

Connecticut Higher Education Trust Program Advisor Plan

**Financial Statements as of and for the
Year Ended June 30, 2014, and
Independent Auditors' Report**

Connecticut Higher Education Trust Program Advisor Plan

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Connecticut Higher Education Trust Program Advisor Plan

Independent Auditors' Report

To the Trustee of the
Connecticut Higher Education Trust – Advisor Plan
Hartford, Connecticut

Report on the Financial Statements

We have audited the accompanying statement of fiduciary net position of the Connecticut Higher Education Trust Program Advisor Plan (the “Plan”), a Plan of the State of Connecticut, as of June 30, 2014 and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Plan’s basic financial statements, as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2014, and the related changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management’s discussion and analysis, on pages 3 through 4, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical

context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements of fiduciary net position, the combining statements of changes in fiduciary net position, and financial highlights, as listed in the table of contents, on pages 14 through 23 are supplemental schedules presented for purposes of additional analysis and are not a required part of the basic financial statements. These supplemental schedules are the responsibility of the Plan's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such supplemental schedules have been subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2014, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

Deloitte & Touche LLP

August 28, 2014
Jericho, New York

Connecticut Higher Education Trust Program Advisor Plan

Management's Discussion and Analysis

The Connecticut Higher Education Trust (“CHET” or the “Trust”) Program (the “Program”) was formed on July 1, 1997, by Connecticut law, to help people save for the costs of education after high school. The Program is administered by the Treasurer of the State of Connecticut, as trustee (the “Trustee”) of the Trust. The Trustee has the authority to enter into contracts for program management services, adopt regulations for the administration of the Program, and establish investment policies for the Program. The Program consists of two components – CHET Direct Plan, which is offered directly by the state, and an advisor plan which began on September 30, 2010 (“CHET Advisor Plan”), for which Hartford Life Insurance Company (“Hartford Life”) and the Trustee have entered into a management agreement under which Hartford Life serves as plan manager. The Hartford Financial Services Group, Inc. (“The Hartford”), Hartford Life’s ultimate parent company, has provided insurance and other financial management services for its clients since 1810. As Plan manager, Hartford Life provides readers of the financial statements of the Plan this discussion and analysis of the financial performance as of and for the fiscal year ended June 30, 2014. The following should be considered in conjunction with the Plan’s financial statements and notes to financial statements, which follow this section.

These financial statements are intended for use in connection with an account opened in the CHET Advisor Plan only, and are not intended to include information relevant to the CHET Direct Plan, which is described in a separate report, and offers investment options different from those offered under the CHET Advisor Plan. For more information on the CHET Direct Plan, you may call 1-888-799-2438 or go to www.aboutchet.com.

Financial Highlights

The following financial highlights occurred during the year ended June 30, 2014:

- The Plan had contributions of \$83.2 million and withdrawals of \$12.2 million during the year;
- At June 30, 2014, the Plan’s Fiduciary Net Position totaled \$275.2 million, an increase of \$102.6 million, or 59% since June 30, 2013;
- The Plan earned \$2.8 million from investment income, \$5.2 million from capital gain distributions, \$14.9 million from net appreciation in fair value of investments, and recognized gains on the sale of investments of \$10.2 during the year. The Plan incurred \$1.5 million for operating expenses during the year.

Overview of the Financial Statements

The Plan’s financial statements are prepared in accordance with Governmental Accounting Standards Board (“GASB”) No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*.

This annual report consists of two sections: Management’s discussion and analysis (this section) and the basic financial statements. The basic financial statements include the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, the Notes to Financial Statements, Supplemental Combining Statements and the Financial Highlights included in the table of contents. The statements are prepared using the accrual basis of accounting. Contributions and redemptions are recognized on trade date; expenses and liabilities are recognized when services are provided, regardless of when cash is disbursed.

The Statement of Fiduciary Net Position presents information on all of the Plan’s assets and liabilities, with the difference reported as net position.

The Statement of Changes in Fiduciary Net Position reports the additions and deductions to the Plan for the fiscal year.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

This report presents the operating results and financial status of the Plan, which the State of Connecticut reports as a fiduciary fund (private purpose trust fund). Fiduciary fund reporting at the State of Connecticut represents assets held for benefit of parties outside the governmental entity.

Financial Analysis

Fiduciary Net Position: The following is a condensed Statement of Fiduciary Net Position for the Plan as of June 30, 2014 and June 30, 2013.

	<u>2014</u>	<u>2013</u>
Assets:		
Investments	\$ 275,140,842	\$ 172,315,109
Receivables and other assets	361,078	545,656
Total assets	<u>275,501,920</u>	<u>172,860,765</u>
Liabilities:		
Payables and other liabilities	292,392	268,045
Accrued expenses	16,079	10,049
Total liabilities	<u>308,471</u>	<u>278,094</u>
Fiduciary Net Position	<u>\$ 275,193,449</u>	<u>\$ 172,582,671</u>

Total Fiduciary Net Position represent cumulative contributions from participants since the Plan's inception, plus net increases and (decreases) from investment operations less redemptions and expenses.

Investments make up 99.9% of total Fiduciary Net Position, and consist of 22 investment options, each of which is invested in underlying mutual funds. Other assets consist of cash, receivables for investments sold, receivables for capital shares sold and receivables for accrued income. Liabilities consist of payables for investments purchased, payables for capital shares redeemed, and payables for accrued expenses for management and administrative services.

Changes in Net Position: The following is a condensed Statement of Changes in Fiduciary Net Position for the Plan for the years ended June 30, 2014 and June 30, 2013.

	<u>2014</u>	<u>2013</u>
Additions:		
Contributions	\$ 83,224,690	\$ 67,587,484
Increase from investment operations	33,073,538	15,657,056
Total additions	<u>116,298,228</u>	<u>83,244,540</u>
Deductions:		
Withdrawals	12,204,271	6,576,546
Expenses after fees waived	1,483,179	891,741
Total deductions	<u>13,687,450</u>	<u>7,468,287</u>
Change in net position	<u>102,610,778</u>	<u>75,776,253</u>
Fiduciary net position, beginning of period	172,582,671	96,806,418
Fiduciary Net Position, end of period	<u>\$ 275,193,449</u>	<u>\$ 172,582,671</u>

Connecticut Higher Education Trust Program Advisor Plan

Statement of Fiduciary Net Position *June 30, 2014*

Assets:

Investments fair value (cost \$249,550,541)	\$ 275,140,842
Receivables:	
Investments sold	18,369
Capital shares sold	291,643
Dividends and interest	51,066
Total assets	<u>275,501,920</u>

Liabilities:

Payables:	
Investments purchased	244,902
Capital shares redeemed	47,490
Accrued expenses	16,079
Total liabilities	<u>308,471</u>
Fiduciary Net Position	<u>\$ 275,193,449</u>

Connecticut Higher Education Trust Program Advisor Plan

Statement of Changes in Fiduciary Net Position Year Ended June 30, 2014

Additions:

Contributions:	
Account holders	\$ 83,224,690
Total contributions	<u>83,224,690</u>
Increase from investment operations:	
Dividends	2,782,261
Capital gain distributions received from underlying funds	5,183,644
Net realized gain on sale of underlying fund shares	10,199,674
Net appreciation on underlying fund shares	14,907,959
Net increase from investment operations	<u>33,073,538</u>
Total additions	<u>116,298,228</u>

Deductions:

Withdrawals	12,204,271
Expenses:	
Plan manager fees	530,076
Administrative fees	44,170
Distribution fees	998,063
Total expenses (before waivers)	<u>1,572,309</u>
Total waivers	<u>(89,130)</u>
Total expenses after fees waived	<u>1,483,179</u>
Total deductions	<u>13,687,450</u>

Fiduciary Net Position

Net increase in fiduciary net position	\$ 102,610,778
Beginning of year	<u>\$ 172,582,671</u>
End of year	<u>\$ 275,193,449</u>

Connecticut Higher Education Trust Program Advisor Plan

Notes to Financial Statements

Note 1 – Organization

The Connecticut Higher Education Trust (“CHET” or the “Trust”) Advisor Plan (“Plan”) is a qualified tuition program offered by the Trust. Hartford Life Insurance Company (“Hartford Life”) serves as plan manager and manages the Plan under the direction of the Trustee. The Plan is intended to meet the requirements of the qualified tuition program under Section 529 of the Internal Revenue Code and was established pursuant to the Connecticut General Statutes Section 3-22f to 3-22o. Investment options and allocations, as adopted by the Trustee, are described in the current Disclosure Booklet for the Program.

