

GENESIS LIMITED PARTNERSHIP #7
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

GENESIS LIMITED PARTNERSHIP #7
NOTICE OF NO AUDITOR REVIEW OF FINANCIAL STATEMENTS
For the Years Ended December 31, 2015 and 2014

The accompanying unaudited consolidated financial statements of Genesis Limited Partnership #7 (the “Partnership”) have been prepared by and are the sole responsibility of the Partnership’s management. These financial statements have not been independently reviewed or audited.

GENESIS LIMITED PARTNERSHIP #7
CONSOLIDATED BALANCE SHEETS

(In Canadian dollars)

(Unaudited)

		December 31,	
	Notes	2015	2014
Assets			
Cash and cash equivalents		244,661	244,696
Investment in Genesis Limited Partnership #6		2,005,289	2,195,796
Total assets		2,249,950	2,440,492
Liabilities			
Amounts due to related parties		72,736	49,781
Total liabilities		72,736	49,781
Equity			
General partner		10	10
Limited partners		2,177,204	2,390,701
Total equity		2,177,214	2,390,711
Total liabilities and equity		2,249,950	2,440,492

See accompanying notes to the consolidated financial statements.

GENESIS LIMITED PARTNERSHIP #7
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
For the years ended December 31, 2015 and 2014
(In Canadian dollars)
(Unaudited)

	Notes	2015	2014
Revenues			
Gain on investments		-	486,997
		-	468,997
Expenses			
Loss on investments		190,506	-
General and administrative		22,991	10,115
		213,497	10,115
Earnings (loss) being comprehensive income (loss)		(213,497)	476,882

See accompanying notes to the consolidated financial statements.

GENESIS LIMITED PARTNERSHIP #7
CONSOLIDATED STATEMENTS OF PARTNERS' EQUITY
For the years ended December 31, 2015 and 2014
(In Canadian dollars)
(Unaudited)

	Net Partners' Contributions	Deficit	Partners' Equity
At December 31, 2013	8,948,886	(7,035,057)	1,913,829
Earnings being comprehensive income for the year	-	476,882	476,882
At December 31, 2014	8,948,886	(6,558,175)	2,390,711
Loss being comprehensive loss for the year	-	(213,497)	(213,497)
At December 31, 2015	8,948,886	(6,771,672)	2,177,214

See accompanying notes to the consolidated financial statements.

GENESIS LIMITED PARTNERSHIP #7
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For years ended December 31, 2015 and 2014
(In Canadian dollars)
(Unaudited)

1. ORGANIZATION AND OPERATION OF THE PARTNERSHIP

Genesis Limited Partnership #7 (the "Partnership") is a limited partnership formed under the laws of the Province of Alberta on April 6, 2006 pursuant to the Partnership Act (Alberta). It commenced operations by raising funds through an offering memorandum dated April 10, 2006 for limited partnership units ("Units"). As at December 31, 2015, the Partnership had 1,787 Units outstanding (December 31, 2014 - 1,787 Units).

The Partnership was established to participate in the development of serviced multi-family, commercial and single family lots through an indirect interest in Genesis Limited Partnership #6.

The affairs of the Partnership are managed by the General Partner, GP-GLP7 Inc.

2. BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the Partnership and its wholly-owned subsidiary, GLP7 Subco Inc. All intra-group transactions and balances are eliminated on consolidation.

GENESIS LIMITED PARTNERSHIP #7
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For years ended December 31, 2015 and 2014
(In Canadian dollars)
(Unaudited)

3. NON-IFRS PRESENTATION OF COMPREHENSIVE INCOME

Under International Financial Reporting Standards (IFRS), the Partnership's earnings from its 31.6% indirect ownership interest in Genesis Limited Partnership #6 are presented as a single line item: "gain (loss) on investments". The following table presents the operating results for the Partnership and its indirect investment in Genesis Limited Partnership #6 using the proportionate consolidation method:

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Revenues					
Development land sales	-	-	-	1,449,431	1,992,020
Residential home sales	-	-	-	4,110	18,912
Residential lot sales	-	-	-	-	-
Recovery of land under development	-	504,270	-	-	-
Other income	(190,345)	-	193,870	79	3,601
	(190,345)	504,270	193,870	1,453,620	2,014,533
Cost of Sales					
Development land	-	-	-	945,314	1,743,011
Residential homes	-	-	-	4,342	13,027
Write-down of land under development	-	-	504,270	-	-
	-	-	504,270	949,656	1,756,038
Gross Profit	(190,345)	504,270	(310,400)	503,964	258,495
Interest Income	-	-	83,806	139,249	137,070
General and administrative expense	(23,152)	(27,388)	(7,636)	(8,196)	(18,647)
Earnings (loss)	(213,497)	476,882	(234,230)	635,017	376,918
Earnings (loss) per unit	\$ (119)	\$ 267	\$ (131)	\$ 355	\$ 211