



**GTU Portfolio Trust**  
**Condensed Interim Financial Statements**  
**(Unaudited)**

**June 30, 2015**

The accompanying unaudited condensed interim financial statements have not been reviewed by the external auditors of the Fund.



# GTU Portfolio Trust

<b>STATEMENTS OF FINANCIAL POSITION</b>			
<b>(Unaudited)</b>		<b>June 30,</b>	<b>December 31,</b>
<b>As at,</b>		<b>2015</b>	<b>2014</b>
<b>Assets</b>			
<b>Current assets</b>			
Investments	\$	14,968,588	\$ 13,833,117
Dividends receivable		238,011	230,124
		<b>15,206,599</b>	<b>14,063,241</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Borrowings (Note 8)		3,142,636	2,222,048
Redemptions payable		100,000	105,000
Interest payable (Note 8)		4,872	9,693
	\$	<b>3,247,508</b>	\$ <b>2,336,741</b>
<b>Net assets attributable to holder of redeemable units</b>	\$	<b>11,959,091</b>	\$ <b>11,726,500</b>
<b>Net assets attributable to holder of redeemable units</b>			
Unit capital	\$	10,959,250	\$ 11,544,250
Retained earnings		999,841	182,250
<b>Net assets attributable to holder of redeemable units</b>	\$	<b>11,959,091</b>	\$ <b>11,726,500</b>
<b>Number of redeemable units outstanding (Note 4)</b>		<b>658,654</b>	<b>690,347</b>
<b>Net assets attributable to holder of redeemable units per unit</b>	\$	<b>18.16</b>	\$ <b>16.99</b>

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

# GTU Portfolio Trust

<b>STATEMENTS OF COMPREHENSIVE INCOME</b>			
<b>(Unaudited)</b>			
<b>For the six-month period ended June 30,</b>		<b>2015</b>	<b>2014</b>
<b>Income</b>			
Net gain (loss) on investments			
Dividends	\$	393,483	\$ 847,239
Net realized gain (loss) on sale of investments		101,554	1,542,140
Net change in unrealized appreciation (depreciation) of investments		486,504	189,942
Net gain (loss) on investments		981,541	2,579,321
Other income (losses)			
Net realized gain (loss) on foreign exchange		(2,184)	33,436
Net change in unrealized appreciation (depreciation) of foreign exchange		6,906	(7,472)
Total other income (losses)		4,722	25,964
<b>Total income (net)</b>		<b>986,263</b>	<b>2,605,285</b>
<b>Expenses (Note 5)</b>			
Management fees		68,990	101,825
Withholding taxes		41,065	72,232
Unitholder reporting		1,412	-
Audit fees		2,494	8,441
Custodian fees and bank charges		20,548	18,493
Interest expense ( Note 8)		27,140	59,608
Filing fees		1,777	5,255
Legal fees		1,464	-
Other Fees		316	-
Transaction costs (Note 7)		3,466	16,152
<b>Total expenses</b>		<b>168,672</b>	<b>282,006</b>
<b>Increase (decrease) in net assets attributable to holder of redeemable units</b>		<b>817,591</b>	<b>2,323,279</b>
<b>Increase (decrease) in net assets attributable to holder of redeemable units per unit (Note 4)</b>		<b>\$ 1.21</b>	<b>\$ 2.04</b>

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## GTU Portfolio Trust

<b>STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (Unaudited)</b>			
<b>For the six-month period ended June 30,</b>	<b>2015</b>		<b>2014</b>
Net assets attributable to holders of redeemable units beginning of period	\$	11,726,500	\$ 16,957,652
Increase (decrease) in net assets attributable to holders of redeemable units	\$	817,591	\$ 2,323,279
<b>Unitholder's transactions</b>			
Redemption of redeemable units		(585,000)	(865,000)
<b>Net unitholders' transactions</b>	\$	(585,000)	\$ (865,000)
<b>Net assets attributable to holders of redeemable units end of period</b>	\$	<b>11,959,091</b>	\$ <b>18,415,931</b>
<b>Unit Capital, beginning of period</b>	\$	<b>11,544,250</b>	\$ <b>16,777,176</b>
Reinvestments of distributions		-	-
Redemption of redeemable units		(585,000)	(865,000)
<b>Unit Capital, end of period</b>	\$	<b>10,959,250</b>	\$ <b>15,912,176</b>
<b>Retained Earnings, beginning of period</b>	\$	<b>182,250</b>	\$ <b>180,476</b>
Increase (decrease) in net assets attributable to holders of redeemable units		817,591	2,323,279
Distributions to holders of redeemable units		-	-
<b>Retained Earnings, end of period</b>	\$	<b>999,841</b>	\$ <b>2,503,755</b>

