VCAP) to keep VCAP funded and therefore operational a few more months. Effective July 1, 2006, the General Assembly appropriated \$1,250,000 to the Authority. \$500,000 of this appropriation was transferred to VCAP to recapitalize the program and the loan from the VSBFA was paid back. Again in 2008 and 2009 the VSBFA had to loan \$200,000 and \$140,577 respectively to this fund to keep it

operational. During 2010, \$235,000 was transferred to the fund from the VSBFA operating account to cover payroll processing and matches. \$200,000 was transferred in during 2011 and \$100,000 in 2012 for matching fees. The total balance of the loan loss reserve accounts at participating banks at FY 2015 year-end was \$153,581. This balance includes premiums paid by the bank/borrower; matching contributions from the Fund; account interest earned; less any withdrawals to cover loan losses. The balances in the bank accounts are Restricted by the enabling legislation and the terms and conditions of the participating agreements executed by the Authority and the participating banks. Only \$20,840 in cash for this Fund is considered unrestricted. Since 2013, when the Authority began utilizing SSBCI funding for the SSBCI *Capital Access Program*, this fund is typically only used for eligible "double matches" and for loan purposes that do not meet the federal requirements. There were \$37,224 in funds "clawed-back" during the 2015 fiscal year from bank reserve account with banks who were no longer utilizing the program.

**(h) Tobacco Southside Region Capital Access Program (0900)**

The *Tobacco Capital Access Program* (TCAP) provided a form of loan portfolio insurance for participating banks through special loan loss reserve accounts, which were funded by loan enrollment premiums paid by the bank/borrower and matched by the Authority from the Fund. The TCAP program was discontinued effective November 16, 2015. The remaining monies in these loan loss reserve accounts will continue to be available to cover losses on loans enrolled by the participating bank. The balances in the bank accounts are Restricted by the constraints placed upon the fund by the Tobacco Commission, the terms and conditions outlined in the Tri-party MOA, and the terms and conditions of the participating agreements executed by the VSBFA and the participating banks. At FY 2015 year-end, there was \$531,164 in the TCAP reserve accounts. Only \$51,358 in cash is considered unrestricted.

**(i) P.A.C.E Fund (0215)**

This Department of Minority Business Enterprise (DMBE) fund provided credit enhancements to participating banks through a capital access program (CAP) as described under the Small Business Growth Fund or loan guaranties up to 90% as described under the *Loan Guaranty Program*. The Fund was initially capitalized with \$309,569 from DMBE. The administration of the cash holdings in the fund is pursuant to a tri-party cooperative agreement between the Authority, the former Department of Business Assistance and the former DMBE. During FY2007 Authority assumed all duties for the fund including the accounting for the loan guaranties and enrolled loans under the CAP, marketing, guaranty approvals, enlisting and executing participation agreements with the CAP banks and approving all claims under the guaranty aspect of the program. At FY 2015 year-end, there were no outstanding guaranties and no money left in CAP reserve accounts under this fund and \$252,401 in unrestricted cash. In September 2015, the remaining cash in this program was transferred to 0215 in order that the funds could be combined with new funding from the Virginia General Assembly for the *SWAM Microloan Program*.

**(3) Non-restricted Assets**

The only non-restricted assets of the Authority as of June 30, 2015 are those cash assets of the VSBFA, (\$482,574), *State EDLF* (\$717,983), *Microloan Program* (\$333,357), *VCAP* (\$20,840), *ECAF* (\$381,375), *TCAP* (\$51,358) and *PACE* (\$252,401), and the notes receivables and accrued interest. The other assets in the funds have been contractually restricted due to agreements, grants, legislation and commitments. All other assets of the Authority are restricted in nature, either by agreements with other agencies and/or third party participants, legislation and laws.

#### **(4) Loans Receivable**

Substantially all loans receivable are secured by liens on business assets of the borrower or personal assets of the guarantor(s), and by the personal guaranties of all majority business owners. Rates and terms vary depending upon the program and the market rates at the time of loan closing.

