



Securing Your Child's Future Since 1965

Semi-Annual Financial Statements (Unaudited)

Impression Plan

For the six months ended June 30, 2009

Impression Plan

Statements of Net Assets
(unaudited)

As at June 30, 2009 and December 31, 2008

	2009	2008
	(unaudited)	
Assets		
Cash and cash equivalents	\$ 1,747	\$ 6,741
Receivable from Heritage Educational Foundation	–	1,000
Investments, at fair value (note 2)	561,784	541,092
Accrued interest	5,364	4,349
Net assets	\$ 568,895	\$ 553,182
Net assets represented by:		
Unitholders' equity	\$ 568,895	\$ 553,182
Number of units outstanding (note 3)	54,591	52,870
Net asset per unit	\$ 10.42	\$ 10.46

See accompanying notes to financial statements.

Impression Plan

Statements of Operations
(unaudited)

Six months ended June 30, 2009 and 2008

	2009	2008
	(unaudited)	(unaudited)
Investment income (expense):		
Interest and other	\$ 15,824	\$ 16,256
Portfolio management fees	(150)	(161)
Net investment income	15,674	16,095
Net unrealized losses	(1,145)	(790)
Increase in net assets from operations	\$ 14,529	\$ 15,305
Increase in net assets from operations per unit	\$ 0.27	\$ 0.28

See accompanying notes to financial statements.

Impression Plan

Statements of Changes in Net Assets
(unaudited)

For the six months ended June 30, 2009 and 2008

	2009	2008
Net assets, beginning of period	\$ 553,182	\$ 572,089
Increase in net assets from operations	14,529	15,305
Subscribers' contributions	22,415	48,899
Government grants	3,209	7,911
Redemptions:		
Educational Assistance Payments	(3,047)	(67,753)
Others	(21,393)	(11,316)
	(24,440)	(79,069)
Net assets, end of period	\$ 568,895	\$ 565,135

See accompanying notes to financial statements.

Impression Plan

Statement of Investment Portfolio
(unaudited)

June 30, 2009

Description	Coupon rate	Maturity date	Face value	Amortized cost	Fair value
Government - federal:					
Canada Housing Trust Bond	3.55%	9/15/2010	\$ 60,000	\$ 61,965	\$ 62,013
Canada Housing Trust Bond	4.80%	6/15/2012	105,000	109,560	112,794
Government - provincial:					
Alberta Capital Finance Authority	4.65%	6/15/2017	15,000	15,288	15,758
Province of Manitoba debentures	4.70%	9/22/2017	15,000	14,973	15,730
Province of Quebec debentures	4.50%	12/01/2017	30,000	29,666	30,916
Province of Manitoba debentures	4.25%	3/05/2018	10,000	9,938	10,121
Province of Ontario Domestic debentures	4.20%	3/08/2018	20,000	20,222	20,184
Municipal Finance Authority	4.60%	4/23/2018	15,000	14,949	15,100
City of Toronto debentures	4.95%	6/27/2018	10,000	9,973	10,226
Hydro Quebec debentures	11.00%	8/15/2020	20,000	30,229	31,157
Province of Ontario CDA	6.50%	3/08/2029	95,000	113,796	113,206
Province of British Columbia debentures	5.70%	6/18/2029	10,000	10,938	11,000
Quebec Province CDA	6.00%	10/01/2029	15,000	16,493	16,759
Bank deposit notes/GICs:					
Canadian Imperial Bank of Commerce	5.00%	9/10/2012	15,000	14,991	15,879
Royal Bank of Canada	4.97%	6/05/2014	15,000	14,948	15,999
Royal Bank of Canada Tier 2A	5.95%	6/18/2014	5,000	4,626	5,198
Bank of Montreal	5.45%	7/17/2017	15,000	15,210	15,831
Corporate bonds:					
Toronto Dominion Bank	4.78%	12/14/2016	15,000	14,295	13,924
Short term:					
Canada Treasury bills	0.00%	8/20/2009	15,000	14,996	14,996
Canada Treasury bills	0.00%	9/17/2009	15,000	14,993	14,993
			\$ 515,000	\$ 552,049	\$ 561,784

See accompanying notes to financial statements.

