2016 will certainly be remembered as an exciting year for equity investors. After an inauspicious start, with the S&P 500 Index down nearly 11% through February 11th, domestic equity markets surged higher. The S&P ended 2016 up 11.96% while the Russell 2000 Index managed an astonishing 21.31% gain. Along the way, investors were met with major surprises in the forms of "Brexit" and a Trump victory. Each was initially thought to be a material negative, yet stocks powered higher. Earlier in the year, we noted rampant pessimism and ample cash on sidelines could provide fuel for upside. In the end this proved to be the case, perhaps even more so than we anticipated.

The fourth quarter was particularly fruitful as Trump's victory prompted a rally. The S&P jumped 3.8% while the Russell advanced 8.8%. To say the election caught investors flat-footed would be an understatement. The results were quickly perceived by markets as a plus and optimism surrounding lower taxes, fiscal stimulus and deregulation took hold. Many investors had been crowded into areas that would have benefited from the status quo and were underweight areas that could benefit most from a Trump presidency. In recent weeks we have witnessed a violent rotation as investors have abandoned "defense" and embraced a reflation trade in anticipation of improved growth and higher interest rates.

Shares of domestic companies have benefited disproportionately given Trump's protectionist rhetoric and the U.S. dollar strength that has accompanied newfound growth and rate expectations. This explains the outperformance of the small-cap oriented Russell 2000, which has a domestic bias. Conversely, large U.S. multinationals and companies that outsource heavily have been market laggards given both currency headwinds and potential policy headwinds. Meanwhile, bonds and income-oriented investments like utilities have suffered as interest rates have moved higher. The same applies to consumer staples stocks that were perceived as defensive. We have cautioned for a while that these perceived "safe" investments had become much riskier than investors realized due to a "fear bubble," although we didn't predict a Trump victory would cause that risk to manifest itself.

So what are the threats to this newborn rally? For one, the market has already discounted significant change well ahead of any true policy implementation. Any missteps could prompt a market setback. Also, many elements of Trump's protectionist ideas could hurt global trade and impair certain industries. Shares of many retail and apparel companies have recently suffered given the potential for new tariffs on imported goods. And then there are interest rates. So far, markets have managed to rally alongside rising rates as investors have chosen to emphasize the improved growth that should accompany higher rates (not to mention rates are still low by historical standards). However, rates increasing too much could slow the economy and depress equity valuations.

Market Returns	Q4 2016	2016
U.S. Large Caps	3.82	11.96
U.S. Mid Caps	3.21	13.80
U.S. Small Caps	8.83	21.31
International Developed Markets	-1.04	-1.88
Emerging Markets	-4.17	11.19
Intermediate Term Bonds	-2.07	2.08

Source: Morningstar Direct.

All told, the market may have borrowed something from 2017 with this wild close to 2016. Thus far in the Trump era, investors have been frantically swinging money between sectors to reposition for anticipated change. They may have discounted too much too soon for both the perceived winners and losers. We are hopeful that we are entering a new era of economic expansion, but are cautious about chasing many of the supposed winners after outsized gains. We also think there may be some value in areas that have been hurt by or left out of the "Trump trade." Speaking more broadly, we note the market's recent gains come after an 18-month period of trading sideways and valuations are close to historical averages.

Please see Important Disclosures at the back of this document for index definitions.

Davenport Core Fund

DAVPX

DAVENPORT
ASSET MANAGEMENT

The Core Fund advanced 2.42% during the final quarter of 2016, ending the year up 9.26%. This compared to the S&P 500, which posted gains of 3.82% and 11.96% for the quarter and full year, respectively.

Though the strategy kept pace with the S&P for much of the year, performance lagged during a volatile fourth quarter in which the presidential election set off a massive sector rotation that resulted in pro-cyclical (energy, materials, transports) and higher interest rate beneficiaries (i.e. banks) significantly outperforming more defensive areas such as consumer staples, REITS and utilities. As such, bank holdings such as Capital One Financial (COF), JP Morgan (JPM) and CME Group (CME) were among our top performers whereas names such as AB Inbev (BUD), Nestle (NSRGY) and American Tower (AMT) lagged. As noted in prior communications, we were in the process of implementing a shift out of some of the more defensive sectors into more cyclical names throughout the year. What we had undertaken as a process, played out in the market as an event (precipitated by the election), making it difficult to keep up with this rapid adjustment.

During the quarter, we continued our process with the purchase of Johnson Controls (JCI). Johnson Controls' two major end markets are non-residential building systems and automotive batteries, both of which we think have secular drivers that should lead to solid growth over the next several years. Furthermore, the company has completed a major transformation over the past year with the September completion of its merger with Tyco International and the October spinoff of Adient, its automotive experience business. We believe these actions will not only result in meaningful synergies, but also improve the company's value proposition to customers. Ultimately, the combination of mid-single-digit organic revenue growth and significant cost improvements could drive 12% - 15% EPS growth over the next several years (before considering an estimated ~$3B in capital deployment opportunities). This growth puts JCI at the high end of multi-industry peers, although the stock trades near the bottom of the group on a forward P/E basis. There is also a significant opportunity for improved free cash flow conversion as JCI nears the end of a significant capex cycle and management turns its focus to working capital improvement. In sum, we felt JCI was a high quality way to add cyclical exposure to the Fund at a reasonable valuation.