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

# GTU Portfolio Trust

<b>STATEMENTS OF CASH FLOWS</b>		
<b>(Unaudited)</b>		
<b>For the six-month period ended June 30,</b>	<b>2015</b>	<b>2014</b>
<b>Operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 817,591	\$ 2,323,279
<b>Add (deduct) items not affecting cash:</b>		
Realized (gain) loss on sale of investments	(101,554)	(1,542,140)
Change in unrealized (appreciation) depreciation of investments	(486,504)	(189,942)
Proceeds from sale of investments	537,262	5,733,532
Purchases of investments	(1,084,675)	(4,742,083)
Net change in non-cash assets and liabilities	(12,708)	(99,008)
<b>Net cash flow used in operating activities</b>	<b>\$ (330,588)</b>	<b>\$ 1,483,638</b>
<b>Financing Activities</b>		
Redemption of redeemable units	(590,000)	(850,000)
Drawdown (repayment) on borrowings	920,588	(633,638)
<b>Net cash flow provided by financing activities</b>	<b>330,588</b>	<b>(1,483,638)</b>
<b>Net change in borrowings during the period</b>	<b>-</b>	<b>-</b>
<b>Cash, at beginning of the period</b>	<b>-</b>	<b>-</b>
<b>Cash, at end of the period</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Supplemental disclosure of cash flow information</b>		
Interest paid during the period *	\$ 31,961	\$ 52,799
Dividends received, net of withholding taxes*	344,531	667,955

\*included in operating activities

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

# GTU Portfolio Trust

## SCHEDULE OF INVESTMENTS

(Unaudited)

As at June 30, 2015

Number of shares	Security	Average Cost (\$)	Carrying Value (\$)	% of Net Assets
<b>EQUITIES</b>				
<b>Banking and Other Financial Issuers</b>				
7,000	Bank of America Corporation	117,939	148,740	1.2
19,000	Element Financial Corporation	307,081	375,250	3.2
10,000	UBS Group AG	202,961	264,906	2.2
		627,981	788,896	6.6
<b>Consumer Discretionary Issuers</b>				
3,800	Cogeco Cable Inc.	187,150	274,512	2.3
50,000	Mediaset SPA	260,605	299,904	2.5
14,000	Pandora Media Inc.	300,018	271,613	2.3
9,000	ProSiebenSat.1 Media AG	459,267	554,601	4.6
28,000	Sky PLC	337,234	570,104	4.8
13,900	Vivendi SA	329,881	437,459	3.6
		1,874,155	2,408,193	20.1
<b>Energy Issuers</b>				
8,150	AltaGas Ltd.	314,389	310,026	2.6
10,850	Inter Pipeline Ltd.	318,556	311,395	2.6
		632,945	621,421	5.2
<b>Information Technology Issuers</b>				
501	Google Inc. Cl. C	292,450	325,565	2.7
500	LinkedIn Corporation Cl. A	123,988	128,984	1.1
5,970	Microsoft Corporation	317,620	329,061	2.8
		734,058	783,610	6.6
<b>Other Public Issuers</b>				
1,500	Anheuser-Busch InBev NV	152,410	224,302	1.9
1,990	JPMorgan Chase & Co.	103,807	168,344	1.4
4,000	Luxottica Group SPA	221,287	331,898	2.8
		477,504	724,544	6.1
<b>Telecommunication Services Issuers</b>				
11,400	AT&T Inc.	322,047	505,532	4.2
1,500	Citrix Systems, Inc.	101,540	131,387	1.1
4,800	Comcast Corporation Cl. A	239,727	360,393	3.0
14,800	Deutsche Telekom AG	227,975	318,071	2.6
130,000	Spark New Zealand Limited	189,443	306,786	2.6
157,000	Telecom Italia SPA	234,833	248,529	2.1
16,600	Telefonica SA	409,365	294,410	2.5
31,600	TeliaSonera AB	243,777	232,071	1.9
9,400	TELUS Corporation	342,608	404,482	3.4
10,198	Verizon Communications Inc.	424,136	593,863	5.0
66,327	Vodafone Group PLC	335,691	299,331	2.5
		3,071,142	3,694,855	30.9