#### **(5) Cash and Investments**

Cash includes cash on hand and amounts in checking accounts, which are insured by the Federal Depository Insurance Corporation or are collateralized under provisions of the Virginia Security for Public Deposits Act, Section 2.2-4400 et.seq. of the Code of Virginia (a multiple financial institution collateral pool). Under the Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board. Deposits covered by the Act are considered insured since the Treasury Board is authorized to make additional assessments. Generally the immediate operating cash in the VSBFA fund (Bond, loan program and LGP) and the *Child Day Care Financing Program* are on deposit at Wells Fargo and SunTrust in an amount sufficient to cover service charges and expected loan fundings. The VSBFA keeps some cash at a commercial bank to allow for ACH payments on loans. The excess operating money of the funds is held in three separate LGIP accounts. All other funds are invested with the Treasurer of Virginia.

#### **(6) Securities Lending Transactions**

\$364,211 of the Investments held by the Treasurer of Virginia represents the Authority's allocated share of cash collateral received and reinvested and securities received for the State Treasury's securities lending program. Information related to the credit risk of these investments and the State Treasury's securities lending program is available on a statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report. The Commonwealth's policy is to record unrealized gains and losses in the General Fund in the Commonwealth's basic financial statements. When gains or losses are realized, the actual gains and losses are recorded by the affected agencies.

#### **(7) Relationships with the Department of Small Business and Supplier Diversity**

The Executive Director of the Authority is appointed by the Director of the Department of Small Business and Supplier Diversity in accordance with Section 9-204 of the Code of Virginia. The Director of the Department of Small Business and Supplier Diversity is a voting ex-officio member of the Authority's Board. The Department of Small Business and Supplier Diversity also provides the Authority with office space and pays certain administrative expenses.

#### **(8) Surety Bond**

The Executive Director of the Authority was covered by a Faithful Performance Duty Bond administered by the Commonwealth of Virginia's Department of General Services, Division of Risk Management with liability limits of \$500,000 for each occurrence.

**Trial Balance Report By Customer**  
**Virginia Small Business Financing Authority-Bonds**  
**Accumulated Through 8/16/2015**

Customer ID Facility ID Loan ID	Officer Branch Customer Name	GL Code Loan Type	Active Maturity Revlr Cd	Day Code Perf Status Rate Code	Fixed Base Spread Rate	Principal Bal Interest Late Fee	Accruing Bal Interest MTD Daily Accrual	Commitment Available Original Commit
FSD077108 001 30900475	Linda BONDS Carilion Clinic	501C3 Interest Only	7/16/2008 7/1/2042 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$50,000,000.00 \$0.00 \$0.00	\$50,000,000.00 \$0.00 \$0.00	\$160,000,000.00 \$0.00 \$175,000,000.00
FSD077108 001 30900480	Linda BONDS Carilion Clinic	501C3 Interest Only	7/16/2008 7/1/2042 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$110,000,000.00 \$0.00 \$0.00	\$110,000,000.00 \$0.00 \$0.00	\$160,000,000.00 \$0.00 \$175,000,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD077108</b>				<b>\$160,000,000.00</b>	<b>\$160,000,000.00</b>	<b>\$160,000,000.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$175,000,000.00</b>
FSD094511 001 31100665	Linda BONDS The Trustees of Roanoke College	501C3 Interest Only	3/2/2011 4/1/2026 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$4,045,000.00 \$0.00 \$0.00	\$4,045,000.00 \$0.00 \$0.00	\$14,480,000.00 \$0.00 \$16,000,000.00
FSD094511 001 31100670	Linda BONDS The Trustees of Roanoke College	501C3 Interest Only	3/2/2011 4/1/2028 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$955,000.00 \$0.00 \$0.00	\$955,000.00 \$0.00 \$0.00	\$14,480,000.00 \$0.00 \$16,000,000.00
FSD094511 001 31100675	Linda BONDS The Trustees of Roanoke College	501C3 Interest Only	3/2/2011 4/1/2033 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$2,880,000.00 \$0.00 \$0.00	\$2,880,000.00 \$0.00 \$0.00	\$14,480,000.00 \$0.00 \$16,000,000.00
FSD094511 001 31100680	Linda BONDS The Trustees of Roanoke College	501C3 Interest Only	3/2/2011 4/1/2041 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$6,600,000.00 \$0.00 \$0.00	\$6,600,000.00 \$0.00 \$0.00	\$14,480,000.00 \$0.00 \$16,000,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD094511</b>				<b>\$14,480,000.00</b>	<b>\$14,480,000.00</b>	<b>\$14,480,000.00</b>
	<b>Number of Loans:</b>	<b>4</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$16,000,000.00</b>
FSD108811 001 31100630	MaryJo BONDS Bon Secours Health System Inc/Obliga	501C3 Interest Only	10/19/2010 11/1/2042 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$40,740,000.00 \$0.00 \$0.00	\$40,740,000.00 \$0.00 \$0.00	\$40,740,000.00 \$0.00 \$325,000,000.00