Over the past two years, equity markets have gone from one extreme to the other in terms of the performance of growth stocks versus value stocks. In 2015 the Russell 1000 Growth Index outpaced the Russell 1000 Value Index by roughly 9.5%. This year, the value index outperformed the growth index by more than 12%. Though our Fund has a growth bias, our more balanced positioning between the two styles has made it difficult to keep up with such polarized outcomes. Going forward, we intend to continue emphasizing high quality companies with attractive growth profiles at reasonable valuations. Ultimately, we believe this will help us achieve the competitive returns while taking less risk in the process.

The following chart represents Davenport Core Fund (DAVPX) performance and the performance of the S&P 500 Index, the Core Fund's primary benchmark, for the periods ended December 31, 2016.

	Q4 2016	1 Year	3 Years*	5 Years*	10 Years*	Since Inception* 1/15/98
Core Fund (DAVPX)	2.42	9.26	6.56	13.18	7.03	6.30
S&P 500 Index	3.82	11.96	8.87	14.66	6.95	6.44
30-Day SEC Yield: 0.50%; Expense Ratio in current prospectus: 0.92%						

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance data, current to the most recent month end, may be obtained by calling 1-800-281-3217.

*Returns great than one year are annualized. *The **S&P 500 Index** is comprised of 500 U.S. stocks and is an indicator of the performance of the overall U.S. stock market. An investor cannot invest in an index and its returns are not indicative of the performance of any specific investment.

Davenport Core Fund Quarterly Transactions

DAVPX

DAVENPORT
ASSET MANAGEMENT

Recent Purchases

AmerisourceBergen (ABC)—We increased our position during the quarter as we think that shares have become undervalued after trending down for the past year and a half. (The company remains on an attractive growth trajectory, and we remain very attracted to ABC's free cash flow generation.)

Facebook (FB)—A strong performer since we last owned it in this fund, we initiated a small position in FB during the quarter, with an eye towards adding to the stock if it pulls back.

Johnson Controls International PLC (JCI)—We elected to initiate a position in JCI, a $40 billion multi-industry company which is a leading provider of automotive power solutions and products and services to the non-residential building systems market.

MasterCard Inc. (MA)—Attracted to a combination of 4 primary value drivers over the next few years (revenue growth, margin expansion, multiple expansion and capital allocation), we initiated a position in this American multinational financial services company with a proven track record of generating exceptional shareholder returns over time.

Recent Sales

Oracle Corp (ORCL)—While we think ORCL may ultimately be successful in its transformation to the cloud, we elected to sell our position and free up funds for opportunities offering a better risk/reward profile.

Wells Fargo & Co (WFC)—Despite an attractive current yield, we opted to sell our position in favor of more timely opportunities while also reducing our overweight to the banking sector.

Top Ten Holdings* - % of Net Assets

as of 12/31/2016

Capital One Financial Corp	3.76
Markel Corp	3.47
Brookfield Asset Management**	3.06
Carmax Inc	3.04
Johnson & Johnson	2.86
Citigroup Inc	2.83
Visa Inc.	2.79
American Tower Corp	2.79
Berkshire Hathaway Inc B	2.78
JPMorgan Chase & Co	2.78

**Holdings subject to change without notice. **Foreign Holding*
The recent transactions profiled above represent securities purchased and/or sold during the quarter. The securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients and the reader should not assume that investments in the securities identified and discussed were or will be profitable.

Davenport Value & Income Fund

DVIPX

Davenport Asset Management

The Value & Income Fund gained 4.25% in the fourth quarter, compared to the 3.82% and 5.03% for the S&P 500 and Lipper Equity Income indexes respectively. For the full year of 2016, the Value & Income Fund was up 13.99%, ahead of the S&P's 11.96% gain but behind Lipper Equity Income's 14.34% gain.

Healthcare was our best relative sector for the quarter and the year. Our underweight allocation aided performance as the sector faced a challenging year with political rhetoric targeting drug pricing. Lately, we have started to see value in this beaten-up sector. During the quarter we purchased Bristol-Myers Squibb (BMY) and CVS Healthcare (CVS)[1], discussed below. On the other side of the ledger certain Financials holdings hurt relative performance, as did our overweight Real Estate Investment Trust (REIT) exposure. Banks shot higher with rising interest rate expectations and our fund holdings COF, JPM, WFC, C & RF all benefited as one would expect. However, title insurer Fidelity National (FNF) fell as higher rates likely augur declines in its refinance business, which has grown to become a significant piece of the pie.