The Plan offers Age-Based Investment Options tailored to the length of time until the designated beneficiary reaches college age, Static Investment Options that allow investing in fixed allocations of underlying investments or Individual Investment Options (collectively, “Investment Options”). The CHET Advisor Plan consists of 22 portfolios that make up the Investment Options in which plan participants can direct their contributions. These Investment Options are as follows:

Age Based Investment Options

- CHET Advisor Age-Based Portfolio 0-8
- CHET Advisor Age-Based Portfolio 9-13
- CHET Advisor Age-Based Portfolio 14-15
- CHET Advisor Age-Based Portfolio 16-17
- CHET Advisor Age-Based Portfolio 18+

Static Investment Options

- CHET Advisor Aggressive Growth Portfolio
- CHET Advisor Balanced Portfolio
- CHET Advisor Checks & Balances Portfolio
- CHET Advisor Conservative Portfolio
- CHET Advisor Growth Portfolio

Individual Investment Options

- CHET The Hartford Capital Appreciation 529 Portfolio
- CHET The Hartford Dividend and Growth 529 Portfolio
- CHET Hartford Equity Income 529 Portfolio
- CHET Hartford Global Real Asset 529 Portfolio
- CHET The Hartford Growth Opportunities 529 Portfolio
- CHET The Hartford Inflation Plus 529 Portfolio
- CHET The Hartford International Opportunities 529 Portfolio
- CHET The Hartford MidCap 529 Portfolio
- CHET Advisor Money Market 529 Portfolio
- CHET Hartford SmallCap Growth 529 Portfolio
- CHET The Hartford Total Return Bond 529 Portfolio
- CHET Hartford World Bond 529 Portfolio

The Investment Options operate in the manner of a “Fund of Funds,” investing the majority of their assets in Class Y shares of underlying mutual funds sponsored by The Hartford (the “underlying mutual funds”) as well as certain non-Hartford exchange-traded funds (“ETFs”). Collectively, the underlying mutual funds and ETFs are called the “Underlying Funds.”

Financial statements of the underlying mutual funds contain additional information about the expenses and investments of the underlying mutual funds and are available from the EDGAR database on the Securities and Exchange Commission website at <http://www.sec.gov>.

The Investment Options offer Class A Units, Class C Units and Class E Units. Each Class of Units has a different fee structure determined by the sales charge. Class A units are sold with a front-end sales charge of up to 5.50%, with the exception of the following Investment Options that have a maximum front-end sales charge rate of:

<u>Investment Option</u>	<u>Rate</u>
CHET Advisor Age-Based Portfolio 16-17	3.00%
CHET Advisor Age-Based Portfolio 18+	3.00
CHET Advisor Conservative Portfolio	3.00
The Hartford Inflation Plus 529 Portfolio	3.00
The Hartford Total Return Bond 529 Portfolio	3.00
Hartford World Bond 529 Portfolio	3.00
CHET Advisor Money Market 529 Portfolio	-

Class C units are sold with a contingent deferred sales charge of up to 1% on shares redeemed within 12 months of purchase, with the exception of the CHET Advisor Money Market 529 Portfolio, which has no contingent deferred sales charge. Class E units are sold without sales charges to certain eligible investors. All classes of units have identical redemption, dividend, liquidation, and other rights and the same terms and conditions, with the exceptions that each class may have different expenses, which may affect performance.

Note 2 – Significant Accounting Policies

The following is a summary of significant accounting policies of the CHET Advisor Plan in the preparation of its financial statements, which are in accordance with the accounting principles generally accepted in the United States of America (“U.S. GAAP”), as defined by the Governmental Accounting Standards Board (GASB). The preparation of financial statements in accordance with U.S. GAAP may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of increases and decreases in fiduciary net position from operations during the reporting period. Actual results could differ from those estimates.

Determination of Net Position Value (NPV) – The NPV of each class of the Investment Option’s units is based on the value of all underlying investment holdings, determined as of the close of regular trading (normally 4:00 p.m. Eastern Time) (the “NYSE Close”) on each day that the New York Stock Exchange is open (“Valuation Date”). Information that becomes known to the Investment Option after the NPV has been calculated on a particular day will not generally be used to retroactively adjust the NPV determined earlier that day.

Investment Valuation – Investments in open-end mutual funds are valued at the respective Net Asset Value of each underlying mutual fund as determined as of the NYSE Close on the Valuation Date.

The Investment Options generally use market prices in valuing the ETFs. If market prices are not readily available or are deemed unreliable, the Investment Option will use the fair value of the security as determined in good faith under policies and procedures established by Hartford Life.

Security Transactions and Investment Income – Underlying Fund transactions are recorded as of the trade date (the date the order to buy or sell is executed) for financial reporting purposes. Realized gains and losses are determined on the basis of specific identified cost. Income and realized and unrealized capital gains and losses of each class are allocated daily based on the relative fiduciary net position of each class of units of the Investment Option.

Income and capital gain distributions from Underlying Funds are recorded on the ex-dividend date.

Units – Contributions by a participant are evidenced through the issuance of units in the particular Investment Option according to the investment elections made by the participant. Contributions and withdrawals are subject to terms and limitations defined in the participation agreement between the participant and the CHET Advisor Plan. Contributions are invested in units of the assigned Investment Option on the same day as the credit of the contribution to the participant’s

account. Withdrawals are based on the unit value calculated for such Investment Option on the day that the withdrawal request is accepted. The earnings portion of non qualified withdrawals, in addition to applicable federal and state income taxes, may be subject to a 10% non qualified withdrawal penalty to be withheld from the amount withdrawn.

Cash – Cash appearing on the Statement of Fiduciary Net Position is attributable to certain Investment Options, as shown in the attached supplementary schedules. The cash is due to unsettled trades of ETFs. As of June 30, 2014 the Investment Options did not hold any ETFs and therefore, no cash appears on the Statement of Fiduciary Net Position.

Receivables – Receivables for investment securities sold and receivables from the sale of units to participants of the CHET Advisor Plan represent the sales of the Investment Option and the contributions of the participant that have not settled as of the reporting date, respectively.

Payables – Payables for investment securities purchased and payables from units redeemed from participants of the CHET Advisor Plan represent the purchases of the Investment Option and the redemptions of the participant that have not settled as of the reporting date, respectively.

Note 3 – Investment Risks

The CHET Advisor Plan's investments represent shares of the Underlying Funds, rather than individual securities and therefore, are not subject to classification by custodial credit risk or disclosure of concentration of credit risk under GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. The Underlying Funds are not rated by any nationally recognized statistical rating organization.

An Investment Option is exposed to the risks of the Underlying Funds in direct proportion to the amount of assets the Investment Option allocates to each Underlying Fund

Interest Rate Risks – Certain Underlying Funds invest in debt securities, including bonds, and are subject to interest rate risk. Declining interest rates generally increase the value of existing debt instruments, and rising interest rates generally decrease the value of existing debt instruments. The exposure to interest rate risk is greater with long-term bonds than short-term bonds.

Foreign Currency Risks – Certain Underlying Funds invest in foreign securities. Certain additional risks are involved when investing in foreign securities that are not inherent with investments in domestic securities. These risks may involve foreign exchange rate fluctuations, adverse political and economic developments and the possible prevention of currency exchange or other foreign governmental laws or restrictions. In addition, the liquidity of foreign securities may be more limited than that of domestic securities.

Market Risks – In the normal course of business, the Underlying Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk). The market values of Underlying Funds may decline due to general market conditions, which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market value of equity securities may also decline due to factors, which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Credit Risks – Certain underlying funds invest in fixed-income securities and are subject to credit risks. Generally credit risk is the risk that an issuer (issuer credit risk) or other counterparty (counterparty credit risk) to an investment will not fulfill its obligation to the holder of the investment.

Financial assets, which potentially expose the Underlying Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Underlying Funds' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated

by their value as recorded in the underlying funds' Statements of Assets and Liabilities. Refer to the prospectuses and financial statements of the underlying funds for information on the respective underlying fund's investment strategy.

Note 4 – Federal and State Income Taxes

The Program has been designated to comply with the requirements for treatment as a qualified state tuition program under Section 529 of the Internal Revenue Code, which is exempt from federal and state income tax. Therefore, no provision for income tax is required.

Note 5 – Plan Management and Other Fees

Allocable expenses incurred by the CHET Advisor Plan are allocated to each Investment Option and allocated to classes within the Investment Option in proportion to the average daily net position of the Investment Option and each class, except where otherwise noted.