**Trial Balance Report By Customer**  
**Virginia Small Business Financing Authority-Bonds**  
**Accumulated Through 8/16/2015**

Customer ID Facility ID Loan ID	Officer Branch Customer Name	GL Code Loan Type	Active Maturity Revlr Cd	Day Code Perf Status Rate Code	Fixed Base Spread Rate	Principal Bal Interest Late Fee	Accruing Bal Interest MTD Daily Accrual	Commitment Available Original Commit
FSD124510 001 31000505	Anna BONDS Airport Property Partners, LLC	IDB Interest Only	1/1/2010 1/1/2040 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$25,000.00 \$0.00 \$0.00	\$25,000.00 \$0.00 \$0.00	\$25,000.00 \$0.00 \$7,000,000.00
FSD128011 001 31100610	Anna BONDS International Parkway Associates, LLC/	IDB Interest Only	10/26/2010 11/1/2025 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$1,023,361.32 \$0.00 \$0.00	\$1,023,361.32 \$0.00 \$0.00	\$1,023,361.32 \$0.00 \$1,385,000.00
FSD140811 001 31100620	MaryJo BONDS The Nansemond-Suffolk Academy Asso	501C3 Interest Only	12/30/2010 12/30/2020 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$3,583,333.35 \$0.00 \$0.00	\$3,583,333.35 \$0.00 \$0.00	\$3,583,333.35 \$0.00 \$4,400,000.00
FSD165007 001 30700435	MaryJo BONDS Virginia State University Real Estate Fo	501C3 Interest Only	12/1/2006 7/1/2031 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$16,750,000.00 \$0.00 \$0.00	\$16,750,000.00 \$0.00 \$0.00	\$16,750,000.00 \$0.00 \$22,000,000.00
FSD188610 001 31000570	MaryJo BONDS Trinity Episcopal School Inc	501C3 Interest Only	2/18/2010 2/1/2035 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$6,224,000.00 \$0.00 \$0.00	\$6,224,000.00 \$0.00 \$0.00	\$6,224,000.00 \$0.00 \$10,000,000.00
FSD190110 001 31000515	Anna BONDS Sentara Healthcare	501C3 Interest Only	1/28/2010 11/1/2040 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$247,040,000.00 \$0.00 \$0.00	\$247,040,000.00 \$0.00 \$0.00	\$247,040,000.00 \$0.00 \$300,000,000.00
FSD217611 001 31100625	MaryJo BONDS University of Virginia Foundation	501C3 Interest Only	12/21/2010 12/1/2030 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$9,495,278.29 \$0.00 \$0.00	\$9,495,278.29 \$0.00 \$0.00	\$9,495,278.29 \$0.00 \$15,000,000.00
FSD307607 001 30800455	Mary Jo BONDS NPPF Intermediate Funding I, LLC	501C3 Interest Only	8/17/2007 8/1/2027 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$9,215,000.00 \$0.00 \$0.00	\$9,215,000.00 \$0.00 \$0.00	\$9,215,000.00 \$0.00 \$11,000,000.00
FSD307607 002 30800460	Mary Jo BONDS NPPF Intermediate Funding I, LLC	501C3 Interest Only	10/10/2007 8/1/2027 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$3,695,000.00 \$0.00 \$0.00	\$3,695,000.00 \$0.00 \$0.00	\$3,695,000.00 \$0.00 \$31,000,000.00

**Trial Balance Report By Customer**  
**Virginia Small Business Financing Authority-Bonds**  
**Accumulated Through 8/16/2015**