As we have mentioned in past letters, we have been paring back our exposure to the REIT class throughout the year given the possibility that higher interest rates could weigh on the performance of this group of stocks. During the quarter we continued to reduce our exposure by chipping Gaming & Leisure Properties (GLPI) and selling Six Flags (SIX), which was trading similar to a REIT given an expected future conversion to one. We continue to appreciate the income these positions generate for the fund, but will remain mindful of our exposure here should rates continue to rise.

We have patiently watched Bristol-Myers Squibb, a leader in the emerging immuno-oncology therapeutic field, for some time. In late summer/early fall BMY reported poor results for one of their emerging oncology drugs, Opdivo, causing the share price to decline by a third. While the clinical results weren't positive, their findings were limited to lung cancer where a particular type of protein (PDL-1) is present (roughly a quarter of all lung cancer cases). With a net-debt-free balance sheet, a diversified product fund and a rich development pipeline capable of driving double-digit earnings growth for the foreseeable future, we found the stock a compelling value at less than 17x forward earnings and a dividend yielding 3.0% on our entry price. Since our purchase, Bristol has raised earnings guidance and committed to returning additional capital to shareholders.

CVS came under pressure in 2016 as investors questioned the wisdom of owning their in-house pharmacy benefit manager (Caremark), same store sales growth slowed and the firm faced declining gross margins. Despite the headwinds, CVS remains a high-quality, stable grower. CVS has increased the dividend over the past decade at an impressive 30% compounded annualized rate, and still remains below its 35% target payout ratio, suggesting further gains. Demographics remain solidly in its favor and CVS' convenient locations remain relevant, its vertical integration and scale allow for cost control, and the valuation at 13x forward earnings became quite compelling for this household name.

While the broader markets continue to hit fresh highs we are having to work harder to find attractive ideas. That being said, by being willing to venture into areas of the market that are currently out of favor (e.g. Healthcare), we are striving to find more opportunities than before.

The following chart represents Davenport Value & Income Fund (DVIPX) performance and the performance of the S&P 500 Index, the Fund's primary benchmark, and the Lipper Equity Income Index for the periods ended December 31, 2016.

	Q4 2016	1 Year	3 Years*	5 Years*	Since Inception* 12/31/10
Value & Income Fund (DVIPX)	4.25	13.99	7.78	13.57	12.62
S&P 500 Index	3.82	11.96	8.87	14.66	12.47
Lipper Equity Income Index	5.03	14.34	7.11	12.46	10.75
30-Day SEC Yield: 1.93%; Expense Ratio in current prospectus: 0.93%					

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance data, current to the most recent month end, may be obtained by calling 1-800-281-3217.

[1]CVS Healthcare officially falls into the Consumer Staples sector but the stock traded more in line with its Healthcare peers in 2016.

*Returns greater than one year are annualized.*The **S&P 500 Index** is comprised of 500 U.S. stocks and is an indicator of the performance of the overall U.S. stock market. The **Lipper Equity Income Index** is an unmanaged index of the 30 largest funds in the Lipper Equity Income fund category. An investor cannot invest in an index and its returns are not indicative of the performance of any specific investment.

Davenport Value & Income Fund Quarterly Transactions

DAVENPORT
ASSET MANAGEMENT

DVIPX

Recent Purchases

Bristol-Myers Squibb Co (BMY)—Excited about the long-term potential of BMYs leading immuno-oncology drug pipeline, we elected to initiate a position during the quarter, taking advantage of recent market weakness. Encouraged by the recently announced stock buyback program and guidance which fell above consensus expectations, we also added to the position.

CVS Health Corp (CVS)—We initiated a position in CVS during the quarter, as it operates the largest pharmacy chain in the U.S. and is one of the country's top pharmacy benefit managers, filling more than a billion prescriptions per year with nearly 8,000 locations.

Fairfax Financial Holdings Ltd (FRFHF)—A Canadian based property & casualty insurer with a business model comparable to Berkshire Hathaway and Markel, we believe the recent turnover in the shareholder base, who largely owned the stock for its hedge-like characteristics, provided an attractive entry point during the quarter.

General Motors Co (GM)—Despite concerns over "peak auto" sales, we initiated a position during the quarter, as we think the North American market will remain healthy and GM should be able to continue to grow internationally and from some of its technology investments.

Occidental Petroleum Corp (OXY)—As fundamentals continue to improve with OXY planning to grow production volumes alongside ongoing cost cutting measures, we elected to add to our position during the quarter.

PPG Industries Inc. (PPG)—A global leader in paints, coatings and specialty materials, we initiated a position during the quarter as the stock's recent pullback provided an attractive entry point.

VF Corp (VFC)—We opted to initiate a position in VFC, as macro factors created weakness across much of the retail sector, providing us with an attractive opportunity to "upgrade" the fund.

Recent Sales

Archer Daniels Midland Co (ADM)—ADM has performed well for us as we bought the stock during a period of peak pessimism from investors. Unfortunately, the agricultural cycle has worked against management's initiatives, and we have thus elected to sell this position.