Plan Manager Fee – Hartford Life has entered into a Plan Management Agreement with the Trust which provides for the payment of a Plan Manager Fee for services performed on behalf of the Trust. Currently, the Plan Manager Fee is 0.24% and is accrued daily and paid monthly to Hartford Life and its affiliate, Hartford Funds Management Company, LLC. (“HFMC”). In addition, HFMC receives investment management fees from the underlying Hartford mutual funds.

Given the current low interest rate environment, Hartford Life has waived the annual plan manager fee for contributions to the CHET Advisor Money Market 529 Portfolio. These fees may be resumed at the sole discretion of Hartford Life.

Administrative Fee – The Administrative Fee of 0.02%, is charged to pay the Trust's expenses related to the overall operation of the Connecticut Higher Education Trust. This fee is accrued and deducted daily as a percentage of average daily fiduciary net position of the Investment Options and paid monthly. Until certain start-up costs for the CHET Advisor Plan are recouped, the Trust will pay the administrative fee to Hartford Life.

Given the current low interest rate environment, the Trust has waived the administrative fee for contributions to the CHET Advisor Money Market 529 Portfolio. This fee may be resumed at the sole discretion of the Trustee.

Annual Distribution Fee – The CHET Advisor Plan is authorized to charge an annual distribution fee to compensate Hartford Funds Distributors, LLC (“HFD”), an affiliate of Hartford Life, for activities intended to result in the sale and distribution of Classes A and C units and for providing services for shareholders. The fee is accrued and deducted daily as a percentage of average fiduciary net position in the Investment Options and paid monthly. From its receipt of the annual distribution fee, HFD may compensate other entities for distributing units of the CHET Advisor Plan. The schedule below reflects the fees effective as of June 30, 2014:

<u>Class of Units</u>	<u>Annual</u>
Class A	0.25%
Class C	1.00

Given the current low interest rate environment, Hartford Life has waived the annual distribution fee for contributions to the CHET Advisor Money Market 529 Portfolio. These fees may be resumed at the sole discretion of Hartford Life.

Note 6 – Affiliate Holdings

As of June 30, 2014, affiliates of The Hartford had ownership in certain Investment Options in order to create start up capital. The shares held in those Investment Options are as follows:

<u>Investment Option</u>	<u>Class A</u>	<u>Class C</u>	<u>Class E</u>
CHET Advisor Conservative Portfolio	-	-	393
Hartford Global Real Asset 529 Portfolio	2,500	2,500	2,500
Hartford World Bond 529 Portfolio	2,500	-	2,500

Note 7 – Investments

The following table represents a calculation of the net change in investments during the year ended June 30, 2014:

Investments at end of year	\$ 275,140,842
Less cost of investments purchased during year	(89,917,227)
Plus cost of investments sold during year	1,999,453
Less investments at beginning of year	(172,315,109)
Appreciation of investments during year	<u>\$ 14,907,959</u>

Investments on the Combining Statements of Fiduciary Net Position consist of the following as of June 30, 2014:

	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
CHET Advisor Plan			
State Street Global Advisors Prime Money Market Fund	15,680,283	\$ 15,680,283	\$ 15,680,283
The Hartford Alternative Strategies Fund, Class Y	1,876,240	18,747,519	19,006,308
The Hartford Capital Appreciation Fund, Class Y	490,651	20,584,368	26,308,715
The Hartford Dividend and Growth Fund, Class Y	1,153,414	26,345,315	31,234,448
The Hartford Emerging Markets Research Fund, Class Y	739,188	6,220,074	6,992,721
The Hartford Equity Income Fund, Class Y	979,376	17,214,904	18,833,392
The Hartford Global Real Asset Fund, Class Y	1,461,045	14,818,860	16,144,551
The Hartford Growth Opportunities Fund, Class Y	74,189	2,759,614	3,339,995
The Hartford Inflation Plus Fund, Class Y	721,077	8,413,970	8,068,853
The Hartford International Opportunities Fund, Class Y	1,731,314	29,340,231	32,219,755
The Hartford International Small Company Fund, Class Y	531,593	8,422,079	10,165,956
The Hartford International Value Fund, Class Y	789,778	11,007,659	12,865,484
The Hartford MidCap Fund, Class Y	137,313	3,398,902	4,332,223
The Hartford MidCap Value Fund, Class Y	441,108	6,793,574	8,001,695
The Hartford Short Duration Fund, Class Y	320,398	3,183,982	3,187,956
The Hartford SmallCap Growth Fund, Class Y	176,385	8,295,938	9,240,806
The Hartford Strategic Income Fund, Class Y	1,591,266	14,478,602	15,180,673
The Hartford Total Return Bond Fund, Class Y	925,437	9,994,492	10,105,771
The Hartford Unconstrained Bond Fund, Class Y	372,719	3,727,596	3,801,733
The Hartford World Bond Fund, Class Y	1,893,376	20,122,579	20,429,524
		<u>\$ 249,550,541</u>	<u>\$ 275,140,842</u>

Note 8 – Subsequent Events

Subsequent events have been evaluated through August 28, 2014, which is the date the financial statements were issued. There were no subsequent events identified related to the CHET Advisor Plan that could have a material impact on the CHET Advisor Plan's financial statements.

Connecticut Higher Education Trust Program Advisor Plan

Supplemental Information

Combining Statements of Fiduciary Net Position

June 30, 2014

	<u>CHET Advisor Age- Based Portfolio 0-8</u>	<u>CHET Advisor Age- Based Portfolio 9-13</u>	<u>CHET Advisor Age-Based Portfolio 14-15</u>
Assets:			
Investments in underlying funds, at fair value*			
State Street Global Advisors Prime Money Market Fund	\$ —	\$ —	\$ —
The Hartford Alternative Strategies Fund, Class Y	4,507,921	5,760,157	2,179,000
The Hartford Capital Appreciation Fund, Class Y	6,214,618	4,616,460	1,310,822
The Hartford Dividend and Growth Fund, Class Y	6,780,909	5,192,445	1,525,533
The Hartford Emerging Markets Research Fund, Class Y	2,549,179	2,025,131	547,644
The Hartford Equity Income Fund, Class Y	5,079,417	4,026,762	1,088,934
The Hartford Global Real Asset Fund, Class Y	2,820,003	5,760,721	2,180,973
The Hartford Growth Opportunities Fund, Class Y	—	—	—
The Hartford Inflation Plus Fund, Class Y	—	1,730,815	1,091,611
The Hartford International Opportunities Fund, Class Y	9,605,139	7,790,868	1,966,383
The Hartford International Small Company Fund, Class Y	3,689,703	2,892,932	878,029
The Hartford International Value Fund, Class Y	4,527,376	3,757,225	1,094,202
The Hartford MidCap Fund, Class Y	—	—	—
The Hartford MidCap Value Fund, Class Y	2,822,118	2,017,765	654,783
The Hartford Short Duration Fund, Class Y	—	—	—
The Hartford SmallCap Growth Fund, Class Y	2,260,433	1,731,610	546,314
The Hartford Strategic Income Fund, Class Y	2,825,379	2,884,691	2,183,221
The Hartford Total Return Bond Fund, Class Y	—	865,407	873,288
The Hartford Unconstrained Bond Fund, Class Y	—	865,407	873,288
The Hartford World Bond Fund, Class Y	2,825,379	5,769,383	2,838,188
Total Investments	<u>\$ 56,507,574</u>	<u>\$ 57,687,779</u>	<u>\$ 21,832,213</u>
Receivables for investment securities sold	—	6,048	—
Receivables from the sale of units to account owners	56,322	58,122	26,332
Dividends receivable	—	7,145	6,155
Total assets	<u>56,563,896</u>	<u>57,759,094</u>	<u>21,864,700</u>
Liabilities:			
Payable for investment securities purchased	55,498	53,122	16,882
Payable from units redeemed from account owners	—	6,048	—
Accrued administrative fees	93	95	36
Accrued plan manager fees	1,111	1,135	430
Accrued distribution fees	1,778	1,825	864
Total liabilities	<u>58,480</u>	<u>62,225</u>	<u>18,212</u>
Fiduciary Net Position	<u>\$ 56,505,416</u>	<u>\$ 57,696,869</u>	<u>\$ 21,846,488</u>
Fiduciary Net Position Consists of:			
Class A			
Net Position	\$ 38,159,997	\$ 40,105,097	\$ 11,693,876
Units outstanding	2,401,202	2,696,621	829,643
Net Position Value	<u>\$ 15.89</u>	<u>\$ 14.87</u>	<u>\$ 14.10</u>
Class C			
Net Position	\$ 12,160,929	\$ 12,240,168	\$ 7,620,789
Units outstanding	787,005	846,342	555,927
Net Position Value	<u>\$ 15.45</u>	<u>\$ 14.46</u>	<u>\$ 13.71</u>
Class E			
Net Position	\$ 6,184,490	\$ 5,351,604	\$ 2,531,823
Units outstanding	385,630	356,623	177,845
Net Position Value	<u>\$ 16.04</u>	<u>\$ 15.01</u>	<u>\$ 14.24</u>
* Identified Cost	<u>\$ 50,210,157</u>	<u>\$ 52,039,611</u>	<u>\$ 20,312,890</u>