Customer ID	Officer	GL Code	Active	Day Code	Fixed Base	Principal Bal	Accruing Bal	Commitment
Facility ID	Branch	Loan Type	Maturity	Perf Status	Spread	Interest	Interest MTD	Available
Loan ID	Customer Name		Revlr Cd	Rate Code	Rate	Late Fee	Daily Accrual	Original Commit
FSD307607	Mary Jo	501C3	12/23/2010	Actual/365	0.0000000000	\$14,109,010.00	\$14,109,010.00	\$14,109,010.00
004	BONDS	Interest Only	6/1/2037	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31100685	NPPF Intermediate Funding I, LLC		C	001	0.0000000000	\$0.00	\$0.00	\$15,000,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD307607</b>				<b>\$27,019,010.00</b>	<b>\$27,019,010.00</b>	<b>\$27,019,010.00</b>
	<b>Number of Loans:</b>	<b>3</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$57,000,000.00</b>
FSD365611	MaryJo	IDB	4/1/2012	Actual/365	0.0000000000	\$42,365,000.00	\$42,365,000.00	\$663,750,000.00
001	BONDS	Interest Only	7/1/2027	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31200695	Elizabeth River Crossings, LLC		C	001	0.0000000000	\$0.00	\$0.00	\$1,250,000,000.00
FSD365611	MaryJo	IDB	4/1/2012	Actual/365	0.0000000000	\$91,795,000.00	\$91,795,000.00	\$663,750,000.00
001	BONDS	Interest Only	1/1/2032	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31200700	Elizabeth River Crossings, LLC		C	001	0.0000000000	\$0.00	\$0.00	\$1,250,000,000.00
FSD365611	MaryJo	IDB	4/1/2012	Actual/365	0.0000000000	\$209,185,000.00	\$209,185,000.00	\$663,750,000.00
001	BONDS	Interest Only	7/1/2037	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31200705	Elizabeth River Crossings, LLC		C	001	0.0000000000	\$0.00	\$0.00	\$1,250,000,000.00
FSD365611	MaryJo	IDB	4/1/2012	Actual/365	0.0000000000	\$320,405,000.00	\$320,405,000.00	\$663,750,000.00
001	BONDS	Interest Only	1/1/2042	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31200710	Elizabeth River Crossings, LLC		C	001	0.0000000000	\$0.00	\$0.00	\$1,250,000,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD365611</b>				<b>\$663,750,000.00</b>	<b>\$663,750,000.00</b>	<b>\$663,750,000.00</b>
	<b>Number of Loans:</b>	<b>4</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,250,000,000.00</b>
FSD409207	MaryJo	501C3	9/26/2006	Actual/365	0.0000000000	\$6,066,168.41	\$6,066,168.41	\$9,573,860.21
001	BONDS	Interest Only	9/1/2036	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
30700425	Community Residence Inc and Commu		C	001	0.0000000000	\$0.00	\$0.00	\$12,000,000.00
FSD409207	MaryJo	501C3	9/26/2006	Actual/365	0.0000000000	\$3,507,691.80	\$3,507,691.80	\$9,573,860.21
001	BONDS	Interest Only	9/1/2016	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
30700430	Community Residence Inc and Commu		C	001	0.0000000000	\$0.00	\$0.00	\$12,000,000.00

**Trial Balance Report By Customer**  
**Virginia Small Business Financing Authority-Bonds**  
**Accumulated Through 8/16/2015**

Customer ID	Officer	GL Code	Active	Day Code	Fixed Base	Principal Bal	Accruing Bal	Commitment
Facility ID	Branch	Loan Type	Maturity	Perf Status	Spread	Interest	Interest MTD	Available
Loan ID	Customer Name		Revlr Cd	Rate Code	Rate	Late Fee	Daily Accrual	Original Commit
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD409207</b>				<b>\$9,573,860.21</b>	<b>\$9,573,860.21</b>	<b>\$9,573,860.21</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$12,000,000.00</b>
FSD460312	Patty	501C3	6/7/2012	Actual/365	0.0000000000	\$4,016,010.00	\$4,016,010.00	\$4,016,010.00
001	BONDS	Interest Only	9/1/2028	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31400770	Diocese of Richmond Housing Corp		C	001	0.0000000000	\$0.00	\$0.00	\$5,500,000.00
FSD490510	Anna	501C3	8/19/2010	Actual/365	0.0000000000	\$2,299,349.46	\$2,299,349.46	\$2,299,349.46
001	BONDS	Interest Only	3/1/2018	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31100590	Peninsula Metropolitan YMCA		C	001	0.0000000000	\$0.00	\$0.00	\$6,000,000.00
FSD510205333	Anna	501C3	6/26/2014	Actual/365	0.0000000000	\$10,032,000.00	\$10,032,000.00	\$40,131,000.00
003	BONDS	Interest Only	8/1/2038	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31500800	Virginia Museum of Fine Arts Foundati		C	001	0.0000000000	\$0.00	\$0.00	\$40,200,000.00
FSD510205333	Anna	501C3	6/26/2014	Actual/365	0.0000000000	\$30,099,000.00	\$30,099,000.00	\$40,131,000.00
003	BONDS	Interest Only	8/1/2038	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31500805	Virginia Museum of Fine Arts Foundati		C	001	0.0000000000	\$0.00	\$0.00	\$40,200,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD510205333</b>				<b>\$40,131,000.00</b>	<b>\$40,131,000.00</b>	<b>\$40,131,000.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$40,200,000.00</b>
FSD520510	Anna	501C3	7/1/2010	Actual/365	0.0000000000	\$7,960,370.00	\$7,960,370.00	\$7,960,370.00
001	BONDS	Interest Only	12/31/2021	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31100595	YMCA of South Hampton Roads		C	001	0.0000000000	\$0.00	\$0.00	\$11,800,000.00
FSD520510	Anna	501C3	5/31/2012	Actual/365	0.0000000000	\$6,738,311.00	\$6,738,311.00	\$6,738,311.00
002	BONDS	Interest Only	5/31/2022	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
3130750	YMCA of South Hampton Roads		C	001	0.0000000000	\$0.00	\$0.00	\$11,100,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD520510</b>				<b>\$14,698,681.00</b>	<b>\$14,698,681.00</b>	<b>\$14,698,681.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$22,900,000.00</b>