## GTU Portfolio Trust

<b>SCHEDULE OF INVESTMENTS (continued)</b>				
<b>(Unaudited)</b>				
<b>As at June 30, 2015</b>				
<b>Number of Shares</b>	<b>Security</b>	<b>Average Cost (\$)</b>	<b>Carrying Value (\$)</b>	<b>% of Net Assets</b>
	<b>Utilities Issuers</b>			
8,900	Ameren Corp.	240,335	418,670	3.5
31,900	Drax Group PLC	192,265	218,091	1.8
4,500	Duke Energy Corporation	236,873	396,745	3.3
11,000	E.ON AG	323,621	182,850	1.5
77,000	EDP - Energias de Portugal SA	287,857	364,705	3.1
10,800	Endesa, SA	323,198	257,871	2.2
14,500	Gas Natural SDG SA	266,290	410,254	3.4
7,300	GDF Suez	281,125	168,970	1.4
35,768	Iberdrola SA	296,375	300,614	2.5
25,500	National Grid PLC	236,489	409,153	3.4
10,100	PPL Corp.	243,115	371,597	3.1
12,000	Quebecor Inc. Cl. B	320,034	374,640	3.1
9,020	RWE AG	450,881	241,969	2.0
12,200	SSE PLC	236,000	367,933	3.1
1,261	Talen Energy Corporation	29,643	27,015	0.2
58,600	Terna SPA	269,940	323,121	2.7
29,700	United Utilities Group PLC	274,249	520,162	4.4
16,880	Veolia Environnement	206,638	429,458	3.6
9,000	Verbund AG	186,424	163,251	1.4
		4,901,352	5,947,069	49.7
	<b>Total equity investments</b>	<b>12,319,137</b>	<b>14,968,588</b>	<b>125.2</b>
	<b>Borrowings (Note 8)</b>		<b>(3,142,636)</b>	<b>(26.3)</b>
	<b>Other assets less liabilities</b>		<b>133,139</b>	<b>1.1</b>
	<b>Net assets attributable to holders of redeemable units</b>		<b>11,959,091</b>	<b>100.0</b>

# GTU Portfolio Trust

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited)

June 30, 2015

### 1. GENERAL INFORMATION

GTU Portfolio Trust (the “Fund”) is an investment trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated February 25, 2011 and as amended and restated, being the inception date. There was no significant activity in the Fund from the date of inception to commencement of operations on March 23, 2011. The Fund commenced operations on March 23, 2011 with issuance of 2,419,430 units at \$12.00 per unit, for total proceeds of \$29,033,160. On April 11, 2011, 84,053 additional units were purchased at \$12.21 for additional gross proceeds of \$1,026,040, for total proceeds of \$30,059,200. The address of the Fund’s registered office is 710 Dorval Drive, Oakville, Ontario.

The Fund has been established to provide investors with exposure to an actively managed portfolio comprised primarily of equity securities of Global Telecom Issuers and Global Utilities Issuers.

