

Interim Financial Statements
(Unaudited)

Advanced Education Savings Plan

For the six months period ended September 30, 2016

Advanced Education Savings Plan

September 30, 2016

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Notification:

These Interim Financial Statements have not been reviewed nor audited by the Plan's external auditors.

Advanced Education Savings Plan

Statements of Financial Position (Unaudited)

	As at September 30, 2016	As at March 31, 2016
	\$	\$
Assets		
Cash	228,968	-
Due from Legacy Education Savings Plan, Note 3	274,866	123,513
Due from the Fund Manager - Global Growth Assets Inc., Note 3	242	-
Grants receivable	12,814	18,997
	516,890	142,510
Liabilities		
Due to the Distributor - Global RESP, Note 3	15,581	-
Net assets attributable to Subscribers and Beneficiaries	501,309	142,510
Net assets attributable to Subscribers and Beneficiaries represented by:		
Subscriber contributions, Note 4	344,923	103,991
Government grants, Note 2	137,110	35,213
Income on Grant, net transferred	4,646	840
Income on subscriber contributions, net transferred	14,630	2,466
	501,309	142,510

Approved by the Board of Directors of Global Educational Trust Foundation and Global Growth Assets Inc.



Hanane Bouji
Director



Harold Wolkin
Director

The accompanying notes are an integral part of these financial statements.

Advanced Education Savings Plan

Statements of Comprehensive Income (Unaudited)

	Six months period ended September 30, 2016	Period from January 27, 2016 to March 31, 2016
	\$	\$
Expenses		
Administration fees	9,068	480
Other charges	242	-
Audit costs	4,006	15,000
Absorption of Plan's expenses	(13,316)	(15,480)
	-	-
Increase (decrease) in Net Assets attributable to Subscribers and Beneficiaries from Operations	-	-

Statements of Changes in Net Assets Attributable to Subscribers and Beneficiaries (Unaudited)

	Six months period ended September 30, 2016	Period from January 27, 2016 to March 31, 2016
	\$	\$
Net assets attributable to Subscribers and Beneficiaries, beginning of period	142,510	-
Increase (decrease) in Net Assets attributable to Subscribers and Beneficiaries from Operations	-	-
Increase in Net Assets Attributable to Subscribers and Beneficiaries		
Subscriber contributions received net of fees, Note 4	241,846	103,991
Government grants received (Note 2):		
Canada Education Savings Grants (CESG)	54,502	21,213
Canada Learning Bond (CLB)	44,995	14,000
British Columbia Training and Education Savings Grant(BCTESG)	2,400	-
Income on grants, net transferred	3,806	840
Income on subscriber contributions, net transferred	12,164	2,466
Decrease in Net Assets attributable to Subscribers and Beneficiaries		
Refund of Subscriber contributions	(914)	-
	358,799	142,510
Net assets attributable to Subscribers and Beneficiaries, end of period	501,309	142,510

The accompanying notes are an integral part of these financial statements.

Advanced Education Savings Plan

Statement of Cash Flows

	Six months period ended September 30, 2016	Period from January 27, 2016 to March 31, 2016
		\$
Cash provided by (used in):		
Operating Activities		
Increase (decrease) in Net assets attributable to Subscribers and Beneficiaries from operations	-	-
Increase in receivable from Legacy Education Savings Plan	(151,353)	(123,513)
Increase in due to Distributor - (GRES P)	15,581	-
Increase in due to Fund Manager - (GGA I)	(242)	-
Decrease (increase) in grant receivable	6,183	(18,997)
	(129,831)	(142,510)
Financing Activities		
Subscriber contributions received, net of fees	240,932	103,991
Government grants received	101,897	35,213
Income on grants received	3,806	840
Income on subscriber contributions received	12,164	2,466
	358,799	142,510
Increase in cash	228,968	-
Cash, beginning of period	-	-
Cash, end of period	228,968	-

The accompanying notes are an integral part of these financial statements.

Advanced Education Savings Plan

Notes to the financial statements

September 30, 2016

1. Organization and general

Advanced Education Savings Plan (the "Plan") was established on January 27, 2016. Global Educational Trust Foundation (the "Foundation") is the sponsor of the Plan. The Foundation is a not-for-profit organization, incorporated without share capital, under the laws of Canada. The Foundation retained Global Growth Assets Inc. ("GGAI") as administrator and Investment Fund Manager of the Plan. The Plan's registered place of business is 100 Mural Street, Suite 201, Richmond Hill, Ontario, L4B 1J3.