AT&T Inc. (T)—We elected to sell T on the news of their offer to purchase Time Warner, as we remain skeptical of the strategic benefits this vertical integration will provide.

Gaming and Leisure Properties Inc. (GLPI)—While the stock has performed well for most of the year, we felt reducing our exposure to REITs made sense given a more difficult environment for the sector.

Las Vegas Sands Corp (LVS)—Given the uncertain outlook for the Macau gaming market as well as headwinds created by the backdrop of rising rates, we felt it appropriate to sell and move to opportunities with a more favorable risk/reward profile.

Nucor Corp (NUE)—While we continue to view Nucor as the best-in-class steel producer, we have elected to sell our position during the quarter, as there remains significant uncertainty for the steel markets going forward.

Ralph Lauren Corp (RL)—While we remain confident in the strength of the brand, we believe the company is getting ample credit for a turnaround that will likely be difficult to execute and thus elected to sell our position during the quarter.

Regions Financial Corp (RF)—While we continue to maintain a meaningful position in the fund, we thought it prudent to chip our position in RF and take some profits from the post-election "pop" in stock price and corresponding change in valuation.

Sanofi (SNY)—Despite paying an attractive dividend, increased competitive pressures have eroded sales in key end markets and we elected to sell our position.

Six Flags Entertainment Corp (SIX)—As the market has responded favorably to fundamental improvements in SIX, the recent rally in the stock leaves shares more fairly valued, and we therefore elected to exit the position during the quarter.

Top Ten Holdings* - % of Net Assets
as of 12/31/2016

JPMorgan Chase & Co	3.34
Capital One Financial Corp	3.34
Johnson & Johnson	3.08
Watsco Inc	2.75
Markel Corp	2.70
Citigroup Inc	2.65
FNF Group	2.62
Occidental Petroleum Corp	2.58
Wells Fargo & Co	2.45
General Electric Co	2.41

**Holdings subject to change without notice.*
The recent transactions profiled above represent securities purchased and/or sold during the quarter. The securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients and the reader should not assume that investments in the securities identified and discussed were or will be profitable.

Davenport Equity Opportunities Fund

DEOPX

DAVENPORT
ASSET MANAGEMENT

The Equity Opportunities Fund had a disappointing fourth quarter. While we are optimistic that a new Presidential administration can fuel improved economic growth, we were not perfectly positioned in the near-term. The Fund's absolute return of -1.12% was lackluster versus gains of 3.21% and 3.82%, respectively, for the Russell Midcap and S&P 500 indexes. We managed a decent gain for the year of 7.33%, but this tough ending caused us to finish well behind the Russell at 13.80% and the S&P at 11.96% for 2016. After a series of good relative years, the past 18 months have been challenging for the Fund. While we are frustrated by recent relative performance, we remain confident the seeds we have planted may ultimately bear fruit.

While some of our holdings benefited from the "Trump trade," too many either didn't participate or were deemed potential losers under the new administration. Hanesbrands (HBI) and Fairfax Financial (FRFHF) are examples of positions that were hurt. Once viewed as a key asset, HBI's global manufacturing footprint has recently been a source of investor anxiety given fears that potential policy changes will impair the company's cost advantage and eliminate its below-average tax rate. We feel these concerns have been adequately reflected in the stock's valuation, especially given the lack of clarity surrounding policy outcomes. In terms of Fairfax, the insurance company's investment Fund was conservatively positioned and ill-prepared for a Trump victory. Hence, the stock struggled post-election. CEO Prem Watsa, who is known to many as the "Warren Buffet of Canada," has a history of creating tremendous shareholder wealth and we have great confidence in his ability to adapt the company's investment approach.

We've also been early/wrong on TripAdvisor (TRIP), which is a name we've highlighted in recent letters. The stock has declined sharply as the company's business transition has proven more difficult than originally anticipated. As a reminder, management is sacrificing short-term earnings in order to transition the company from an advertising-based model to more of a transaction-based model and one-stop shop for travel planning. We respect the company's decision to invest for the sake of long-term growth and think this transition could ultimately yield a better business model and a higher equity value. However, few investors have been willing to own companies with headwinds (self-inflicted in this case) in what has been a momentum-oriented environment.

So how are we responding to this period of under-performance? For one, we aren't changing the approach that has served us well over the years. We will continue to focus on quality businesses that have the ability to compound equity value at an above-average clip over a multi-year period. Further, we will continue to emphasize opportunistic entry points, which may entail buying or adding to positions when they are out of favor with the broader investment community. This can entail being early in the short run, but can yield outsized returns over time. To that end, we've added to both Hanesbrands and TripAdvisor during this period of tumult for those stocks. The risk/reward profile looks very favorable for each name and we expect to be well rewarded for our patience. If wrong, we will also be willing to admit mistakes and reallocate capital elsewhere.