### 2. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting and should be read in conjunction with the annual financial statements for the period ended December 31, 2014 which have been prepared in accordance with IFRS. These condensed interim financial statements were authorized for issue by Harvest Portfolios Group Inc. (the “Manager”) on August 20, 2015.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments not measured at fair value through profit or loss (FVTPL). Transaction costs on financial assets and liabilities at FVTPL are expensed as incurred. Regular way purchases and sales of financial assets are recognized at their trade date. The Fund’s investments and derivative assets and liabilities are measured at fair value through profit or loss (FVTPL), including investments which have been designated at FVTPL. Derivative assets and liabilities are classified as held-for-trading (HFT). All other financial assets and liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract’s effective interest rate. Carrying values of other financial assets and liabilities at amortized cost approximate their fair values due to the short term to maturity. The Fund’s accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its net asset value (NAV) for transactions with unitholders. As at June 30, 2015 and December 31, 2014, there were no differences between the Fund’s NAV per security and its net assets per security calculated in accordance with IFRS.

#### Fair value of investments

Investments that are traded in an active market are valued at their closing prices through recognized public stock exchanges or through recognized investment dealers on the valuation date. The Fund uses the last traded market price that falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances. Investments held include equities.

Investments held that are not traded in an active market are valued using valuation techniques, on such basis and in such a manner established by the Manager. The value of any security for which, in the opinion of the Manager, the published market quotations are not readily available shall be the fair value as determined by the Manager. The fair values of certain securities may be determined using valuation models that are based, in part, on assumptions that are not supported by observable market inputs. These methods and procedures may include, but are not limited to, performing comparisons with prices of comparable or similar securities, obtaining valuation related information from issuers and/or other analytical data relating to the investment and using other available indication of value. These values are independently assessed internally to ensure that they are reasonable. However, because of the inherent uncertainty of valuation, the estimated fair values for the aforementioned securities and interests may be materially different from the values that would be used had a ready market for the security existed. The fair values of such securities are affected by the perceived credit risks of the issuer, predictability of cash flows and length of time to maturity.



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## Classification of redeemable units

Under IFRS, IAS 32 requires that units or shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as a financial liability unless certain criteria are met. The Fund only has one series of units and one unitholder and does not have a limited life. The Fund's units meet the criteria in IAS 32 for classification as equity and therefore, continue to be classified as equity on transition to IFRS.

## Cash

Cash is comprised of cash on deposit.

## Investment transactions and income recognition

Net realized gain (loss) on investments and net change in unrealized appreciation (depreciation) on investments are determined on an average cost basis. Dividend income is accounted for on the ex-dividend date.

## Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars which is also the Fund's functional and presentation currency. Purchases and sales of investments denominated in foreign currencies and foreign currency dividend and interest income are translated into Canadian dollars at the rate of exchange prevailing at the time of the transactions. Realized and unrealized foreign currency gains or (losses) on investments are included in the Statements of Comprehensive Income in "Net realized gain (loss) on sale of investments" and "Net change in unrealized appreciation (depreciation) of investments", respectively. Realized and unrealized foreign currency gains or losses on assets, liabilities, and income, other than investments denominated in foreign currencies, are included in the Statements of Comprehensive Income in "Net realized gain (loss) on foreign exchange" and "Net change in unrealized appreciation (depreciation) of foreign exchange", respectively. Foreign currency assets and liabilities in the Statements of Financial Position are translated into Canadian dollars on the statement date.

## Redeemable units valuation

The net asset value (NAV) on a particular date will be equal to the aggregate value of the assets of the Fund less the aggregate value of the liabilities of the Fund, expressed in Canadian dollars at the applicable exchange rate on such date. The NAV and NAV per unit will be calculated on each Thursday during the year (or, if a Thursday is not a Business Day, the Business Day following such Thursday) and on the last Business Day of each month, and any other time as may be determined by the Manager from time to time. "Business Day" means any day on which the TSX is open for trading.

## Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units, divided by the weighted average units outstanding for the financial period.

