GC - GLOBAL CAPITAL CORP.

(Formerly Global (GMPC) Holdings Inc. and E & E Capital Funding Inc.)

Consolidated Financial Statements

September 30, 2006 & 2005

GC-Global Capital Corp.

Management Discussion & Analysis   Dated: November 28, 2006

Description of Business

The following information should be read in conjunction with the GC-Global Capital Corp. Interim Consolidated Financial Statements for the periods ended September 30, 2006 and 2005, which are prepared in accordance with Canadian generally accepted accounting principles. All figures are expressed in Canadian dollars unless otherwise indicated.

On December 31, 2005, Global (GMPC) Holdings Inc. and E & E Capital Funding Inc. (formerly A & E Capital Funding Inc.) amalgamated to become GC-Global Capital Corp. ("Global" or "the Company"). Global is a merchant bank which provides bridge loan services (asset back/collateralized financing), ranging from $200,000 to $3,000,000 to companies across many industries such as oil & gas, mining, real estate, manufacturing, retail, financial services, technology and biotechnology. Global takes a disciplined and systematic approach to investment and is guided by four core principles: Capital Preservation, Shareholder Value, Secure Generation of Income and Risk Management. Global also invests in emerging North American companies across all industries. Global's investments are made through equity financings and Global works with management of operating companies in order to create value for businesses in which Global assumes a position. These services can include additional equity financing, developing mergers and acquisitions, providing operational management support and structuring and negotiating debt and equity placements.

The comparative figures for December 31, 2005 are based on audited financial statements of GC-Global Capital Corp. The comparative figures for the three and nine-month periods ended September 30, 2005 are based on the unaudited financial statements of both Global (GMPC) Holdings Inc. and E & E Capital Funding Inc. Certain comparative figures of those previously issued audited and unaudited financial statements have been reclassified to conform to the current year's basis of presentation.

Overall Performance

As at September 30, 2006 Global had net assets totaling $17.7 million compared to $16.8 million as at December 31, 2005 or $1.13 (December 31, 2005 - $1.07) per share plus another $0.01 (December 31, 2005 - $0.11) per share in unrealized gains on Global's portfolio investments, which includes convertible securities and warrants.

On May 1, 2006, Global declared a cash dividend of $0.04 per share payable to shareholders of Global's subordinate voting and multiple voting shares. The dividend was paid on May 31, 2006, to shareholders on record on May 15, 2006. It is the intention of the Company to pay out a portion of its future annual earnings to shareholders in the form of a dividend.

For the nine month period ended September 30, 2006, Global had net income before taxes of $1,648,556 or $0.11 per share compared to an income before taxes of $2,863,431 or $0.21 per share for the same period in 2005. Overhead and management fees were consistent in both periods. Interest expense was higher in 2006 due to a bank facility the Company had in the second and third quarters of 2006 which was used to hedge its US based bridge loan transactions. In the third quarter of 2006, the Company began hedging is US based bridge loans with forward contracts. Global moved its offices to 55 York Street, Suite 1400, Toronto, ON M5J 1R7 at the beginning of the second quarter and the Company commenced paying rent in the third quarter. Global's gains on the sale of its investment was higher in 2005 due to approximately $2,026,763 in non-recurring gains of sales of investments. Net income after taxes for the nine months ended September 30, 2006 was $1,460,574 or $0.09 per share as compared to $2,756,391 or $0.20 per share for the same period in 2005. The above net income per share has been calculated using the weighted average number of multiple and subordinate voting shares during each year.

Total assets as at September 30, 2006 were $18.8 million compared to $18.0 million as at December 31, 2005. Included in total assets are $2.5 million in cash and short term investments (December 31, 2005 - $2.8 million), $8.1 million in notes receivable, bridge loans and convertible debentures (December 31, 2005 - $6.8 million), $4.4 million in portfolio investments (December 31, 2005 - $5.2 million) with a fair value of $4.5 million (December 31, 2005 - $6.5 million), $1.5 million in development property (December 31, 2005 - $1.2 million), $0.9 million in other receivables (December 31, 2005 - $0.7 million) and $1.3 million in future income taxes (December 31, 2005 - $1.5 million).

Summary of Quarterly Results

The following table sets out selected financial information and other data of GC-Global Capital Corp., which should be read in conjunction with the unaudited interim consolidated financial statements for the periods ending September 30, 2006.