We apologize for harping on investments that haven't worked for us lately, but these may be where incremental opportunities exist. Even though we know our returns may be lumpy given our concentrated approach, we expect to do better than what we've witnessed over the last 18 months. As such, we are using this period to coil the Fund for future upside and hope to reward your commitment in the years ahead.

The following chart represents Davenport Equity Opportunities Fund (DEOPX) performance and the performance of the Russell Midcap® Index, the Fund's primary benchmark, and the S&P 500 Index for the periods ended December 31, 2016.

	Q4 2016	1 Year	3 Years*	5 Years*	Since Inception* 12/31/10
Equity Opportunities Fund (DEOPX)	-1.12	7.33	5.19	12.99	11.62
Russell Midcap Index	3.21	13.80	7.92	14.72	11.83
S&P 500 Index	3.82	11.96	8.87	14.66	12.47
30-Day SEC Yield: -0.10%; Expense Ratio in current prospectus: 0.95%					

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance data, current to the most recent month end, may be obtained by calling 1-800-281-3217.

*Returns greater than one year are annualized. *The **Russell Midcap® Index** measures the performance of the 800 smallest companies in the Russell 1000, which represent approximately 25% of the total market capitalization of the Russell 1000®. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. The **S&P 500 Index** is comprised of 500 U.S. stocks and is an indicator of the performance of the overall U.S. stock market. An investor cannot invest in an index and its returns are not indicative of the performance of any specific investment.

Davenport Equity Opportunity Fund Quarterly Transactions

DAVENPORT ASSET MANAGEMENT

DEOPX

Recent Purchases

American Tower Corp (AMT)—As one of the top holdings in most major REIT indices, we believe AMT has been unfairly victimized by fund flows out of the sector and we therefore took the opportunity to add to our position during the quarter.

DISH Network Corp (DISH)—We elected to add to our position in DISH, as we continue to believe there remains significant upside as we draw nearer an eventual monetization event for the company's TV and wireless spectrum assets.

Hanesbrands Inc. (HBI)—We remain attracted to the company's strong brands, impressive cash generation and a scalable manufacturing footprint, and opted to add to our position in HBI on recent weakness surrounding competitive positioning and concerns over changes to the corporate tax rate.

Martin Marietta Materials Inc. (MLM)—We initiated a position in MLM, as we have long been attracted to the aggregate business, given the oligopolistic nature of the business and sizable barriers to entry, which lend themselves to significant pricing power.

Sherwin-Williams Co (SHW)—We continue to view SHW as a best in class operator with market leadership in compelling growth categories, and elected to add to our position on recent weakness in the shares.

TripAdvisor Inc. (TRIP)—While somewhat disappointed in the pace of transition toward monetizing the company's "Instant Booking" feature, we remain convinced in the value of this high profile online travel asset, and chose to add to our position during the quarter.

WABCO Holdings Inc. (WBC)—With continued stabilization in the Emerging Markets, positive signs appearing in the U.S. trucking market and the impact of 'Brexit" looking largely contained, we opted to add to our position in WBC during the quarter.

Recent Sales

Capital One Financial Corp (COF)—While we remain confident in the company's outlook and acknowledge the improving macro backdrop for banks, we felt it was a good time to take some profits following the recent rally and chipped our position in COF.

Gaming & Leisure Properties Inc. (GLPI)—Given recent strength in REITs and rally in the shares, we believe it makes sense to reduce our exposure somewhat given backdrop of higher rates moving forward.

Liberty Broadband Corp (LBRDK)—LBRDK has been a strong performer this year; hence, we elected to reduce the position size, capture profits and allocate them elsewhere in the portfolio.

PRA Group Inc. (PRAA)—Shares of PRAA have been volatile during the year and we elected to sell our position during the quarter and reallocate the funds to positions where we have more confidence.

Top Ten Holdings* - % of Net Assets

as of 12/31/2016

Capital One Financial Corp	6.06
Colfax Corp	6.05
Carmax Inc	5.98
American Tower Corp	5.19
Brookfield Asset Management**	5.10
Live Nation Entertainment Inc	4.91
WABCO Holdings Inc**	4.82
Dollar Tree Inc	4.59
Markel Corp	4.34
Dish Network Corp	4.31

**Holdings subject to change without notice. **Foreign Holding*
The recent transactions profiled above represent securities purchased and/or sold during the quarter. The securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients and the reader should not assume that investments in the securities identified and discussed were or will be profitable.

Davenport Small Cap Focus Fund

DSCPX

DAVENPORT
ASSET MANAGEMENT

The Davenport Small Cap Focus Fund advanced 8.08% during the fourth quarter, versus the 8.83% gain for the Russell 2000 Index. For the year, the strategy was up 26.21%, nicely ahead of the 21.31% gain for the Russell 2000 Index. While it was difficult to keep up with the fourth quarter "buying panic" that sent the Russell 2000 up through year end post-election, we were pleased with results for the full year.