## Income and other taxes

The Fund is a financial institution for purposes of the "specific debt obligation" and "mark-to-market" rules contained in the Income Tax Act (Canada) at any time if more than 50% of the fair market value of all interests in the Fund are held at that time by one or more such financial institutions. The Fund will be subject to tax in each taxation year under Part I of the Income Tax Act (Canada) on the amount of its income for the year, including net realized and unrealized gains, if any, less the portion thereof that it deducts in respect of the amount paid or payable to unitholders in the period. As all income is distributed the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statement of financial position as a deferred income tax asset. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Non-capital losses may be carried forward 20 years and applied against future taxable income. The Fund may also be subject to "minimum tax" under the Tax Act. There were no losses available to be carried forward for income tax purposes.

The Fund may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense.

## Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

## GTU Portfolio Trust

- a) Fair value measurement of derivatives and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources (such as pricing agencies) or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Refer to Note 6 for further information about the fair value measurement of the Fund's financial instruments.

- b) Classification and measurement of investment and application of the fair value option

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business of the Fund is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39, Financial Instruments – Recognition and Measurement (IAS 39). The most significant judgments made include the determination that certain investments are held-for trading and that the fair value option can be applied to those which are not.

### Accounting standards issued but not yet adopted

#### *IFRS 9, Financial Instruments*

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments – Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however, is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Fund is in the process of assessing the impact of IFRS 9 and has not yet determined when it will adopt the new standard.

### 4. UNIT CAPITAL

Unit capital is represented by redeemable units. The authorized capital of the Fund consists of an unlimited number of transferable units of one class representing an equal, undivided interest in the net assets of the Fund. Except as provided in the Declaration of Trust, all units have equal rights and privileges. Each whole unit is entitled to one vote at all meetings of the unitholder and is entitled to participate equally in any and all distributions made by the Fund.

#### Redemptions

Units may be redeemed for a redemption price per Unit (the "Redemption Amount") equal to the Net Asset value per Unit as at any Business Day (each a "Redemption Date"). Units surrendered for redemption by a Unitholder on or before 4:00 p.m. (Toronto time) on any Redemption Date will be redeemed as at such Redemption Date and the Unitholder will receive payment in respect of any Units surrendered for redemption on the second Business Day after the Redemption Date, subject to the Manager's right to suspend redemptions in certain circumstances.

The following units were redeemed and/or cancelled during the period:

	Total units outstanding
<b>Total outstanding as at January 1, 2014</b>	<b>1,160,480</b>
Redeemable units redeemed	(53,451)
<b>Total outstanding as at June 30, 2014</b>	<b>1,107,029</b>
<b>Total outstanding as at January 1, 2015</b>	<b>690,347</b>
Redeemable units redeemed	(31,693)
<b>Total outstanding as at June 30, 2015</b>	<b>658,654</b>

## GTU Portfolio Trust

The weighted average number of units outstanding during the period ended June 30, 2015 was 676,753 units (2014 – 1,137,183 units).

### Distributions

All distributions will be paid in redeemable units at NAV. Immediately after any distribution in redeemable units, the number of outstanding redeemable units will be consolidated such that the unitholder will hold the same number of redeemable units as it held before the distribution.

## 5. RELATED PARTY TRANSACTIONS AND OTHER EXPENSES

### Management fees

Harvest Portfolios Group Inc. is the Manager of the Fund and is responsible for managing or arranging for managing the Fund's overall business and operations and provides key management personnel to the Fund. The Manager has retained Avenue Investment Management Inc. ("Avenue" or the "Investment Manager") to provide investment management services to the Fund and pays Avenue a fee for its portfolio advisory service, from the management fee received from the Fund, calculated on the basis of the Fund's net assets. The Manager is entitled to a fee of 1.00% of the average daily NAV, plus applicable taxes, payable monthly.

### Operating expenses

The Fund is responsible for all expenses relating to the operation and the carrying on of its business, including legal fees and audit fees, interest, taxes and administrative costs relating to the redemption of securities as well as the cost of financial and other reports and compliance with applicable laws, regulations and policies.

## 6. FINANCIAL RISK MANAGEMENT

Investment activities of the Fund expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The Manager seeks to minimize these risks by employing experienced portfolio managers that will manage the security portfolios of the Fund on a daily basis according to market events and the investment objectives of the Fund. To assist in managing risk, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and securities regulations.

### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The value of securities in the Fund's portfolio may be affected by the stock market conditions rather than each company's performance. Developments in the market are affected by general economic and financial conditions. Political, social and environmental factors can also affect the value of any investment.

The Investment Manager of the Fund has attempted to moderate this risk through the careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk of loss resulting from financial instruments is equivalent to their fair value.

As at June 30, 2015 - 125.2% (December 31, 2014 – 118.0%) of the GTU Trust's net assets attributable to holders of redeemable units were traded on public stock exchanges. If equity prices on these exchanges had increased or decreased by 5%, as at year end, with all other factors remaining constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately \$748,429 (December 31, 2014 - \$691,656).

In practice, the actual trading results may differ and the difference could be material.

### Currency risk

Currency risk is the risk that the value of investments denominated in currencies other than the functional currency of the Fund will fluctuate as a result of changes in foreign exchange rates. When a Fund, buys an investment priced in a foreign currency and the exchange rate between the Canadian dollar and the foreign currency changes unfavorably, it could reduce the value of the Fund's investment.

The table below summarizes the Fund's exposure to currency risk as at June 30, 2015 and December 31, 2014. Amounts shown are based on the carrying value of the monetary and non-monetary net assets (including derivatives and the underlying principal (notional) amount of the forward currency contracts (if any)).

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As at June 30, 2015		
Currency	Currency exposure (\$)*	As a % of net assets
Euro	5,658,190	47.3
U.S. dollar	3,877,434	32.4
Pound sterling	2,391,172	20.0
New Zealand Dollar	306,786	2.6
Swedish Krona	232,070	1.9
Swiss Franc	271,401	2.3
<b>Totals</b>	<b>12,737,053</b>	<b>106.5</b>

\*Amounts are in Canadian dollars

As at December 31, 2014		
Currency	Currency exposure (\$)*	As a % of net assets
Euro	5,500,591	46.8
U.S. dollar	3,947,230	33.6
Pound sterling	2,269,970	19.3
New Zealand Dollar	366,597	3.1
Swedish Krona	235,643	2.0
Swiss Franc	199,209	1.7
<b>Totals</b>	<b>12,519,240</b>	<b>106.5</b>

\*Amounts are in Canadian dollars

The non-monetary currency exposure is \$12,918,283 (December 31, 2014 – \$11,794,009) and the monetary currency exposure is \$181,230 (December 31, 2014 – 725,231).

As at June 30, 2015, if the Canadian dollar had strengthened or weakened by 5% in relation to all foreign currencies, with all other variables held constant, the Fund's net assets attributable to holders of redeemable units would have increased or decreased, respectively, by approximately \$636,853 (December 31, 2014 - \$625,962) or 5.3% (December 31, 2014 - 5.3%). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

### Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair value of financial instruments. A fund that invests in fixed income securities, such as bonds and money market instruments, is sensitive to changes in interest rates. As at June 30, 2015 and December 31, 2014, the Fund did not hold any bonds or money market instruments, therefore, the Fund's exposure to interest rate risk is insignificant.

A Fund that has an interest-bearing liability is exposed to risks associated with the effects of fluctuations in interest rates on its cash flows. As at June 30, 2015, the Fund had a net bank overdraft of \$3,142,636 (December 31, 2014 - \$2,222,048). If interest rates were to change by 1.0%, the interest expense in the GTU Trust could increase (decrease) by \$31,426 (2014 - \$22,220).

### Liquidity risk

Liquidity risk is defined as the risk that a fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is exposed to redemption of units as described in Note 4. However, the Manager does not expect that the contractual maturity will be representative of the actual cash outflows as holders of those units typically retain them for a longer period. Therefore in order to maintain sufficient liquidity, the Fund primarily invests in securities that are actively traded in public markets and can be readily disposed of to raise liquidity.

As at June 30, 2015 and December 31, 2014, all of the Fund's financial liabilities, except for the borrowings, had maturities of less than three months. The borrowing is a revolving margin that is due on demand with no fixed repayment terms.

### Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund.