CHET Advisor Age- Based Portfolio 16- 17	CHET Advisor Age- Based Portfolio 18+	CHET Advisor Aggressive Growth Portfolio	CHET Advisor Conservative Portfolio	CHET Advisor Growth Portfolio	CHET Advisor Balanced Portfolio	The Hartford Capital Appreciation 529 Portfolio	CHET Advisor Checks and Balances Portfolio	The Hartford Dividend and Growth 529 Portfolio
\$ 1,919,727	\$ 3,054,874	\$ —	\$ 596,527	\$ —	\$ —	\$ —	\$ —	\$ —
1,917,528	1,174,952	—	596,527	1,420,663	1,449,560	—	—	—
960,891	234,694	1,414,921	299,044	1,958,525	1,162,684	6,620,378	1,515,678	—
—	—	1,461,438	—	2,129,702	1,302,680	—	1,514,836	11,326,905
—	—	557,356	—	803,369	510,042	—	—	—
1,342,649	352,222	1,108,244	417,352	1,597,415	1,014,165	—	—	—
1,343,485	586,735	504,466	417,947	888,719	1,450,873	—	—	—
—	—	—	—	—	—	—	—	—
959,864	587,476	—	298,264	—	435,023	—	—	—
1,342,583	234,694	2,021,469	418,694	3,027,041	1,962,178	—	—	—
—	—	812,363	—	1,162,803	730,126	—	—	—
—	—	1,113,606	—	1,426,794	946,281	—	—	—
—	—	—	—	—	—	—	—	—
384,141	—	605,813	119,503	889,385	508,187	—	—	—
1,535,782	1,174,952	—	477,222	—	—	—	—	—
—	—	505,457	—	712,371	436,117	—	—	—
3,071,563	1,644,932	—	955,008	889,821	726,058	—	—	—
959,864	586,937	—	298,537	—	217,633	—	1,514,449	—
959,864	587,476	—	298,264	—	217,434	—	—	—
2,495,645	1,527,437	—	775,910	889,822	1,452,116	—	—	—
<u>\$ 19,193,586</u>	<u>\$ 11,747,381</u>	<u>\$ 10,105,133</u>	<u>\$ 5,968,799</u>	<u>\$ 17,796,430</u>	<u>\$ 14,521,157</u>	<u>\$ 6,620,378</u>	<u>\$ 4,544,963</u>	<u>\$ 11,326,905</u>
3,686	8,635	—	—	—	—	—	—	—
13,833	12,685	2,195	989	5,938	4,871	11,444	6,534	15,365
8,500	5,600	—	2,621	—	1,775	—	3,471	—
<u>19,219,605</u>	<u>11,774,301</u>	<u>10,107,328</u>	<u>5,972,409</u>	<u>17,802,368</u>	<u>14,527,803</u>	<u>6,631,822</u>	<u>4,554,968</u>	<u>11,342,270</u>
13,833	—	1,966	989	5,666	3,988	8,941	6,234	13,272
3,686	21,321	—	—	—	—	2,291	—	2,092
32	19	16	10	29	24	11	7	19
378	232	199	118	349	286	130	90	224
824	495	345	275	570	571	266	182	551
<u>18,753</u>	<u>22,067</u>	<u>2,526</u>	<u>1,392</u>	<u>6,614</u>	<u>4,869</u>	<u>11,639</u>	<u>6,513</u>	<u>16,158</u>
<u>\$ 19,200,852</u>	<u>\$ 11,752,234</u>	<u>\$ 10,104,802</u>	<u>\$ 5,971,017</u>	<u>\$ 17,795,754</u>	<u>\$ 14,522,934</u>	<u>\$ 6,620,183</u>	<u>\$ 4,548,455</u>	<u>\$ 11,326,112</u>
\$ 10,010,846	\$ 6,000,503	\$ 4,740,203	\$ 3,028,834	\$ 12,060,773	\$ 7,990,421	\$ 2,414,447	\$ 2,647,704	\$ 4,228,457
798,451	531,369	276,600	241,071	760,275	558,131	142,624	174,069	240,605
<u>\$ 12.54</u>	<u>\$ 11.29</u>	<u>\$ 17.14</u>	<u>\$ 12.56</u>	<u>\$ 15.86</u>	<u>\$ 14.32</u>	<u>\$ 16.93</u>	<u>\$ 15.21</u>	<u>\$ 17.57</u>
\$ 7,536,273	\$ 4,518,656	\$ 3,021,578	\$ 2,596,744	\$ 3,998,481	\$ 4,969,078	\$ 2,644,619	\$ 1,560,576	\$ 5,636,868
618,505	411,467	181,287	212,439	259,138	356,910	160,639	105,516	329,956
<u>\$ 12.18</u>	<u>\$ 10.98</u>	<u>\$ 16.67</u>	<u>\$ 12.22</u>	<u>\$ 15.43</u>	<u>\$ 13.92</u>	<u>\$ 16.46</u>	<u>\$ 14.79</u>	<u>\$ 17.08</u>
\$ 1,653,733	\$ 1,233,075	\$ 2,343,021	\$ 345,439	\$ 1,736,500	\$ 1,563,435	\$ 1,561,117	\$ 340,175	\$ 1,460,787
130,654	108,229	135,474	27,240	108,414	108,202	91,334	22,154	82,407
<u>\$ 12.66</u>	<u>\$ 11.39</u>	<u>\$ 17.29</u>	<u>\$ 12.68</u>	<u>\$ 16.02</u>	<u>\$ 14.45</u>	<u>\$ 17.09</u>	<u>\$ 15.36</u>	<u>\$ 17.73</u>
\$ 18,440,393	\$ 11,501,826	\$ 8,728,501	\$ 5,736,555	\$ 15,617,460	\$ 13,315,152	\$ 5,108,602	\$ 3,837,711	\$ 9,631,823

	Hartford Equity Income 529 Portfolio(1)	Hartford Global Real Asset 529 Portfolio	The Hartford Growth Opportunities 529 Portfolio
Assets:			
Investments in underlying funds, at fair value*			
State Street Global Advisors Prime Money Market Fund	\$ —	\$ —	\$ —
The Hartford Alternative Strategies Fund, Class Y	—	—	—
The Hartford Capital Appreciation Fund, Class Y	—	—	—
The Hartford Dividend and Growth Fund, Class Y	—	—	—
The Hartford Emerging Markets Research Fund, Class Y	—	—	—
The Hartford Equity Income Fund, Class Y	2,806,232	—	—
The Hartford Global Real Asset Fund, Class Y	—	190,629	—
The Hartford Growth Opportunities Fund, Class Y	—	—	3,339,995
The Hartford Inflation Plus Fund, Class Y	—	—	—
The Hartford International Opportunities Fund, Class Y	—	—	—
The Hartford International Small Company Fund, Class Y	—	—	—
The Hartford International Value Fund, Class Y	—	—	—
The Hartford MidCap Fund, Class Y	—	—	—
The Hartford MidCap Value Fund, Class Y	—	—	—
The Hartford Short Duration Fund, Class Y	—	—	—
The Hartford SmallCap Growth Fund, Class Y	—	—	—
The Hartford Strategic Income Fund, Class Y	—	—	—
The Hartford Total Return Bond Fund, Class Y	—	—	—
The Hartford Unconstrained Bond Fund, Class Y	—	—	—
The Hartford World Bond Fund, Class Y	—	—	—
Total Investments	\$ 2,806,232	\$ 190,629	\$ 3,339,995
Receivables for investment securities sold	—	—	—
Receivables from the sale of units to account owners	3,887	101	8,043
Dividends receivable	—	—	—
Total assets	2,810,119	190,730	3,348,038
Liabilities:			
Payable for investment securities purchased	3,216	101	6,004
Payable from units redeemed from account owners	671	—	1,874
Accrued administrative fees	5	—	5
Accrued plan manager fees	55	4	66
Accrued distribution fees	99	7	119
Total liabilities	4,046	112	8,068
Fiduciary Net Position	\$ 2,806,073	\$ 190,618	\$ 3,339,970
Fiduciary Net Position Consists of:			
Class A			
Net Position	\$ 1,770,520	\$ 79,697	\$ 1,989,332
Units outstanding	100,543	7,181	106,897
Net Position Value	\$ 17.61	\$ 11.10	\$ 18.61
Class C			
Net Position	\$ 767,198	\$ 63,298	\$ 953,150
Units outstanding	44,796	5,743	52,662
Net Position Value	\$ 17.13	\$ 11.02	\$ 18.10
Class E			
Net Position	\$ 268,355	\$ 47,623	\$ 397,488
Units outstanding	15,096	4,282	21,157
Net Position Value	\$ 17.78	\$ 11.12	\$ 18.79
* Identified Cost	\$ 2,598,275	\$ 175,962	\$ 2,759,614