The Plan provides post-secondary education financial assistance to beneficiaries named in the Educational Assistance Payment ("EAP") Contracts. Global RESP Corporation ("GRESP"), a company incorporated under the Canada Business Corporations Act, is the registered distributor of the Plan. The Foundation, GRESP and GGAI are under common management and control.

The Foundation has had a specimen copy of the EAP Contract approved by the Canada Revenue Agency ("CRA") such that subscribers' EAP Contracts may be submitted to CRA on the subscriber's behalf by the Foundation for registration as Registered Education Savings Plans ("RESP"). A subscriber's plan is an education savings plan and not an RESP until the applicable conditions of the Income Tax Act (Canada) (the "ITA") are met and registered.

Subscribers to the Plan enter into EAP Contracts with the Foundation. Under an EAP Contract, the subscriber purchases units in the Plan. The subscriber authorizes the Foundation to deduct fees, as outlined in the prospectus, for the purpose of providing services to the Plan. At maturity, payments are made to the beneficiary after meeting the conditions as set out in the EAP Contract.

The interim financial statements of the Plan were authorized for issuance by the Board of Directors of the Foundation and GGAI on November 29, 2016.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These financial statements have been prepared on a going concern and historical cost basis, except for certain financial assets and liabilities which have been presented at fair value at the end of each reporting period as described below.

Financial Instruments

(a) Recognition, measurement and classification

Grants receivable is measured at amortized cost, and are classified as loans and receivables and other financial liabilities. Financial assets and liabilities are recognized when the Plan becomes a party to the contractual provisions of the instrument and are initially measured at fair value with transaction costs recorded immediately through profit or loss.

(b) Fair value measurement

The fair value of receivable from Legacy Education Savings Plan, Global Growth Assets Inc. and grants receivable approximates their carrying value, due to short-term maturity.

(c) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. No amounts have been offset in the statements of financial position.

Income taxes

The Plan is exempt from income taxes under Section 146.1 of the ITA.

Advanced Education Savings Plan

Notes to the financial statements

September 30, 2016

2. Summary of significant accounting policies (continued)

Future accounting changes

(a) Financial instruments

In July 2014, the International Accounting Standard Board (“IASB”) issued IFRS 9, “Financial Instruments”, which replaces IAS 39, “Financial Instruments: Recognition and Measurement”. IFRS 9 adds a requirement dealing with expected credit losses (impairment), amends classification and measurement requirements by adding a new measurement category of fair value through other comprehensive income and introduces a new hedge accounting model with corresponding disclosures about risk management activity. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Plan is still in the process of assessing the impact of this new standards on its financial statements.

Net assets attributable to subscribers and beneficiaries

The Net Assets Attributable to Subscribers and Beneficiaries are a financial liability resulting from a unique contract and the Plan details the composition of this liability as a note to the financial statements, according to its use (whether for subscriber contributions, EAP account, government grants).

(a) Subscriber contributions

Subscribers’ contributions reflect all amounts received from the subscribers and do not include any amounts receivable on subscribed units, as subscribers may terminate their plan at any time. As the contributions are due on demand, the amounts are recorded at face value in net assets attributable to subscribers and beneficiaries. The Foundation deducts sales charges, account maintenance fees, special services fees, where applicable, and insurance premiums from contributions made by subscribers in accordance with the terms of the prospectus. Refer to Note 4 for further details.

(b) Government grants

The Federal government encourages saving for post-secondary education by providing Canada Education Savings Grants (“CESG”) on RESP contributions made subsequent to 1997 for children under 18 years of age. The maximum basic CESG per child is 20% of RESP contributions of up to \$2,500 (prior to 2007, it was based on \$2,000) made on behalf of each beneficiary in a year. Effective in 2004, additional CESG can be added based on up to the first \$500 of RESP yearly contributions at a rate of 10% or 20% when there is eligibility based on family net income. The maximum lifetime CESG is \$7,200; prior to 2007, it was \$7,000. Upon maturity of an EAP Contract and fulfillment of certain criteria established by the Federal government, the CESG contributions and accumulated investment income thereon will be added to EAPs made to qualified students.