Impression Plan (the "Plan") was established on June 20, 2003 by the Heritage Educational Foundation (the "Foundation"), a not-for-profit corporation incorporated under the laws of Canada without share capital. The Foundation was incorporated and organized on December 1, 1986. The Plan provides a savings vehicle for parents, grandparents and others ("Subscriber" or "Subscribers") to save for a designated child's post-secondary education. The Plan is distributed by Heritage Education Funds Inc. (the "Distributor"), a subsidiary controlled by Heritage Financial Group Limited. The Foundation and the Distributor are under common management, and the beneficial shareholders of the Distributor constitute the Board members of the Foundation. Unless otherwise defined herein, all capitalized terms have the meanings given to them in the Contract.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

The Plan's accounting policies and its standards of financial disclosure are in accordance with Canadian GAAP. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the year. Actual results could differ from those estimates.

On December 1, 2006, CICA issued two new accounting standards, Handbook Section 3862, Financial Instruments - Disclosures ("Section 3862"), and Handbook Section 3863, Financial Instruments - Presentation ("Section 3863"). Section 3862 and Section 3863 replace Section 3861, Financial Instruments - Disclosure and Presentation, and require enhanced disclosures about the nature and extent of risks arising from the financial instruments and how the Plan manages those risks. These new standards became effective for the Plan on January 1, 2008. Note 6 describes the risks associated with financial instruments and the risk management policies of the Plan.

In January 2009, the CICA issued Emerging Issues Committee ("EIC") Abstract 173 – Credit Risk and the Fair Value of Financial Assets and Financial Liabilities ("EIC-173"). EIC-173 provides guidance on how to take into account credit risk of an entity and counterparty when determining the fair value of financial assets and financial liabilities. EIC-173 is applicable to interim and annual financial statements of the Plan for its fiscal year ending December 31, 2009, with retroactive application. The Plan has adopted EIC-173 during the first six months of 2009 and its requirements did not have any impact on the financial statements.

(a) Investments:

Investments in bonds and short-term investments are carried at fair value based on closing bid prices.

Investment transactions are recorded on settlement basis. Realized gains or losses and changes in unrealized gains or losses are recognized in the period such gains or losses occur.

(b) Interest income:

Interest income is recorded on an accrual basis and includes amortization of any premiums or discounts on the purchase of the investments using the effective interest rate method.

1. Significant accounting policies (continued):

(c) Subscribers' contributions:

Subscribers' contributions reflect all amounts received from the Subscribers and do not include any amount receivable on subscribed units.

(d) Cash and cash equivalents:

Cash consists of deposits with a major financial institution. Cash equivalents consist of money market funds.

(e) Government contributions:

Canada Education Savings Grant ("CESG") contributions represent the amount of federal government grants received by the Plan pursuant to the CESG program. The amount of grant received under the program is 20% of annual contributions made into a Registered Education Savings Plan ("RESP") and has an annual maximum of \$500 per eligible Beneficiary who is under 18 years of age. An additional CESG amount may be available based on the net family income of the Beneficiary and provides for an enhanced grant of 40% of annual contributions for Beneficiaries whose annual family net income does not exceed \$38,832* and 30% of annual contributions for Beneficiaries whose annual family net income is between \$38,832* and \$77,664*. The cumulative lifetime maximum of all CESG is \$7,200 per eligible Beneficiary.

The Government of Canada will provide a Canada Learning Bond ("CLB") in the amount of \$500 for any child born after December 31, 2003 who also qualifies for the National Child Benefit Supplement ("NCBS") together with \$25 to help cover the cost of opening an RESP. In each subsequent year that the child remains eligible for the NCBS until the year the child turns 15 years of age, the Government of Canada will contribute an additional \$100 towards CLB, on an annual basis. The total CLB available for a Beneficiary can amount to \$2,000.

For the residents of Alberta, the Provincial Government has established Alberta Centennial Education Savings Grants of \$500 which will be paid into an RESP for every child born in Alberta on January 1, 2005 or later. Additional grants of \$100 will be paid into the RESPs of eligible Beneficiaries when they turn 8, 11 and 14 provided they are, at that time, enrolled in school in the province of Alberta and have met minimum contribution levels required by the Government of Alberta.