**Trial Balance Report By Customer**  
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Customer ID Facility ID Loan ID	Officer Branch Customer Name	GL Code Loan Type	Active Maturity Revlr Cd	Day Code Perf Status Rate Code	Fixed Base Spread Rate	Principal Bal Interest Late Fee	Accruing Bal Interest MTD Daily Accrual	Commitment Available Original Commit
FSD521238037 002 31300735	Anna BONDS Miltco LC	IDB Interest Only	8/21/2012 8/21/2018 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$5,851,960.10 \$0.00 \$0.00	\$5,851,960.10 \$0.00 \$0.00	\$5,851,960.10 \$0.00 \$6,000,000.00
FSD530204610 002 31100645	MaryJo BONDS National Capital Area Council, Boy Sco	501C3 Interest Only	12/30/2010 12/30/2020 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$1,310,525.00 \$0.00 \$0.00	\$1,310,525.00 \$0.00 \$0.00	\$4,377,129.18 \$0.00 \$6,000,000.00
FSD530204610 002 31100650	MaryJo BONDS National Capital Area Council, Boy Sco	501C3 Interest Only	12/30/2010 12/30/2020 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$1,796,471.44 \$0.00 \$0.00	\$1,796,471.44 \$0.00 \$0.00	\$4,377,129.18 \$0.00 \$6,000,000.00
FSD530204610 002 31100655	MaryJo BONDS National Capital Area Council, Boy Sco	501C3 Interest Only	12/30/2010 12/30/2020 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$893,633.35 \$0.00 \$0.00	\$893,633.35 \$0.00 \$0.00	\$4,377,129.18 \$0.00 \$6,000,000.00
FSD530204610 002 31100660	MaryJo BONDS National Capital Area Council, Boy Sco	501C3 Interest Only	12/30/2010 12/30/2020 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$376,499.39 \$0.00 \$0.00	\$376,499.39 \$0.00 \$0.00	\$4,377,129.18 \$0.00 \$6,000,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD530204610</b>				<b>\$4,377,129.18</b>	<b>\$4,377,129.18</b>	<b>\$4,377,129.18</b>
	<b>Number of Loans:</b>	<b>4</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,000,000.00</b>
FSD531710 002 31200690	MaryJo BONDS Memorial Trustees of the VA Diocesan	501C3 Interest Only	2/23/2012 5/1/2032 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$3,669,763.00 \$0.00 \$0.00	\$3,669,763.00 \$0.00 \$0.00	\$3,669,763.00 \$0.00 \$4,025,000.00
FSD539511 001 31100615	MaryJo BONDS Goodwill Industries of Central Virginia	501C3 Interest Only	2/3/2011 2/1/2024 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$10,504,880.00 \$0.00 \$0.00	\$10,504,880.00 \$0.00 \$0.00	\$10,504,880.00 \$0.00 \$15,200,000.00
FSD539511 002 31300755	MaryJo BONDS Goodwill Industries of Central Virginia	501C3 Interest Only	8/13/2012 5/1/2033 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$6,578,031.85 \$0.00 \$0.00	\$6,578,031.85 \$0.00 \$0.00	\$6,578,031.85 \$0.00 \$8,000,000.00