- (1) Effective August 2, 2013, the name of The Hartford Value 529 Portfolio changed to Hartford Equity Income 529 Portfolio.
(2) Effective August 2, 2013, the name of The Hartford Money Market 529 Portfolio changed to CHET Advisor Money Market 529 Portfolio.
(3) Effective August 2, 2013, the name of The Hartford Small Company 529 Portfolio changed to Hartford SmallCap Growth 529 Portfolio.

The Hartford Inflation Plus 529 Portfolio	The Hartford International Opportunities 529 Portfolio	The Hartford MidCap 529 Portfolio	CHET Advisor Money Market 529 Portfolio(2)	Hartford SmallCap Growth 529 Portfolio(3)	The Hartford Total Return Bond 529 Portfolio	Hartford World Bond 529 Portfolio	Total Combining Statements of Fiduciary Net Position
\$ —	\$ —	\$ —	\$ 10,109,155	\$ —	\$ —	\$ —	\$ 15,680,283
—	—	—	—	—	—	—	19,006,308
—	—	—	—	—	—	—	26,308,715
—	—	—	—	—	—	—	31,234,448
—	—	—	—	—	—	—	6,992,721
—	—	—	—	—	—	—	18,833,392
—	—	—	—	—	—	—	16,144,551
—	—	—	—	—	—	—	3,339,995
2,965,800	—	—	—	—	—	—	8,068,853
—	3,850,706	—	—	—	—	—	32,219,755
—	—	—	—	—	—	—	10,165,956
—	—	—	—	—	—	—	12,865,484
—	—	4,332,223	—	—	—	—	4,332,223
—	—	—	—	—	—	—	8,001,695
—	—	—	—	—	—	—	3,187,956
—	—	—	—	3,048,504	—	—	9,240,806
—	—	—	—	—	—	—	15,180,673
—	—	—	—	—	4,789,656	—	10,105,771
—	—	—	—	—	—	—	3,801,733
—	—	—	—	—	—	1,855,644	20,429,524
<u>\$ 2,965,800</u>	<u>\$ 3,850,706</u>	<u>\$ 4,332,223</u>	<u>\$ 10,109,155</u>	<u>\$ 3,048,504</u>	<u>\$ 4,789,656</u>	<u>\$ 1,855,644</u>	<u>\$ 275,140,842</u>
—	—	—	—	—	—	—	18,369
3,904	8,656	6,121	22,026	4,594	15,159	4,522	291,643
4,791	—	—	896	—	10,112	—	51,066
<u>2,974,495</u>	<u>3,859,362</u>	<u>4,338,344</u>	<u>10,132,077</u>	<u>3,053,098</u>	<u>4,814,927</u>	<u>1,860,166</u>	<u>275,501,920</u>
3,904	8,561	5,737	14,191	4,499	14,874	3,424	244,902
—	—	289	7,834	—	286	1,098	47,490
5	6	7	17	5	8	3	452
58	76	85	200	60	94	37	5,417
138	139	165	573	101	212	111	10,210
<u>4,105</u>	<u>8,782</u>	<u>6,283</u>	<u>22,815</u>	<u>4,665</u>	<u>15,474</u>	<u>4,673</u>	<u>308,471</u>
<u>\$ 2,970,390</u>	<u>\$ 3,850,580</u>	<u>\$ 4,332,061</u>	<u>\$ 10,109,262</u>	<u>\$ 3,048,433</u>	<u>\$ 4,799,453</u>	<u>\$ 1,855,493</u>	<u>\$ 275,193,449</u>
\$ 1,405,353	\$ 1,973,339	\$ 1,971,851	\$ 2,592,621	\$ 1,737,857	\$ 2,444,434	\$ 311,843	\$ 159,358,005
126,226	145,233	104,649	259,232	92,883	211,953	30,169	10,835,627
<u>\$ 11.13</u>	<u>\$ 13.59</u>	<u>\$ 18.84</u>	<u>\$ 10.00</u>	<u>\$ 18.71</u>	<u>\$ 11.53</u>	<u>\$ 10.34</u>	
\$ 1,326,204	\$ 1,195,552	\$ 1,521,134	\$ 6,323,978	\$ 801,159	\$ 1,981,601	\$ 1,270,751	\$ 84,708,784
122,525	90,542	82,991	632,305	44,056	176,835	123,777	6,201,363
<u>\$ 10.82</u>	<u>\$ 13.20</u>	<u>\$ 18.33</u>	<u>\$ 10.00</u>	<u>\$ 18.19</u>	<u>\$ 11.21</u>	<u>\$ 10.27</u>	
\$ 238,833	\$ 681,689	\$ 839,076	\$ 1,192,663	\$ 509,417	\$ 373,418	\$ 272,899	\$ 31,126,660
21,259	49,723	44,127	119,248	26,982	32,092	26,353	2,094,525
<u>\$ 11.23</u>	<u>\$ 13.71</u>	<u>\$ 19.02</u>	<u>\$ 10.00</u>	<u>\$ 18.88</u>	<u>\$ 11.64</u>	<u>\$ 10.36</u>	
<u>\$ 3,219,242</u>	<u>\$ 3,341,092</u>	<u>\$ 3,398,902</u>	<u>\$ 10,109,155</u>	<u>\$ 2,833,705</u>	<u>\$ 4,801,412</u>	<u>\$ 1,832,501</u>	<u>\$ 249,550,541</u>

Connecticut Higher Education Trust Program Advisor Plan

Supplemental Information

Combining Statements of Changes in Fiduciary Net Position

For the Year Ended June 30, 2014

	CHET Advisor Age-Based Portfolio 0-8	CHET Advisor Age-Based Portfolio 9-13	CHET Advisor Age-Based Portfolio 14-15	CHET Advisor Age-Based Portfolio 16-17
Investment Income:				
Dividends	\$ 554,157	\$ 577,902	\$ 268,169	\$ 263,736
Total investment income	554,157	577,902	268,169	263,736
Expenses:				
Administrative fees	9,221	9,245	3,549	2,980
Plan manager fees	110,655	110,946	42,595	35,760
Distribution fees				
Class A	78,468	81,201	23,616	20,401
Class C	95,759	96,985	64,111	52,631
Total expenses (before waivers)	294,103	298,377	133,871	111,772
Total waivers	—	—	—	—
Total expenses, net	294,103	298,377	133,871	111,772
Net Investment Income (Loss)	260,054	279,525	134,298	151,964
Net Realized and Unrealized Gain:				
Capital gain distribution received from underlying funds	1,204,861	981,746	322,793	154,898
Net realized gain (loss) on sale of underlying fund shares	3,815,838	2,294,115	794,858	159,767
Net unrealized appreciation on underlying fund shares	2,682,322	3,288,390	1,014,096	781,757
Net Realized and Unrealized Gain	7,703,021	6,564,251	2,131,747	1,096,422
Net Increase in Fiduciary Net Position Resulting from Operations	7,963,075	6,843,776	2,266,045	1,248,386
Unit Transactions:				
Contributions				
Class A	12,918,369	10,181,717	2,545,947	2,468,955
Class C	4,861,824	4,514,149	2,917,941	2,085,510
Class E	1,941,303	1,851,139	393,673	332,936
Net proceeds from sale of units to account holders	19,721,496	16,547,005	5,857,561	4,887,401
Transfers				
Class A	(4,877,609)	(279,105)	623,678	935,724
Class C	(1,668,976)	(533,163)	(406,220)	1,712,486
Class E	(829,723)	(223,855)	549,320	(133,581)
Total transfers	(7,376,308)	(1,036,123)	766,778	2,514,629
Redemptions				
Class A	(279,079)	(95,503)	(47,705)	(385,288)
Class C	(97,358)	(140,721)	(117,948)	(137,019)
Class E	(29,971)	(4,271)	—	(20,044)
Total cost of units redeemed	(406,408)	(240,495)	(165,653)	(542,351)
Net Increase in Fiduciary Net Position Derived from Unit Transactions	\$ 11,938,780	\$ 15,270,387	\$ 6,458,686	\$ 6,859,679
Fiduciary Net Position:				
Total increase in Fiduciary Net Position	\$ 19,901,855	\$ 22,114,163	\$ 8,724,731	\$ 8,108,065
Beginning of period	36,603,561	35,582,706	13,121,757	11,092,787
End of period	\$ 56,505,416	\$ 57,696,869	\$ 21,846,488	\$ 19,200,852