For residents of Quebec, the provincial government introduced the Quebec Education Savings Incentive ("QESI"), which will be paid in the form of a refundable tax credit. This tax credit will apply to contributions made on or after February 21, 2007 into RESP, where a child named as a Beneficiary is a resident of Quebec. The basic credit is 10% of the net annual contribution to a maximum of \$250 per eligible Beneficiary. Families with income of less than \$76,770* may qualify up to 10% of the first \$500 in RESP contributions to a maximum of \$50 in QESI. The total lifetime maximum is \$3,600 per eligible Beneficiary.

* This amount is indexed each year based on the rate of inflation.

1. Significant accounting policies (continued):

(e) Government contributions: (continued)

All grants received by the Plan with respect to a Beneficiary are invested by the Plan and will ultimately be paid out to the Beneficiary in increments if the Beneficiary becomes entitled to receive Educational Assistance Payments ("EAP"). Under various circumstances, including the case where a Beneficiary does not become eligible for receipt of EAP, the government grants and incentives must be repaid to the applicable government. After maturity, under the Self-Determined Option, if a Beneficiary does not enroll in a post-secondary educational program, the Plan is required to repay the grant, referable to that Beneficiary, back to the government. Earnings on such grants may be rolled over into a registered retirement savings plan in accordance with the provisions of the *Income Tax Act (Canada)*.

(f) Future accounting changes:

On February 13, 2008, the CICA Accounting Standards Board confirmed that the use of International Financial Reporting Standards ("IFRS") will be required for all Canadian publicly accountable enterprises for fiscal years beginning on or after January 1, 2011. IFRS uses a conceptual framework similar to Canadian GAAP, but there may be significant differences on recognition, measurement and disclosures that may materially impact the net assets of the Plan. Management has developed a plan to meet the timetable published by the CICA Accounting Standards Board for a changeover to IFRS.

The key elements of this plan include disclosures of the qualitative impact in the December 31, 2009 and 2010 financial statements, disclosures of the quantitative impact, if any, in the December 31, 2010 financial statements and the preparation of December 31, 2011 financial statements in accordance with IFRS.

Based on management's current evaluation of the differences between Canadian GAAP and IFRS, management believes there will be no material impact on the net assets of the Plan. Management is of the view that the conversion to IFRS will most likely require some additional disclosures and potentially different presentation of certain items in the financial statements of the Plan.

(g) Income taxes:

The Plan is exempt from income taxes under Section 146.1 of the *Income Tax Act (Canada)*.

Impression Plan

Notes to Financial Statements (unaudited) (continued)

Six months ended June 30, 2009

2. Investments:

The face values, cost/amortized costs and fair values of investments by contractual maturity are as follows:

Term to maturity	June 30, 2009				December 31, 2008			
	Face value	Cost/ amortized cost	Fair value	Yield	Face value	Cost/ amortized cost	Fair value	Yield
Government of Canada and federally guaranteed bonds:								
Due in one to five years	\$ 165,000	\$ 171,525	\$ 174,807	2.23%	\$ 150,000	\$ 156,623	\$ 163,626	3.39%
Provincial and provincially guaranteed bonds:								
Due after five years	255,000	286,465	290,158	4.73%	275,000	299,208	305,217	4.72%
Bank deposit notes/GICs:								
Due in one to five years	35,000	34,565	37,075	5.29%	15,000	14,990	15,300	5.02%
Due after five years	15,000	15,210	15,831	5.27%	30,000	30,165	30,355	5.14%
Corporate bonds:								
Due after five years	15,000	14,295	13,924	5.69%	15,000	14,248	11,616	5.57%
485,000	522,060	531,795			485,000	515,234	526,114	
Short-term investments	30,000	29,989	29,989	0.22%	15,000	14,978	14,978	1.41%
	\$ 515,000	\$ 552,049	\$ 561,784		\$ 500,000	\$ 530,212	\$ 541,092	

A copy of the statement of portfolio transactions (unaudited) of the Plan is available to Subscribers upon request.

3. Valuation of units:

The Plan's units are valued monthly to establish a Monthly Market Value. The Monthly Market Value is calculated by dividing net assets, less CESP deposits receivable, by the number of units in the Plan at the close of business on the last business day of each month.