**Trial Balance Report By Customer**  
**Virginia Small Business Financing Authority-Bonds**  
**Accumulated Through 8/16/2015**

Customer ID	Officer	GL Code	Active	Day Code	Fixed Base	Principal Bal	Accruing Bal	Commitment
Facility ID	Branch	Loan Type	Maturity	Perf Status	Spread	Interest	Interest MTD	Available
Loan ID	Customer Name		Revlr Cd	Rate Code	Rate	Late Fee	Daily Accrual	Original Commit
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD539511</b>				<b>\$17,082,911.85</b>	<b>\$17,082,911.85</b>	<b>\$17,082,911.85</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$23,200,000.00</b>
FSD540419452	Anna	501C3	6/27/2013	Actual/365	0.0000000000	\$110,000.00	\$110,000.00	\$110,000.00
003	BONDS	Interest Only	6/1/2033	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31400760	Virginia Historical Society		C	001	0.0000000000	\$0.00	\$0.00	\$15,000,000.00
FSD540419452	Anna	501C3	6/27/2013	Actual/365	0.0000000000	\$4,550,530.00	\$4,550,530.00	\$4,550,530.00
004	BONDS	Interest Only	6/1/2020	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31400765	Virginia Historical Society		C	001	0.0000000000	\$0.00	\$0.00	\$4,914,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD540419452</b>				<b>\$4,660,530.00</b>	<b>\$4,660,530.00</b>	<b>\$4,660,530.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$19,914,000.00</b>
FSD540506319	Anna	501C3	12/15/2005	Actual/365	0.0000000000	\$6,115,000.00	\$6,115,000.00	\$6,115,000.00
002	BONDS	Interest Only	12/31/2022	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
30600400	Mary Baldwin College		C	001	0.0000000000	\$0.00	\$0.00	\$11,345,000.00
FSD540506319	Anna	501C3	2/23/2012	Actual/365	0.0000000000	\$2,583,160.00	\$2,583,160.00	\$2,583,160.00
004	BONDS	Interest Only	10/1/2024	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31200715	Mary Baldwin College		C	001	0.0000000000	\$0.00	\$0.00	\$3,386,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD540506319</b>				<b>\$8,698,160.00</b>	<b>\$8,698,160.00</b>	<b>\$8,698,160.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$14,731,000.00</b>
FSD540506321	MaryJo	501C3	9/19/2012	Actual/365	0.0000000000	\$69,041,940.00	\$69,041,940.00	\$69,041,940.00
002	BONDS	Interest Only	1/1/2023	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31300730	Children's Hospital of Kings Daughters		C	001	0.0000000000	\$0.00	\$0.00	\$76,400,000.00
FSD540701185	Anna	IDB	6/26/2001	Actual/365	0.0000000000	\$907,515.52	\$907,515.52	\$907,515.52
001	BONDS	Interest Only	6/21/2021	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
30100400	Eastern Sleep Products Co		C	001	0.0000000000	\$0.00	\$0.00	\$2,115,000.00