## GTU Portfolio Trust

All transactions executed by the Fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Fund has exposure to credit risk through its prime brokerage relationship with a Canadian chartered bank (the "Prime Broker"). At June 30, 2015 and December 31, 2014, the Prime Broker had a credit rating of A+ from Standard & Poor's.

### Fair value of financial instruments

The Fund classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

**Level 3:** Inputs for the asset or liability that are not based on observable market data.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

The table below summarizes the fair value of the Fund's financial instruments using the following fair value hierarchy:

Securities classification:

Investments at fair value as at June 30, 2015				
Equities	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
Common stock	14,968,588	-	-	14,968,588
<b>Total investment in securities</b>	<b>14,968,588</b>	<b>-</b>	<b>-</b>	<b>14,968,588</b>

Investments at fair value as at December 31, 2014				
Equities	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Totals (\$)
Common stock	13,833,117	-	-	13,833,117
<b>Total investment in securities</b>	<b>13,833,117</b>	<b>-</b>	<b>-</b>	<b>13,833,117</b>

There were no Level 3 securities held by the Fund as at June 30, 2015 and December 31, 2014, and there were no significant transfers between Level 1 and Level 2 for the period ended June 30, 2015 or the year ended December 31, 2014.

The value of the equities is based on quoted prices.

### Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the GTU Trust's concentration risk by geography and segment.

## GTU Portfolio Trust

Geography:

As at	June 30, 2015		December 31, 2014	
Country of Issue	\$*	% of net assets	\$*	% of net assets
Canada	2,050,305	17.2	2,039,108	17.5
United States of America	4,177,510	34.9	3,558,252	30.3
New Zealand	306,786	2.6	366,596	3.1
Europe	5,552,238	46.5	5,176,119	44.1
United Kingdom	2,384,773	19.9	2,258,188	19.3
Sweden	232,070	1.9	235,643	2.0
Switzerland	264,906	2.2	199,211	1.7
<b>Totals</b>	<b>14,968,588</b>	<b>125.2</b>	<b>13,833,117</b>	<b>118.0</b>

\*Stated in Canadian dollars

Market Segment (percentage of net assets attributable to holders of redeemable units):

	June 30, 2015	December 31, 2014
	% of net assets	% of net assets
Banking and Other Financial Issuers	6.6	4.0
Consumer Discretionary Issuers	20.1	17.1
Energy Issuers	5.2	6.3
Information Technology Issuers	6.6	3.6
Other Public Issuers	6.1	5.1
Telecommunication Services Issuers	30.9	29.4
Utilities Issuers	49.7	52.5
<b>Total</b>	<b>125.2</b>	<b>118.0</b>

### 7. SOFT DOLLAR COMMISSIONS

Brokerage commissions paid to certain brokers may, in addition to paying for the cost of brokerage services in respect of security transactions, also provide for the cost of investment research services provided to the investment manager. The value of such research services included in commissions paid to brokers for the period ended June 30, 2015 and 2014 amounted to \$NIL.

### 8. BORROWINGS

The Fund established a revolving margin with its Prime Broker, a Canadian chartered bank. Interest charged at floating rates is included in "Interest expense" on the Statements of Comprehensive Income. The Fund has the facility in place to borrow up to 33.3% of the Fund's NAV. The overdraft function is to borrow for the purpose of making investments in accordance with its investment objectives and restrictions, and to pledge its assets to secure the borrowings. The borrowing is a revolving margin that is due on demand with no fixed repayment terms.

The amount drawn on the margin was \$3,142,636 (December 31, 2014 - \$2,222,048) or 26.3% (December 31, 2014 - 18.9%) of net assets attributable to holders of redeemable units at June 30, 2015. For the period ended June 30, 2015 the Fund recorded interest expense of \$27,140 (2014 - \$59,608). The amount of borrowings ranged between \$2,222,048 and \$3,142,636 during the period (2014 between \$3,502,957 and \$4,136,595) and represented 18.9% to 26.3 % of the Fund's net assets attributable to holders of redeemable units during the period ended June 30, 2015 (2014 - 19.0% to 24.4%).

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**CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

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