Towne Bank (TOWN) was a top contributor during the quarter, advancing nearly 40% alongside the anticipation of higher rates and less onerous regulations following the election. We continue to believe TOWN stands out relative to other small banks due to its top market share, strong management team and ability to create value through acquisitions. Whereas much of the consumer staples sector underperformed during the quarter as market leadership transitioned to more cyclical sectors, our Fund gained ground in this area due to solid performance from Seaboard Corp (SEB) and Snyder's-Lance Inc. (LNCE). Seaboard's key profit center is hog production and processing, which continues to benefit from low grain prices. Well off many investors' radar, SEB has a strong track record of value creation and is well positioned for growing protein demand globally.

Leading real estate asset manager Cohen and Steers (CNS) was one of the Fund's key detractors during the quarter as investors shunned the REIT asset class. With the stock down nearly 25% from recent highs, we elected to add to our position. While REITs have taken a hit, assets under management have been reasonably stable and the company's cash-rich balance sheet and dividend help reduce risk. Finally, we note that the company could be a potential takeout candidate as co-founders and majority share owners Marty Cohen and Bob Steers (52% combined ownership) are nearing the end of their careers.

We continued to build a position in Richmond, VA-based specialty lines insurer, Kinsale Capital Group (KNSL) during the quarter. The stock has gotten off to a great start since its IPO in August, producing gains of more than 80%. Though the stock trades at a premium to the insurance group, we feel this is warranted given a proven underwriting track record, strong management team, best in class technology assets, and substantial growth runway. Furthermore, KNSL is the only pure play on the $40 billion excess and surplus (E&S) insurance market, which offers more attractive returns than other lines of insurance.

In summary, we are encouraged by our recent performance and continue to find new opportunities to put capital to work. Though small caps were outsized beneficiaries of the "Trump Rally" and could see a cooling-off period, we continue to believe the asset class is well positioned given its domestic bias. The average small company garners only 19% of its revenue from overseas, versus >30% for the average S&P company. Additionally, the average tax rate for Russell 2000 companies is over 500 basis points higher than the average S&P company. This helps protect small caps from currency translation issues while also making them greater beneficiaries of a potential cut to the US corporate tax rate. Finally, we note that despite significant outperformance during 2016, the Russell 2000 still trails the S&P 500 on both a 3 and 5-year basis.

Top Ten Holdings[1] - % of Net Assets

as of 12/31/2016

Monarch Casino & Resort	4.30
Boston Beer Co Inc	3.67
Towne Bank	3.67
Colfax Corp	3.43
Seaboard Corp	3.33
VCA Inc	3.10
Eldorado Resorts Inc	3.08
Mistras Group Inc	3.04
Kinsale Capital Group Inc	3.02
Diamond Hill Investment Group	2.81

The following chart represents Davenport Small Cap Focus Fund (DSCPX) performance and the performance of the Russell 2000® Index, the Small Cap Focus Fund's primary benchmark, for the periods ended December 31, 2016.

	Q4 2016	1 Year	Since Inception* 12/31/14
Small Cap Focus Fund (DSCPX)	8.08	26.21	7.34
Russell 2000® Index	8.83	21.31	7.68
30-Day SEC Yield: -0.06%; Expense Ratio in current prospectus: 1.17%			

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance data, current to the most recent month end, may be obtained by calling 1-800-281-3217.

[1]*Holdings subject to change without notice. **Foreign Holding* *Returns greater than one year are annualized. The **Russell 2000® Index** measures the performance of the 2,000 smallest companies in the Russell 3000 Index, measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. Russell® is a trademark of Frank Russell Company. An investor cannot invest in an index and its returns are not indicative of the performance of any specific investment.

Davenport & Company LLC (the "Advisor") has contractually agreed, until August 1, 2017 to reduce Management Fees and to reimburse Other Expenses to the extent necessary to limit Total Annual Fund Operating Expenses (excluding Acquired Fund Fees and Expenses) to an amount not exceeding 1.25% of the Fund's average daily net assets. Total Annual Fund Operating Expenses exclude brokerage costs, taxes, interest, costs to organize the Fund and extraordinary expenses. For additional details please request a prospectus.

Davenport Balanced Income Fund

DBALX

DAVENPORT
ASSET MANAGEMENT

The Davenport Balanced Income Fund gained 2.08% in the quarter, versus a 0.99% increase for the Morningstar US Fund Allocation--50% to 70% Equity Index. For the full year, the fund was up 9.16%, compared to Morningstar's 7.34%.

The equity portion of the fund rode the financials wave following the Presidential election and subsequent rate increase, through the likes of Capital One, Citigroup, JPMorgan, and Regions Financial; however, not all financials benefited from rising rates. For instance, title insurer Fidelity National Financial fell as rising rates portend declines in its large refinancing business. Looking across the sectors, our underweight allocation in health care aided our relative performance as the sector faced a disruptive year with political rhetoric targeting drug pricing. We continued to trim exposure to REITs given the uncertainty looming from further rate increases.