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Customer ID Facility ID Loan ID	Officer Branch Customer Name	GL Code Loan Type	Active Maturity Revlr Cd	Day Code Perf Status Rate Code	Fixed Base Spread Rate	Principal Bal Interest Late Fee	Accruing Bal Interest MTD Daily Accrual	Commitment Available Original Commit
FSD540808788 002 30500005	Anna BONDS BSL, LLC	IDB Interest Only	7/1/2004 10/20/2020 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$1,260,000.00 \$0.00 \$0.00	\$1,260,000.00 \$0.00 \$0.00	\$1,260,000.00 \$0.00 \$3,000,000.00
FSD541666531 001 30500020	Anna BONDS Virginia Commonwealth University Rea	501C3 Interest Only	5/9/2005 11/1/2025 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$3,370,940.00 \$0.00 \$0.00	\$3,370,940.00 \$0.00 \$0.00	\$3,370,940.00 \$0.00 \$5,200,000.00
FSD587310 001 31100585	Anna BONDS Jefferson Scholars Foundation	501C3 Interest Only	7/1/2010 7/1/2030 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$4,500,000.00 \$0.00 \$0.00	\$4,500,000.00 \$0.00 \$0.00	\$4,500,000.00 \$0.00 \$23,000,000.00
FSD588610 001 31000535	MaryJo BONDS Church Schools in the Diocese of Virgi	501C3 Interest Only	1/1/2010 1/1/2035 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$10,704,145.00 \$0.00 \$0.00	\$10,704,145.00 \$0.00 \$0.00	\$15,171,315.00 \$0.00 \$60,000,000.00
FSD588610 001 31000540	MaryJo BONDS Church Schools in the Diocese of Virgi	501C3 Interest Only	1/1/2010 1/1/2035 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$3,831,645.00 \$0.00 \$0.00	\$3,831,645.00 \$0.00 \$0.00	\$15,171,315.00 \$0.00 \$60,000,000.00
FSD588610 001 31000545	MaryJo BONDS Church Schools in the Diocese of Virgi	501C3 Interest Only	1/1/2010 5/1/2020 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$635,525.00 \$0.00 \$0.00	\$635,525.00 \$0.00 \$0.00	\$15,171,315.00 \$0.00 \$60,000,000.00
FSD588610 002 31000555	MaryJo BONDS Church Schools in the Diocese of Virgi	501C3 Interest Only	12/1/2009 12/1/2031 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$5,064,558.00 \$0.00 \$0.00	\$5,064,558.00 \$0.00 \$0.00	\$14,321,984.00 \$0.00 \$28,829,906.00
FSD588610 002 31000560	MaryJo BONDS Church Schools in the Diocese of Virgi	501C3 Interest Only	12/1/2009 1/1/2030 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$4,628,713.00 \$0.00 \$0.00	\$4,628,713.00 \$0.00 \$0.00	\$14,321,984.00 \$0.00 \$28,829,906.00
FSD588610 002 31000565	MaryJo BONDS Church Schools in the Diocese of Virgi	501C3 Interest Only	12/1/2009 1/1/2030 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$4,628,713.00 \$0.00 \$0.00	\$4,628,713.00 \$0.00 \$0.00	\$14,321,984.00 \$0.00 \$28,829,906.00

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**Virginia Small Business Financing Authority-Bonds**  
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Customer ID	Officer	GL Code	Active	Day Code	Fixed Base	Principal Bal	Accruing Bal	Commitment
Facility ID	Branch	Loan Type	Maturity	Perf Status	Spread	Interest	Interest MTD	Available
Loan ID	Customer Name		Revlr Cd	Rate Code	Rate	Late Fee	Daily Accrual	Original Commit
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD588610</b>				<b>\$29,493,299.00</b>	<b>\$29,493,299.00</b>	<b>\$29,493,299.00</b>
	<b>Number of Loans:</b>	<b>6</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$88,829,906.00</b>
FSD599008	MaryJo	501C3	1/29/2015	Actual/365	0.0000000000	\$115,090,000.00	\$115,090,000.00	\$115,090,000.00
002	BONDS	Interest Only	10/1/2029	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31500785	Hampton University/Hampton Rds Prot		C	001	0.0000000000	\$0.00	\$0.00	\$115,090,000.00
FSD599011	MaryJo	501C3	12/1/2010	Actual/365	0.0000000000	\$1,935,000.00	\$1,935,000.00	\$1,935,000.00
001	BONDS	Interest Only	4/1/2018	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31100605	Hampton University		C	001	0.0000000000	\$0.00	\$0.00	\$3,635,000.00
FSD617950	MaryJo	IDB	9/13/2007	Actual/365	0.0000000000	\$8,390,000.00	\$8,390,000.00	\$8,390,000.00
001	BONDS	Interest Only	9/1/2022	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
30800445	Bleachtech, LLC		C	001	0.0000000000	\$0.00	\$0.00	\$10,000,000.00
FSD632810	MaryJo	501C3	9/30/2009	Actual/365	0.0000000000	\$5,231,184.00	\$5,231,184.00	\$5,231,184.00
001	BONDS	Interest Only	12/5/2031	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31000530	Richmond SPCA		C	001	0.0000000000	\$0.00	\$0.00	\$6,500,000.00
FSD646507	Anna	501C3	7/1/2007	Actual/365	0.0000000000	\$55,000,000.00	\$55,000,000.00	\$55,000,000.00
001	BONDS	Interest Only	9/1/2037	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
30800440	Wellmont Health System		C	001	0.0000000000	\$0.00	\$0.00	\$55,000,000.00
FSD668813	MaryJo	IDB	7/31/2012	Actual/365	0.0000000000	\$71,690,000.00	\$71,690,000.00	\$241,950,000.00
001	BONDS	Interest Only	7/1/2034	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31300720	95 Express LLC		C	001	0.0000000000	\$0.00	\$0.00	\$241,950,000.00
FSD668813	MaryJo	IDB	7/31/2012	Actual/365	0.0000000000	\$170,260,000.00	\$170,260,000.00	\$241,950,000.00
001	BONDS	Interest Only	1/1/2040	Performing	0.0000000000	\$0.00	\$0.00	\$0.00
31300725	95 Express LLC		C	001	0.0000000000	\$0.00	\$0.00	\$241,950,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD668813</b>				<b>\$241,950,000.00</b>	<b>\$241,950,000.00</b>	<b>\$241,950,000.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$241,950,000.00</b>