CHET Advisor Age- Based Portfolio 18+	CHET Advisor Aggressive Growth Portfolio	CHET Advisor Conservative Portfolio	CHET Advisor Growth Portfolio	CHET Advisor Balanced Portfolio	The Hartford Capital Appreciation 529 Portfolio	CHET Advisor Checks & Balances Portfolio	The Hartford Dividend and Growth 529 Portfolio
\$ 138,675	\$ 86,347	\$ 87,093	\$ 171,149	\$ 143,618	\$ 30,920	\$ 65,374	\$ 167,227
<u>138,675</u>	<u>86,347</u>	<u>87,093</u>	<u>171,149</u>	<u>143,618</u>	<u>30,920</u>	<u>65,374</u>	<u>167,227</u>
1,828	1,648	990	2,856	2,234	1,014	755	1,713
21,932	19,781	11,887	34,274	26,807	12,176	9,056	20,557
11,999	9,773	6,649	24,450	15,526	4,597	5,344	8,391
<u>34,173</u>	<u>24,617</u>	<u>20,952</u>	<u>29,594</u>	<u>37,825</u>	<u>20,414</u>	<u>13,410</u>	<u>41,831</u>
69,932	55,819	40,478	91,174	82,392	38,201	28,565	72,492
—	—	—	—	—	—	—	—
<u>69,932</u>	<u>55,819</u>	<u>40,478</u>	<u>91,174</u>	<u>82,392</u>	<u>38,201</u>	<u>28,565</u>	<u>72,492</u>
<u>68,743</u>	<u>30,528</u>	<u>46,615</u>	<u>79,975</u>	<u>61,226</u>	<u>(7,281)</u>	<u>36,809</u>	<u>94,735</u>
48,931	265,166	52,387	380,957	238,561	178,144	122,579	517,264
(33,084)	703,495	77,064	964,632	443,584	53,530	50,430	111,364
<u>372,301</u>	<u>670,283</u>	<u>239,188</u>	<u>1,068,467</u>	<u>840,905</u>	<u>862,558</u>	<u>399,492</u>	<u>984,490</u>
<u>388,148</u>	<u>1,638,944</u>	<u>368,639</u>	<u>2,414,056</u>	<u>1,523,050</u>	<u>1,094,232</u>	<u>572,501</u>	<u>1,613,118</u>
456,891	1,669,472	415,254	2,494,031	1,584,276	1,086,951	609,310	1,707,853
805,950	1,154,451	667,918	3,084,035	2,062,716	827,809	435,279	982,576
1,150,777	653,315	788,716	1,520,035	1,589,272	892,530	331,244	2,334,423
285,929	689,132	64,199	349,082	695,887	333,300	66,417	636,607
<u>2,242,656</u>	<u>2,496,898</u>	<u>1,520,833</u>	<u>4,953,152</u>	<u>4,347,875</u>	<u>2,053,639</u>	<u>832,940</u>	<u>3,953,606</u>
3,610,172	(146,077)	(76,043)	(105,972)	225,503	(50,647)	286,121	(33,028)
1,387,586	31,411	91,377	5,710	122,817	84,527	44,083	363,057
691,274	7,668	107,195	(16,250)	47,421	104,627	(15,051)	(65,294)
<u>5,689,032</u>	<u>(106,998)</u>	<u>122,529</u>	<u>(116,512)</u>	<u>395,741</u>	<u>138,507</u>	<u>315,153</u>	<u>264,735</u>
(2,171,404)	(21,017)	(299,337)	(516,981)	(231,840)	(21,818)	(119,637)	(96,772)
(1,149,349)	(31,355)	(389,090)	(90,035)	(119,247)	(137,320)	(115,325)	(281,731)
(476,448)	(63,238)	(58,225)	(111,841)	(81,734)	(30,586)	(19,909)	(39,909)
<u>(3,797,201)</u>	<u>(115,610)</u>	<u>(746,652)</u>	<u>(718,857)</u>	<u>(432,821)</u>	<u>(189,724)</u>	<u>(254,871)</u>	<u>(418,412)</u>
\$ 4,134,487	\$ 2,274,290	\$ 896,710	\$ 4,117,783	\$ 4,310,795	\$ 2,002,422	\$ 893,222	\$ 3,799,929
\$ 4,591,378	\$ 3,943,762	\$ 1,311,964	\$ 6,611,814	\$ 5,895,071	\$ 3,089,373	\$ 1,502,532	\$ 5,507,782
7,160,856	6,161,040	4,659,053	11,183,940	8,627,863	3,530,810	3,045,923	5,818,330
<u>\$ 11,752,234</u>	<u>\$ 10,104,802</u>	<u>\$ 5,971,017</u>	<u>\$ 17,795,754</u>	<u>\$ 14,522,934</u>	<u>\$ 6,620,183</u>	<u>\$ 4,548,455</u>	<u>\$ 11,326,112</u>

	Hartford Equity Income 529 Portfolio(1)	Hartford Global Real Asset 529 Portfolio(2)	The Hartford Global Research 529 Portfolio(3)	The Hartford Growth Opportunities 529 Portfolio
Investment Income:				
Dividends	\$ 48,821	\$ 911	\$ —	\$ —
Total investment income	<u>48,821</u>	<u>911</u>	<u>—</u>	<u>—</u>
Expenses:				
Administrative fees	423	22	24	507
Plan manager fees	5,076	271	274	6,086
Distribution fees				
Class A	3,464	114	96	3,735
Class C	5,060	365	417	6,978
Total expenses (before waivers)	<u>14,023</u>	<u>772</u>	<u>811</u>	<u>17,306</u>
Total waivers	—	—	—	—
Total expenses, net	<u>14,023</u>	<u>772</u>	<u>811</u>	<u>17,306</u>
Net Investment Income (Loss)	<u>34,798</u>	<u>139</u>	<u>(811)</u>	<u>(17,306)</u>
Net Realized and Unrealized Gain:				
Capital gain distribution received from underlying funds	61,156	—	—	84,133
Net realized gain (loss) on sale of underlying fund shares	267,802	547	136,305	148,384
Net unrealized appreciation (depreciation) on underlying fund shares	28,138	14,667	(66,063)	371,832
Net Realized and Unrealized Gain	<u>357,096</u>	<u>15,214</u>	<u>70,242</u>	<u>604,349</u>
Net Increase in Fiduciary Net Position Resulting from Operations	<u>391,894</u>	<u>15,353</u>	<u>69,431</u>	<u>587,043</u>
Unit Transactions:				
Contributions				
Class A	443,289	46,008	6,201	559,274
Class C	403,664	31,359	4,220	414,898
Class E	57,655	11,880	2,076	122,536
Net proceeds from sale of units to account holders	<u>904,608</u>	<u>89,247</u>	<u>12,497</u>	<u>1,096,708</u>
Transfers				
Class A	(6,314)	27,353	(344,867)	61,999
Class C	31,397	27,032	(369,944)	(27,999)
Class E	76,590	46,576	(307,542)	(46,057)
Total transfers	<u>101,673</u>	<u>100,961</u>	<u>(1,022,353)</u>	<u>(12,057)</u>
Redemptions				
Class A	(13,919)	—	—	(29,684)
Class C	(37,355)	(50)	(4,188)	(59,952)
Class E	(61,974)	(14,893)	—	(61,586)
Total cost of units redeemed	<u>(113,248)</u>	<u>(14,943)</u>	<u>(4,188)</u>	<u>(151,222)</u>
Net Increase (Decrease) in Fiduciary Net Position Derived from Unit Transactions	<u>\$ 893,033</u>	<u>\$ 175,265</u>	<u>\$ (1,014,044)</u>	<u>\$ 933,429</u>
Fiduciary Net Position:				
Total increase (decrease) in Fiduciary Net Position	\$ 1,284,927	\$ 190,618	\$ (944,613)	\$ 1,520,472
Beginning of period	1,521,146	—	944,613	1,819,498
End of period	<u>\$ 2,806,073</u>	<u>\$ 190,618</u>	<u>\$ —</u>	<u>\$ 3,339,970</u>