For the periods ended September 30	Three months		Nine months	
	2006	2005	2006	2005
Total revenue	$ 906,037	$ 1,405,505	$ 3,019,059	$ 4,035,834
Net income for the period	407,006	845,712	1,460,574	2,756,391
Net income per share (1)	$ 0.03	$ 0.08	$ 0.09	$ 0.20

(1) Net income per share has been calculated using the weighted average number of multiple and subordinate voting shares during each year. Diluted income per share were not calculated as they would be anti-dilutive.

Operating Results for Nine Months ended September 30, 2006

As at September 30, 2006 Global had net assets totaling $17.7 million or $1.11 per share plus another $0.1 million or $0.01 per share in unrealized gains on portfolio investments, which includes convertible securities and warrants. During the first nine months of 2006, Global provided $10.4 million in bridge loans to public companies, private companies and individuals. The companies were in industries such as information technology, consumer products and real estate. As at September 30, 2006, there were no loans that were in default.

Sales of investments and securities for first nine months of 2006 have resulted in Global recording a gain of $1,117,888 versus $2,701,234 for the corresponding period in 2005. The difference in gains on sale of investments from 2005 relates to approximately $2,026,763 in non-recurring gains on the sale of investments. Income from interest and dividends decreased to $836,955 from $1,080,950 due to the Company holding less dividend producing investments. Structuring fees totaled $1,094,586 for the first nine months of 2006 compared to $395,608 for the same period in 2005. Total revenue for the first nine months of 2006 was $3,019,059 compared to $4,035,834 for the corresponding period in 2005.

Global's expenses for the first nine months of 2006 were $1,370,503 compared to $1,172,403 for the same period in 2005. Included in 2006 expenses is $66,148 in stock based compensation expenses.

Net income before taxes for the first nine months off 2006 was $1,648,556 or $0.11 per share compared to income of $2,863,431 or $0.21 per share in 2005.

The Company recorded a future tax provision of $210,732 and a current tax recovery of $22,750 for the first nine months of 2006 compared to a current tax provision of $107,040 for the same period in 2005. The future tax provision is a non-cash charge as the Company had recorded an income tax asset of $1,469,317 on December 31, 2005 due to its operating tax losses.

Net income for the first nine months of 2006 was $1,460,574 or $0.09 per share compared to income of $2,756,391 or $0.20 per share in 2005.

Operating Results for Three Months ended September 30, 2006

Sales of investments and securities for the third quarter of 2006 have resulted in Global recording a gain of $290,166 versus $945,395 for the corresponding period in 2005. The difference in revenue from 2005 relates to approximately $949,972 in non-recurring gains of sales of investments. Income from interest and dividends decreased to $261,181 from $405,248 as a result of Global holding less dividend producing investments. Structuring fees totaled $358,420 for the third quarter of 2006 compared to $175,215 for the same period in 2005. Total revenue for the third quarter of 2006 was $906,037 compared to $1,405,505 for the corresponding period in 2005.

Global's expenses for the third quarter of 2006 were $435,043 compared to $501,050 for the same period in 2005.

Net income before taxes for the third quarter of 2006 was $470,994 or $0.03 per share compared to income of $904,455 or $0.08 per share in 2005.

The Company recorded a future tax provision of $65,098 and a current tax recovery of $1,110 for the third quarter of 2006 compared to a current tax provision of $58,743 for the same period in 2005. The future tax provision is a non-cash charge as the Company had recorded an income tax asset of $1,469,317 on December 31, 2005 due to its operating tax losses.

Net income for the third quarter of 2006 was $407,006 or $0.03 per share compared to income of $845,712 or $0.07 per share in 2005.

Liquidity

As at September 30, 2006, Global had $0.3 million in cash, $2.2 million in short term investments, $8.1 million in notes receivable, bridge loans and convertible debentures and $4.4 million in portfolio investments.

Transactions with Related Parties

The Company often receives the right to nominate a member to the Board of Directors of companies to which it provides a bridge loan. The nominees may be an employee, Officer or Director of the Company, and accordingly, the borrower may become related to the Company.

Bridge loans and convertible debentures include a balance due from companies having a current Director or Officer in common with the Company, with a cost of $250,000 (December 31, 2005 $1,062,188).

Portfolio investments include shares of companies and partnerships having a current Director or Officer in common with the Company, with a cost of $1,606,340 (December 31, 2005 $1,682,539) and a fair value of $2,317,756 (December 31, 2005 $2,465,134).

Loans and interest payable include a loan to a company controlled by a Shareholder of the Company for $nil (December 31, 2005 $525,636).