Each child born on or after January 1, 2004 will be eligible for a Canada Learning Bond (“CLB”) in each year that child’s family is entitled to the National Child Benefit (“NCB”) supplement, up to and including the year in which the child turns 15 years of age.

CLB is \$500 in the first year of entitlement and \$100 in each subsequent year that the child remains eligible for NCB supplement until the year the child turns 15 years of age. Maximum CLB payments per child total up to \$2,000.

The Government of British Columbia has introduced the new British Columbia Training and Education Savings Grant (“BCTESG”) offered to each resident beneficiary born on or after January 1, 2007. After the beneficiary turns six years of age, the Province of British Columbia will deposit \$1,200 into the beneficiary’s RESP. To qualify for the BCTESG, a subscriber must open the RESP and complete an application for the BCTESG within the following timeframes: (i) prior to August 15, 2018 for children born in 2007 and 2008, (ii) prior to August 15, 2018 for children born between January 1, 2009 and August 15, 2009 or (iii) prior to the beneficiary’s ninth birthday for children born on or after August 16, 2009. The beneficiary and the custodial parent/legal guardian must be residents of British Columbia when applying for the BCTESG and the application must be made between the beneficiary’s sixth and ninth birthday. No matching or additional contributions are required.

Government grants received by the Plan with respect to a beneficiary are invested by the Plan and will ultimately be paid out to the beneficiary when the beneficiary becomes entitled to receive EAP. Under various circumstances, including the case where a plan is cancelled by the subscriber, the grant must be repaid.

Advanced Education Savings Plan

Notes to the financial statements

September 30, 2016

3. Related party transactions

- a) In consideration for administrative services received, the Plan pays the fund manager (GGAI) management fees of 2.35% per annum of the Plan's assets.
- b) The Plan's receivables include \$274,866 (March 31, 2016 - \$123,513) receivable from Legacy Education Savings Plan for subscriber contributions and grants not yet allocated to the Plan and \$242 (March 31, 2016 - \$Nil) receivable from GGAI for bank charges. The Plan's payables include \$15,581 (March 31, 2016 - \$ Nil) payable to GRESP for processing and service fees.
- c) Special services fees paid from subscribers' contributions are remitted by the Foundation to GRESP. The fees principally relate to amounts charged to subscribers in respect of cheques returned and not honored.

4. Subscriber contributions

The changes in the subscriber contributions for the six months period ended September 30, 2016 and year ended March 31, 2016 are as follow:

	September 30, 2016	March 31, 2016
Balance, beginning period	103,991	%
Amount contributed by subscribers	252,405	107,579
Account maintenance fees	(2,868)	(780)
Processing fee	(7,000)	(2,160)
Insurance premiums	(66)	-
Special service fees	(625)	(648)
Refund of subscriber deposit	(914)	-
Balance, end of period	344,923	103,991

5. Capital risk management

The Plan's capital consists of the components of the net assets attributable to subscribers and beneficiaries as per the statement of financial position. The Plan has obligations to return subscriber contributions upon maturity or termination as well as pay EAPs of investment income, grants and income on grants. The Plan endeavors to invest subscriber contributions and government grants received in appropriate investments while maintaining sufficient liquidity to meet subscribers' obligations.

6. Risk management

In the normal course of operations the Plan may be exposed to a variety of risks arising from financial instruments. The Plan's exposures to such risks are concentrated in its receivable balances and is related to liquidity risk. As the Plan does not hold any investments as of September 30, 2016, there are no risks related to market (including interest rate or other price risk) and credit risk.

The Plan's risk management process includes monitoring compliance with the Plan's investment policy as outlined in the Plan's prospectus. The Plan manages the effects of these financial risks to the Plan portfolio performance by retaining and overseeing professional external portfolio advisors. The portfolio advisors regularly monitor the Plan's positions, market events and manage the investment portfolio within the constraints of the investment policy.

(a) Liquidity risk

Liquidity risk is the risk that the Plan may not be able to meet its obligations on time. In mitigation of these risks, the Plan retains sufficient cash on hand, or receivables that can be readily convertible into cash. The Plan's exposure to liquidity risk is concentrated in principal repayment to subscribers and payments of EAPs.

100 Mural Street, Suite 201, Richmond Hill, ON L4B 1J3

(416) 741-7377 1-877-460-7377

www.globalfinancial.ca