- (1) Effective August 2, 2013, the name of The Hartford Value 529 Portfolio changed to Hartford Equity Income 529 Portfolio.
- (2) From August 2, 2013 (commencement of operations), through June 30, 2014.
- (3) Effective August 9, 2013, The CHET Advisor Money Market 529 Portfolio acquired The Hartford Global Research 529 Portfolio.
- (4) Effective August 2, 2013, the name of The Hartford Money Market 529 Portfolio changed to CHET Advisor Money Market 529 Portfolio.
- (5) Effective August 2, 2013, the name of The Hartford Small Company 529 Portfolio changed to Hartford SmallCap Growth 529 Portfolio.

The Hartford Inflation Plus 529 Portfolio	The Hartford International Opportunities 529 Portfolio	The Hartford MidCap 529 Portfolio	CHETA Advisor Money Market 529 Portfolio(4)	Hartford SmallCap Growth 529 Portfolio(5)	The Hartford Total Return Bond 529 Portfolio	Hartford World Bond 529 Portfolio(2)	Total Combining Statements of Changes in Fiduciary Net Position
\$ 8,592	\$ 44,306	\$ —	\$ 1,306	\$ —	\$ 109,293	\$ 14,665	\$ 2,782,261
<u>8,592</u>	<u>44,306</u>	<u>—</u>	<u>1,306</u>	<u>—</u>	<u>109,293</u>	<u>14,665</u>	<u>2,782,261</u>
640	598	662	1,809	475	806	171	44,170
7,688	7,177	7,940	21,708	5,706	9,679	2,045	530,076
3,608	4,009	3,971	5,622	3,438	4,456	297	323,225
15,953	8,768	11,686	59,991	6,717	20,365	6,236	674,838
27,889	20,552	24,259	89,130	16,336	35,306	8,749	1,572,309
—	—	—	(89,130)	—	—	—	(89,130)
27,889	20,552	24,259	—	16,336	35,306	8,749	1,483,179
(19,297)	23,754	(24,259)	1,306	(16,336)	73,987	5,916	1,299,082
111,585	86,360	216,928	—	152,286	—	2,909	5,183,644
(128,676)	16,476	9,947	—	340,939	(28,184)	541	10,199,674
86,382	387,146	676,865	—	4,170	177,430	23,143	14,907,959
69,291	489,982	903,740	—	497,395	149,246	26,593	30,291,277
49,994	513,736	879,481	1,306	481,059	223,233	32,509	31,590,359
174,515	544,403	564,889	1,483,073	588,886	1,245,903	255,043	44,047,206
338,210	488,199	468,689	2,803,920	263,360	451,197	866,467	30,173,919
42,615	134,051	175,775	396,067	103,212	77,855	240,239	9,003,565
555,340	1,166,653	1,209,353	4,683,060	955,458	1,774,955	1,361,749	83,224,690
(197,436)	9,025	(135,864)	358,119	(86,930)	(404,919)	55,557	(551,560)
(896,602)	30,362	(43,297)	(236,955)	(46,348)	(735,978)	437,683	(595,954)
32,984	147,741	153,057	565,221	142,673	84,812	27,708	1,147,514
(1,061,054)	187,128	(26,104)	686,385	9,395	(1,056,085)	520,948	—
(83,535)	(47,231)	(41,457)	(948,165)	(17,089)	(105,957)	(3,988)	(5,577,406)
(340,738)	(20,822)	(25,055)	(1,609,241)	(16,241)	(190,217)	(55,725)	(5,166,082)
(9,859)	(76,751)	(28,040)	(179,661)	(45,601)	(46,242)	—	(1,460,783)
(434,132)	(144,804)	(94,552)	(2,737,067)	(78,931)	(342,416)	(59,713)	(12,204,271)
\$ (939,846)	\$ 1,208,977	\$ 1,088,697	\$ 2,632,378	\$ 885,922	\$ 376,454	\$ 1,822,984	\$ 71,020,419
\$ (889,852)	\$ 1,722,713	\$ 1,968,178	\$ 2,633,684	\$ 1,366,981	\$ 599,687	\$ 1,855,493	\$ 102,610,778
3,860,242	2,127,867	2,363,883	7,475,578	1,681,452	4,199,766	—	172,582,671
<u>\$ 2,970,390</u>	<u>\$ 3,850,580</u>	<u>\$ 4,332,061</u>	<u>\$ 10,109,262</u>	<u>\$ 3,048,433</u>	<u>\$ 4,799,453</u>	<u>\$ 1,855,493</u>	<u>\$ 275,193,449</u>

Connecticut Higher Education Trust Program Advisor Plan

Supplemental Information Financial Highlights For the Year Ended June 30, 2014

~ Selected Per-Share Data (1) ~

~ Ratios and Supplemental Data ~

	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return % Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Position	Portfolio Turnover Rate (2)
CHET Advisor Age-Based Portfolio 0-8										
Class A	\$ 13.26	\$ 0.09	\$ 2.54	\$ 2.63	\$ 15.89	19.83%	\$ 38,160	0.51%	0.69%	70%
Class C	12.99	(0.01)	2.47	2.46	15.45	18.94	12,161	1.26	(0.06)	—
Class E	13.35	0.13	2.56	2.69	16.04	20.15	6,184	0.26	0.96	—
CHET Advisor Age-Based Portfolio 9-13										
Class A	12.76	0.09	2.02	2.11	14.87	16.54	40,105	0.51	0.74	66
Class C	12.50	—	1.96	1.96	14.46	15.68	12,240	1.26	(0.01)	—
Class E	12.85	0.11	2.05	2.16	15.01	16.81	5,352	0.26	0.98	—
CHET Advisor Age-Based Portfolio 14-15										
Class A	12.35	0.11	1.64	1.75	14.10	14.17	11,694	0.51	1.00	73
Class C	12.10	0.03	1.58	1.61	13.71	13.31	7,621	1.26	0.25	—
Class E	12.44	0.13	1.67	1.80	14.24	14.47	2,532	0.26	1.24	—
CHET Advisor Age-Based Portfolio 16-17										
Class A	11.51	0.13	0.90	1.03	12.54	8.95	10,011	0.51	1.25	72
Class C	11.27	0.04	0.87	0.91	12.18	8.07	7,536	1.26	0.52	—
Class E	11.59	0.17	0.90	1.07	12.66	9.23	1,654	0.26	1.50	—
CHET Advisor Age-Based Portfolio 18+										
Class A	10.73	0.09	0.47	0.56	11.29	5.32	6,001	0.51	1.01	108
Class C	10.52	0.02	0.44	0.46	10.98	4.37	4,519	1.26	0.26	—
Class E	10.80	0.11	0.48	0.59	11.39	5.46	1,233	0.26	1.24	—
CHET Advisor Aggressive Growth Portfolio										
Class A	13.85	0.08	3.21	3.29	17.14	23.75	4,740	0.51	0.54	51
Class C	13.57	(0.03)	3.13	3.10	16.67	22.84	3,022	1.26	(0.22)	—
Class E	13.94	0.11	3.24	3.35	17.29	24.03	2,343	0.26	0.80	—
CHET Advisor Conservative Portfolio										
Class A	11.53	0.14	0.89	1.03	12.56	8.93	3,029	0.51	1.24	86
Class C	11.30	0.05	0.87	0.92	12.22	8.14	2,597	1.26	0.51	—
Class E	11.61	0.11	0.96	1.07	12.68	9.22	345	0.26	1.54	—
CHET Advisor Growth Portfolio										
Class A	13.24	0.09	2.53	2.62	15.86	19.79	12,061	0.51	0.70	62
Class C	12.97	(0.01)	2.47	2.46	15.43	18.97	3,998	1.26	(0.07)	—
Class E	13.33	0.13	2.56	2.69	16.02	20.18	1,737	0.26	0.92	—
CHET Advisor Balanced Portfolio										
Class A	12.37	0.09	1.86	1.95	14.32	15.76	7,990	0.51	0.77	68
Class C	12.12	—	1.80	1.80	13.92	14.85	4,969	1.26	0.02	—
Class E	12.45	0.12	1.88	2.00	14.45	16.06	1,563	0.26	1.08	—
The Hartford Capital Appreciation 529 Portfolio										
Class A	13.41	0.01	3.51	3.52	16.93	26.25	2,414	0.51	0.08	4
Class C	13.14	(0.08)	3.40	3.32	16.46	25.27	2,645	1.26	(0.64)	—
Class E	13.51	0.05	3.53	3.58	17.09	26.50	1,561	0.26	0.38	—