Interest and dividend income include interest earned on loans with current Directors and Officers in common with the Company, in the amount of $57,541 (September 30, 2005 $31,548) for the third quarter and $178,845 (September 30, 2005 $94,839) year-to-date.

Management and consulting fees and travel and promotion expenses include $85,995 (September 30, 2005 $278,735) for the third quarter and $317,844 (September 30, 2005 $436,753) year-to-date paid to companies controlled by current Directors and Officers of the Company.

Forward-Looking Information

These materials include certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Other than statement of historical fact, all statements in this material, including, without limitation, statements regarding fair values of marketable securities, investments, bridge loans, convertible debentures, estimated asset retirement obligations, and future plans and objectives of the Company, are forward–looking statements that involve various known and unknown risks, uncertainties and other factors. There can be no assurance that such statements will prove accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date of these materials. Important factors that could cause actual results to differ materially from the Company’s expectations include, without limitation, the level of bridge loans completed, the nature and credit quality of the collateral security, the sufficiency of cost estimates for remaining reclamation obligations as well as those factors discussed in the Company’s documents filed from time to time with the TSX Venture Exchange, Canadian securities regulators and other regulatory authorities. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice.

Management's Responsibility for Financial Reporting

The accompanying consolidated interim financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles. These consolidated interim financial statements contain estimates based on management's judgement. Management maintains an appropriate system of internal controls to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained.

The Audit Committee of the Board of Directors, which is composed of a majority of independent Directors, reviews the results of the consolidated interim financial statements prior to submitting the consolidated interim financial statements to the Board for approval.

(signed Jason Ewart)

Jason Ewart
Chief Executive Officer

(signed Chris Carmichael)

Chris Carmichael
Chief Financial Officer

November 28, 2006
Toronto, Ontario

GC-Global Capital Corp. (formerly Global (GMPC) Holdings Inc. and E & E Capital Funding Inc.)
Consolidated Balance Sheets
As at September 30, 2006 and 2005

	(unaudited) September 30 2006	(audited) December 31 2005
Assets		
Cash	$ 328,185	$ 1,476,813
Short term investments (note 3)	2,210,996	1,300,000
Accounts receivable and sundry assets	705,980	451,474
Prepaid expenses	30,520	-
Interest and dividends receivable	133,360	223,379
Notes receivable, bridge loans and convertible debentures (notes 5 & 16)	8,142,166	6,783,298
Portfolio investments (notes 3 & 16)	4,433,638	5,160,957
Development properties (note 6)	1,530,181	1,163,000
Property and equipment (note 8)	29,328	9,492
Future income taxes (note 15)	1,258,584	1,469,317
	$ 18,802,938	$ 18,037,730
Liabilities		
Bank indebtedness (note 4)	$ 438,260	$ -
Accounts payable	431,578	382,638
Loans and interest payable (notes 9 & 16)	210,172	735,808
Income taxes payable	-	93,241
	1,080,010	1,211,687
Shareholders' Equity		
Share capital (note 10)	14,110,422	14,110,422
Contributed surplus (note 12)	2,559,302	2,493,154
Retained earnings	1,053,204	222,467
	17,722,928	16,826,043
	$ 18,802,938	$ 18,037,730

On Behalf of the Board

(signed Gordon Ewart) , Director

(signed Jason Ewart) , Director

GC-Global Capital Corp. (formerly Global (GMPC) Holdings Inc. and E & E Capital Funding Inc.)
Consolidated Statements of Retained Earnings (Deficit)
For the periods ended September 30
(unaudited)

	Three months		Nine months	
	2006	**2005**	**2006**	**2005**
Retained earnings (Deficit) – beginning of period	$ 646,198	$ (10,678,260)	$ 222,467	$ (12,139,772)
Dividends (note 17)	-	-	(629,837)	(449,167)
Net income for the period	407,006	845,712	1,460,574	2,756,391
Retained earnings (Deficit) – end of period	$ 1,053,204	$ (9,832,548)	$ 1,053,204	$ (9,832,548)

GC-Global Capital Corp. (formerly Global (GMPC) Holdings Inc. and E & E Capital Funding Inc.)
Consolidated Statements of Income
For the periods ended September 30
(unaudited)