During the quarter, we initiated a position in General Motors (GM), the #1 auto manufacturer in the US, and one of the largest globally with recognizable brands such as Chevrolet and GMC. Despite concerns about "peak auto," we believe the North American market will remain healthy and GM will continue to grow internationally, specifically in China and South America where the company already boasts a #1 position. GM is a strong cash generator and offers an attractive balance between value and income, with the stock trading at 6x FY2017 consensus EPS estimates and a 4.3% dividend yield at the time of purchase.

The rate environment changed significantly during the second half of the year as rates closed the year higher than where they began. The election results and the potential for radical changes in Washington raised the specter of a more robust economy and higher inflationary pressures. At the close of the year, over $1 trillion dollars of market value had been wiped out in the high grade bond market. Our defensive structure helped us avoid the downward price action of long portfolio structures. The fund also benefited from our allocation to corporate issues and floating rate notes as Treasury issues suffered significant price declines during this period.

The bond assets, invested in individual high quality corporate bonds, seek to compliment the conservative equity investments and reduce portfolio volatility. To this end, we maintained a defensive structure for the balance of the year with an average effective maturity of 4.25 years and an average duration of 3.5 years. The bond benchmark index, the Barclay's Intermediate Government/Credit Index, duration is 4.0 years.

This value driven fixed portfolio is invested in 35 different issues representing nine different sectors of the corporate market. The highest sector concentration is in consumer discretionary at 21.8% with the second highest concentration, 20.5%, invested in floating rate notes. Floating rate securities have their coupons adjusted quarterly to a spread over three month LIBOR, and as rates continue to rise these assets will generate higher income. We believe short rates will continue to rise as the Federal Reserve expects to raise the Federal Funds rate three times in 2017.

As stock markets continue to reach new highs, we continue to work hard to find attractive ideas and are willing to venture into areas of the market recently out of favor. With the increased uncertainty following global events in 2016, we believe our balanced allocation will provide a volatility buffer in the near future while focusing on current income and long term capital appreciation.

Top Ten Equity Holdings[1] - % of Net Assets

as of 12/31/2016

JPMorgan Chase & Co	1.85
Capital One Financial Corp	1.85
Johnson & Johnson	1.71
Watsco Inc	1.52
Markel Corp	1.50
Occidental Petroleum Corp	1.48
Citigroup Inc	1.47
FNF Group	1.46
Wells Fargo & Co	1.36
General Electric Co	1.33

Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance data, current to the most recent month end, may be obtained by calling 1-800-281-3217.

The following chart represents Davenport Balanced Income Fund (DBALX) performance and the performance of the Morningstar Moderate Allocation, the Balanced Income Fund's primary benchmark, along with the S&P 500 Index for the periods ended December 31, 2016.

	Q4 2016	Since Inception* 12/31/15
Balanced Income Fund (DBALX)	2.08	9.16
Morningstar Allocation 50-70% Equity	0.99	7.34
S&P 500	3.82	11.96
30-Day SEC Yield: 1.56% Expense Ratio in current prospectus: 1.25%; Gross Expense Ratio 2.25%		

[1]*Holdings subject to change without notice.*
*Returns greater than one year are annualized. The **Morningstar Allocation 50-70% Equity Index** is composed of funds which seek to provide both income and capital appreciation by investing in multiple asset classes, including stocks, bonds, and cash. These portfolios are dominated by domestic holdings and have equity exposures between 50% and 70%. The **S&P 500 Index** is comprised of 500 U.S. stocks and is an indicator of the performance of the overall U.S. stock market. An index is not available for direct investment; therefore its performance does not reflect the expenses, fees and taxes generally paid with the active management of an actual portfolio. An investor cannot invest in an index and index returns are not indicative of the performance of any specific investment.

Davenport & Company LLC (the "Advisor") has contractually agreed, until August 1, 2017 to reduce Management Fees and to reimburse Other Expenses to the extent necessary to limit Total Annual Fund Operating Expenses (excluding Acquired Fund Fees and Expenses) to an amount not exceeding 1.25% of the Fund's average daily net assets. Total Annual Fund Operating Expenses exclude brokerage costs, taxes, interest, costs to organize the Fund and extraordinary expenses. For additional details please request a prospectus.

Important Disclosures

Disclosures: Any opinions expressed here are statements of judgment on this date and are subject to future change without notice. This information may contain forward looking predictions that are subject to certain risks and uncertainties which could cause actual results to differ materially from those currently anticipated or projected. The information contained herein has been compiled from sources believed to be reliable; however, there is no guarantee of its accuracy or completeness.

Mutual Fund investing involves risk, principal loss is possible. An investor should consider the fund's investment objectives, risks and charges and expenses carefully before investing. The fund's prospectus contains this and other important information. You may obtain a copy of the fund's prospectus by calling (888) 285-1863. Investors should read the prospectus carefully and discuss their goals with a qualified investment professional before deciding to invest.