4. Management fee:

An annualized management fee of 1.95% is charged based on the aggregate market value of the Plan. The management fee is inclusive of administrative, trustee and portfolio management fees and is accrued monthly in arrears. For the period ended June 30, 2009, the Foundation has waived the management fee. Waiver of management fees for any period is at the discretion of the Foundation.

5. Financial instruments:

The fair values of cash and cash equivalents, receivable from the Foundation and accrued interest approximate their carrying values due to the short-term nature of these instruments.

6. Risk management:

The investment objectives of the Plan are to preserve its investments while maximizing the long term rate of returns for Subscribers and are, therefore, affected by a number of economic factors, including changing economic environments and capital markets. As a result, the Plan faces various risk factors inherent in its normal investment activities. These risk factors are primarily credit risk, liquidity risk and market risk. In order to proactively address these risks, management has engaged a third party portfolio advisor to assist in investing the Subscribers' contributions and the investment income earned thereon. Management and the portfolio advisor perform periodic reviews of the investment portfolio to comply with the stated investment objectives.

(a) Credit risk:

Credit risk refers to the ability of the issuer of a debt security to pay interest and repay the principal. As with any debt security, there is an inherent risk that the issuer of a debt will fail to honour its promise to pay interest and repay the principal. This risk is mitigated by the Plan's investment strategy of investing in those debt securities with an approved credit rating, as defined in Section 1.1 of National Instrument 81-102 and further detailed in the Risk Factors section of the Prospectus dated August 11, 2008. All of the Plan's investments are with Canadian issuers. The maximum credit risk exposure of the Plan is detailed in note 2. The entire investment portfolio is of investment grade with most rated as "AAA" or "AA" by Dominion Bond Rating Services Limited and the minimum rating is "A".

6. Risk management: (continued)

(b) Liquidity risk:

Liquidity risk is the risk that the Plan will encounter difficulty in meeting obligations associated with financial liability obligations. The Plan minimizes this risk by (i) maintaining sufficient cash and cash equivalents, (ii) selecting investments for the portfolio that are active in the market and can be readily sold, and (iii) ensuring cash will be available by the anticipated pay-out dates applicable to the Subscribers.

(c) Market risk:

Market risk is the risk that the fair value of investments will fluctuate because of changes in market prices. The Plan's portfolio advisor attempts to mitigate this risk by periodical review of market conditions and the performance of the portfolio and make necessary changes to the portfolio in accordance with the investment objectives. Management has identified interest rate risk as a major risk factor related to the fixed-income portfolio, and it is discussed in detail in the Risk Factors section of the Prospectus dated August 11, 2008.

(1) Interest rate risk:

Interest rate risk is the risk that the fair value of fixed-income securities in the investment portfolio will fluctuate because of changes in interest rates. A rise in interest rates may have a negative effect on the bid prices of debt securities, while a decrease in interest rates may have a positive effect on the bid prices of debt securities held by the Plan. At June 30, 2009, if interest rates had been 25 basis points lower or higher, with all other variables held constant and assuming a parallel yield curve, the net assets of the Plan would have been higher or lower, respectively, by \$8,000.

In practice, actual trading results may differ from the above sensitivity analysis and the difference could be material.

Social Insurance Number Reminder

Canada Revenue Agency ("CRA") requires that all Registered Education Savings Plans include the Social Insurance Number ("SIN") for the designated Beneficiary. Accordingly, it is very important, if you have not already provided us with your child's SIN to do so no later than 24 months from the date you started your Plan. Your contributions will be placed in an Escrow Account that mirrors the Registered Plan. In the event that the SIN is not provided, we will have no choice other than to collapse your Plan*, but you will have 3 years in which to reactivate your Plan as long as the SIN is provided.

* See prospectus for details.

Your Privacy Matters to Us

We are committed to meeting and exceeding your needs as it relates to respecting your privacy and the security of the personal information that we have about you. We are also determined to provide you with innovative ways that can help you achieve other benefits for you and your family. If you prefer not to receive future communications from us or our partners about these opportunities, please let us know by calling our Customer Service Department at **1.800.739.2101** by December 31, 2009.



Securing Your Child's Future Since 1965

2005 Sheppard Ave. E., Suite 700, Toronto, ON M2J 5B4
Phone 416.502.2500 Toll Free 1.800.739.2101 Fax 416.502.2555
Email customercare@heritageresp.com www.HeritageRESP.com