~ Selected Per-Share Data (1) ~

~ Ratios and Supplemental Data ~

	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return % Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Position	Portfolio Turnover Rate (2)
CHET Advisor Checks & Balances Portfolio										
Class A	\$ 12.87	\$ 0.15	\$ 2.19	\$ 2.34	\$ 15.21	18.18 %	\$ 2,648	0.51 %	1.23 %	10%
Class C	12.61	0.06	2.12	2.18	14.79	17.29	1,561	1.26	0.47	—
Class E	12.96	0.19	2.21	2.40	15.36	18.52	340	0.26	1.45	—
The Hartford Dividend and Growth 529 Portfolio										
Class A	14.30	0.20	3.07	3.27	17.57	22.87	4,228	0.51	1.44	6
Class C	14.01	0.09	2.98	3.07	17.08	21.91	5,637	1.26	0.68	—
Class E	14.39	0.22	3.12	3.34	17.73	23.21	1,461	0.26	1.73	—
Hartford Equity Income 529 Portfolio(3)										
Class A	14.57	0.25	2.79	3.04	17.61	13.26 (4)	1,771	0.51	1.83	83
Class C	14.28	0.11	2.74	2.85	17.13	12.48 (4)	767	1.26	0.99	—
Class E	14.67	0.29	2.82	3.11	17.78	13.55 (4)	268	0.26	1.99	—
Hartford Global Real Asset 529 Portfolio(5)										
Class A	10.00	0.02	1.08	1.10	11.10	11.00 (6)	80	0.51 (7)	0.39 (7)	12
Class C	10.00	(0.03)	1.05	1.02	11.02	10.20 (6)	63	1.26 (7)	(0.52) (7)	—
Class E	10.00	0.04	1.08	1.12	11.12	11.20 (6)	48	0.26 (7)	0.50 (7)	—
The Hartford Growth Opportunities 529 Portfolio										
Class A	14.53	(0.07)	4.15	4.08	18.61	28.08	1,989	0.51	(0.47)	17
Class C	14.24	(0.18)	4.04	3.86	18.10	27.11	953	1.26	(1.35)	—
Class E	14.63	(0.04)	4.20	4.16	18.79	28.43	397	0.26	(0.22)	—
The Hartford Inflation Plus 529 Portfolio										
Class A	10.90	(0.03)	0.26	0.23	11.13	2.11	1,405	0.51	(0.22)	18
Class C	10.67	(0.13)	0.28	0.15	10.82	1.41	1,326	1.26	(1.01)	—
Class E	10.97	—	0.26	0.26	11.23	2.37	239	0.26	0.03	—
The Hartford International Opportunities 529 Portfolio										
Class A	11.25	0.11	2.23	2.34	13.59	20.80	1,973	0.51	1.03	5
Class C	11.02	0.01	2.17	2.18	13.20	19.78	1,196	1.26	0.14	—
Class E	11.33	0.12	2.26	2.38	13.71	21.01	682	0.26	1.19	—
The Hartford MidCap 529 Portfolio										
Class A	14.33	(0.07)	4.58	4.51	18.84	31.47	1,972	0.51	(0.45)	3
Class C	14.04	(0.19)	4.48	4.29	18.33	30.56	1,521	1.26	(1.36)	—
Class E	14.42	(0.03)	4.63	4.60	19.02	31.90	839	0.26	(0.21)	—
CHET Advisor Money Market 529 Portfolio(8)										
Class A	10.00	—	—	—	10.00	— (9)	2,593	— (10)	0.01	107
Class C	10.00	—	—	—	10.00	— (9)	6,324	— (10)	0.01	—
Class E	10.00	—	—	—	10.00	— (9)	1,193	— (10)	0.01	—
Hartford SmallCap Growth 529 Portfolio(11)										
Class A	15.00	(0.07)	3.78	3.71	18.71	15.42 (12)	1,738	0.51	(0.50)	83
Class C	14.69	(0.19)	3.69	3.50	18.19	14.56 (12)	801	1.26	(1.28)	—
Class E	15.10	(0.03)	3.81	3.78	18.88	15.62 (12)	509	0.26	(0.25)	—

~ Selected Per-Share Data (1) ~

~ Ratios and Supplemental Data ~

	Net Position Value at Beginning of Period	Net Investment Income (Loss)	Net Realized and Unrealized Gain (Loss)	Total from Investment Operations	Net Position Value at End of Period	Total Return % Based on Net Position Value per Unit	Net Position at End of Period (000's)	Ratio of Expenses to Average Net Position	Ratio of Net Investment Income (Loss) to Average Net Position	Portfolio Turnover Rate (2)
The Hartford Total Return Bond 529 Portfolio										
Class A	\$ 10.88	\$ 0.18	\$ 0.47	\$ 0.65	\$ 11.53	5.97%	\$ 2,444	0.51%	2.19%	29%
Class C	10.65	0.17	0.39	0.56	11.21	5.26	1,982	1.26	1.46	—
Class E	10.95	0.16	0.53	0.69	11.64	6.30	373	0.26	2.46	—
Hartford World Bond 529 Portfolio(5)										
Class A	10.00	0.05	0.29	0.34	10.34	3.40 (6)	312	0.51 (7)	1.18 (7)	8
Class C	10.00	0.02	0.25	0.27	10.27	2.70 (6)	1,271	1.25 (7)	0.49 (7)	—
Class E	10.00	0.06	0.30	0.36	10.36	3.60 (6)	273	0.26 (7)	1.32 (7)	—

- (1) Information presented relates to a unit outstanding throughout the indicated period.
- (2) Portfolio turnover rate is calculated on the basis of the fund as a whole without distinguishing between the class of shares issued.
- (3) Effective August 2, 2013, the name of The Hartford Value 529 Portfolio changed to Hartford Equity Income 529 Portfolio.
- (4) Represents cumulative returns from August 2, 2013 through June 30, 2014. From July 1, 2013 through August 1, 2013 the fund was formerly known as The Hartford Value 529 Portfolio. During this period, the return for each class was: 6.66% for Class A, 6.58% for Class C and 6.68% for Class E.
- (5) From August 2, 2013 (commencement of operations), through June 30, 2014.
- (6) Not annualized.
- (7) Annualized.
- (8) Effective August 2, 2013, the name of The Hartford Money Market 529 Portfolio changed to CHET Advisor Money Market 529 Portfolio.
- (9) Represents cumulative returns from August 2, 2013 through June 30, 2014. From July 1, 2013 through August 1, 2013 the fund was formerly known as The Hartford Money Market 529 Portfolio. During this period, the return for each class was: 0.00% for Class A, 0.00% for Class C and 0.00% for Class E.
- (10) As of June 30, 2014 the CHET Advisor Plan Manager is waiving the Plan Manager, Administration, and Distribution fees. If these fees were included, the ratio of expenses to average net assets would be as follows: 0.51% (Class A), 1.26% (Class C), and 0.26% (Class E).
- (11) Effective August 2, 2013, the name of The Hartford Small Company 529 Portfolio changed to Hartford SmallCap Growth 529 Portfolio.
- (12) Represents cumulative returns from August 2, 2013 through June 30, 2014. From July 1, 2013 through August 1, 2013 the fund was formerly known as The Hartford Small Company 529 Portfolio. During this period, the return for each class was: 8.07% for Class A, 8.03% for Class C and 8.08% for Class E.

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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Trustee of the
Connecticut Higher Education Trust – Advisor Plan
Hartford, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Connecticut Higher Education Trust Program Advisor Plan (the “Plan”) as of and for the year ended June 30, 2014, and have issued our report thereon dated August 28, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Plan’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weakness or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Deloitte & Touche LLP

August 28, 2014
Jericho, New York