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Customer ID Facility ID Loan ID	Officer Branch Customer Name	GL Code Loan Type	Active Maturity Revlr Cd	Day Code Perf Status Rate Code	Fixed Base Spread Rate	Principal Bal Interest Late Fee	Accruing Bal Interest MTD Daily Accrual	Commitment Available Original Commit
FSD678311 001 31100635	Anna BONDS Labels Unlimited LLC	IDB Interest Only	10/29/2010 10/1/2018 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$571,428.04 \$0.00 \$0.00	\$571,428.04 \$0.00 \$0.00	\$571,428.04 \$0.00 \$1,250,000.00
FSD790010 001 31000580	Anna BONDS The Virginia Home	501C3 Interest Only	1/14/2010 7/1/2022 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$5,255,000.00 \$0.00 \$0.00	\$5,255,000.00 \$0.00 \$0.00	\$5,255,000.00 \$0.00 \$8,125,000.00
FSD794807 003 31500790	Linda BONDS Friendship Foundation	501C3 Interest Only	7/1/2014 6/1/2039 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$16,468,790.00 \$0.00 \$0.00	\$16,468,790.00 \$0.00 \$0.00	\$16,468,790.00 \$0.00 \$16,850,478.00
FSD794807 004 31500795	Linda BONDS Friendship Foundation	501C3 Interest Only	7/1/2014 6/1/2039 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$10,196,600.00 \$0.00 \$0.00	\$10,196,600.00 \$0.00 \$0.00	\$10,196,600.00 \$0.00 \$19,649,522.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD794807</b>				<b>\$26,665,390.00</b>	<b>\$26,665,390.00</b>	<b>\$26,665,390.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$36,500,000.00</b>
FSD874415 001 31500775	MaryJo BONDS Rappahannock Goodwill Industries	501C3 Interest Only	10/24/2014 10/1/2024 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$4,400,000.00 \$0.00 \$0.00	\$4,400,000.00 \$0.00 \$0.00	\$14,500,000.00 \$0.00 \$14,500,000.00
FSD874415 001 31500780	MaryJo BONDS Rappahannock Goodwill Industries	501C3 Interest Only	10/24/2014 10/1/2024 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$10,100,000.00 \$0.00 \$0.00	\$10,100,000.00 \$0.00 \$0.00	\$14,500,000.00 \$0.00 \$14,500,000.00
<b>Customer Totals</b>	<b>Subtotals for:</b>	<b>FSD874415</b>				<b>\$14,500,000.00</b>	<b>\$14,500,000.00</b>	<b>\$14,500,000.00</b>
	<b>Number of Loans:</b>	<b>2</b>				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$14,500,000.00</b>
IDB99C000450 001 39700175	Anna BONDS Heritage Place LC	IDB Interest Only	12/11/1997 C	Actual/365 Performing 001	0.0000000000 0.0000000000 0.0000000000	\$615,000.00 \$0.00 \$0.00	\$615,000.00 \$0.00 \$0.00	\$615,000.00 \$0.00 \$3,000,000.00

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 Virginia Small Business Financing Authority-Bonds  
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Customer ID	Officer	GL Code	Active	Day Code	Fixed Base	Principal Bal	Accruing Bal	Commitment
Facility ID	Branch	Loan Type	Maturity	Perf Status	Spread	Interest	Interest MTD	Available
Loan ID	Customer Name		Revlr Cd	Rate Code	Rate	Late Fee	Daily Accrual	Original Commit
<b>Grand Totals:</b>	<b>Number of Loans:</b>	<b>66</b>				<b>\$1,888,966,034.32</b>	<b>\$1,888,966,034.32</b>	<b>\$1,888,966,034.32</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
						<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,037,349,906.00</b>