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Risk disclosures:
DAVPX - The fund may not achieve its objective and/or you could lose money on your investment in the fund. Stock markets and investments in individual stocks are volatile and can decline significantly in response to market, foreign securities, small company, exchange traded fund, investment style and management risks.
DVIPX - The fund may not achieve its objective and/or you could lose money on your investment in the fund. Stock markets and investments in individual stocks are volatile and can decline significantly in response to market, foreign securities, small company, exchange traded fund, investment style and management risks. There is no guarantee that a company will continue to pay a dividend.
DEOPX - The fund may not achieve its objective and/or you could lose money on your investment in the fund. Stock markets and investments in individual stocks are volatile and can decline significantly in response to market, foreign securities, small company, exchange traded fund, investment style and management risks. Small and mid cap company stocks may be more volatile than stocks of larger, more established companies.
DSCPX - The fund may not achieve its objective and/ or you could lose money on your investment in the fund. Stock markets and investments in individual stocks are volatile and can decline significantly in response to market, foreign securities, small company, exchange traded fund, investment style and management risks. Small and mid cap company stocks may be more volatile than stocks of larger, more established companies.
DBALX - Investments in debt instruments may decline in value as the result of declines in the credit quality of the issuer, borrower, counterparty, or other entity responsible for payment, underlying collateral, or changes in economic, political, issuer-specific, or other conditions. Certain types of debt instruments can be more sensitive to these factors and therefore more volatile. In addition, debt instruments entail interest rate risk (as interest rates rise, prices usually fall), therefore the Fund's share price may decline during rising rates. Funds that consist of debt instruments with longer durations are generally more sensitive to a rise in interest rates than those with shorter durations. Investments in below investment grade quality debt instruments can be more volatile and have greater risk of default, or already be in default, than higher-quality debt instruments. Investments in municipal instruments can be volatile and significantly affected. Please see the prospectus for further information on these and other risk considerations.

Performance shown is historical and is no guarantee of future results. Investing in securities carries risk including the possible loss of principal. Performance is shown net of fees.

U.S. Large Caps represented by the **S&P 500 Index**. U.S. Mid Caps represented by the **Russell Midcap Index**. U.S. Small Caps represented by the **Russell 2000 Index**. Bonds represented by the **Barclays Capital Intermediate Government/Credit Index**. International Developed Markets represented by the **MSCI EAFE Index**. Emerging Markets represented by the **MSCI EM Index**.

The **Barclays Capital U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt, including corporate and non-corporate sectors. Pay-in-kind (PIK) bonds, Eurobonds, and debt issues from countries designated as emerging markets are excluded, but Canadian and global bonds (SEC registered) of issuers in non-emerging market countries are included. Original issue zero coupon bonds, step-up coupon structures, and 144-As are also included. The reported returns reflect equities priced in U.S. dollars and do not include the effects of reinvested dividends. The **Barclays Capital Intermediate Government/Credit Index** is an unmanaged index composed of debt securities with maturities from one to ten years issued or guaranteed by the U.S. Treasury, U.S. Government agencies, quasi-federal corporations and fixed rate dollar denominated SEC-registered corporate debt that are rated investment grade or higher by Moody's Investors Service and Standard and Poor's Corporation or Fitch Investor's Service, in that order. The **Barclays Capital Municipal Bond Index** is a market value weighted index of investment grade municipal bonds with maturities of one year or more. The **Barclays Capital U.S. Government/Credit Bond Index** measures the performance of U.S. dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year. The **Lipper Equity Income Funds Index** is an unmanaged index of the 30 largest funds in the Lipper Equity Income Fund category. The **Lipper Large Cap Growth Funds Index** is an unmanaged index of the 30 largest funds in the Lipper Large Cap Growth Fund category. The **Lipper Large Cap Value Funds Index** is an unmanaged index of the 30 largest funds in the Lipper Large Cap Value Fund category. The **Morgan Stanley Capital International Europe, Australia and Far East (MSCI EAFE) Index** is an unmanaged index composed of the stocks of approximately 1,000 companies traded on 20 stock exchanges from around the world, excluding the U.S., Canada, and Latin America. The **Morgan Stanley Capital International Emerging Markets (MSCI EM) Index** is a capitalization-weighted index of stocks from 26 emerging markets that only includes issues that may be traded by foreign investors. The reported returns reflect equities priced in US dollars and do not include the effects of reinvested dividends. The **Russell 1000 Growth® Index** is a capitalization weighted broad based index of 1,000 small capitalization US stocks considered to have a greater than average growth orientation. The **Russell 1000® Value Index** measures the performance of the Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The **Russell 2000® Index** measures the performance of the 2000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market. The Russell 2000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. The **Russell Midcap® Index** measures the performance of the 800 smallest companies in the Russell 1000, which represent approximately 25% of the total market capitalization of the Russell 1000. These Russell indexes are a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. The **S&P 500 Index** is comprised of 500 U.S. stocks and is an indicator of the performance of the overall U.S. stock market. **An investor cannot invest in these indices and their returns are not indicative of the performance of any specific investment**.