	Three months		Nine months	
	2006	**2005**	**2006**	**2005**
Revenue				
Gain on sale of portfolio investments	$ 290,166	$ 945,395	$ 1,117,888	$ 2,701,234
Structuring fees and bonuses	358,420	175,215	1,094,586	395,608
Interest and dividend income (note 16)	261,181	405,248	836,955	1,080,950
Foreign exchange loss	(3,730)	(120,353)	(30,370)	(141,958)
	906,037	1,405,505	3,019,059	4,035,834
Expenses				
Management fees and salaries (note 16)	223,608	379,734	789,751	788,512
Interest	72,048	29,235	204,040	108,776
Share compensation expense (note 11)	-	-	66,148	-
Audit and legal fees	36,904	27,907	82,824	79,333
Office and general	19,884	25,045	61,733	78,823
Filing and listing fees	10,162	11,887	45,222	34,998
Travel and promotion (note 16)	60,901	16,657	91,796	42,803
Rent	9,029	9,398	23,425	35,596
Amortization	2,507	1,187	5,564	3,562
	435,043	501,050	1,370,503	1,172,403
Income before income taxes	470,994	904,455	1,648,556	2,863,431
Income taxes (note 15)				
Current (recovered)	(1,110)	58,743	(22,750)	107,040
Future	65,098	-	210,732	-
	63,988	58,743	187,982	107,040
Net income for the period	$ 407,006	$ 845,712	$ 1,460,574	$ 2,756,391
Net income per share (note 13)	$ 0.03	$ 0.08	$ 0.09	$ 0.20

GC-Global Capital Corp. (formerly Global (GMPC) Holdings Inc. and E & E Capital Funding Inc.)
Consolidated Statements of Cash Flows
For the periods ended September 30
(unaudited)

	Three months		Nine months	
	2006	**2005**	**2006**	**2005**
Operating activities				
Net income for the period	$ 407,006	$ 845,712	$ 1,460,574	$ 2,756,391
Items not affecting cash:				
Gain on sale of investments	(290,166)	(945,395)	(1,117,888)	(2,701,234)
Amortization	2,507	1,187	5,564	3,562
Share compensation expense	-	-	66,148	-
Future income taxes	65,098	-	210,732	-
	184,445	(98,496)	625,130	58,719
Net changes in non-cash working capital balances (note 14)	(629,824)	75,026	(239,308)	119,552
	(445,379)	(23,470)	385,822	178,271
Investing activities				
Increase in bridge loans and convertible debentures	(1,451,181)	(1,158,760)	(1,358,868)	(2,996,130)
Purchase of portfolio investments	(759,490)	(2,037,616)	(3,734,743)	(7,897,218)
Proceeds from sale of portfolio investments	1,941,924	4,040,297	5,579,950	10,755,793
Purchase of development property	-	-	(367,181)	-
Additions to property and equipment	(1,288)	-	(25,400)	(3,279)
	(270,035)	843,921	93,758	(140,834)
Financing activities				
Proceeds from (repayment of) loans and interest payable	(82,433)	22,640	(525,635)	(296,603)
Repayment of convertible debentures	-	(613,035)	-	(943,956)
Purchase of treasury shares	-	(109,300)	-	(122,944)
Increase in contributed surplus	-	6,437	-	8,356
Dividends paid	-	-	(629,837)	(449,167)
	(82,433)	(693,258)	(1,155,473)	(1,804,314)
Increase (decrease) in cash flow	(797,847)	127,193	(675,892)	(1,766,877)
Cash, beginning of period	2,898,768	254,185	2,776,813	2,148,255
Cash, end of period	$ 2,100,921	$ 381,378	$ 2,100,921	$ 381,378
Cash consists of:				
Cash	$ 328,185	$ 381,378	$ 328,185	$ 381,378
Short term investments	2,210,996	-	2,210,996	
Bank indebtedness	(438,260)	-	(438,260)	-
	$ 2,100,921	$ 381,378	$ 2,100,921	$ 381,378

Supplemental cash flow information (note 14)

1. Nature of Business

GC-Global Capital Corp. (the "Company") is incorporated under the Canadian Business Corporations Act and was formed on December 31, 2005 via an amalgamation of Global (GMPC) Holdings Inc. and E & E Capital Funding Inc. (formerly A & E Capital Funding Inc.). The Company provides a range of merchant banking services to small and mid-size cap companies in North America in both the public and private markets. The Company provides bridge loan services (asset backed/collateralized financing) ranging from $200,000 to $3,000,000 to companies across many industries such as oil and gas, mining, real estate, manufacturing, retail, financial services, technology and biotechnology. The Company also has a diversified investment division engaged in investing in emerging growth companies.

2. Summary of Significant Accounting Policies

These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles on a basis consistent with those used and described in the most recent annual audited consolidated financial statements. The disclosures contained in these interim consolidated financial statements do not include all requirements of Canadian generally accepted accounting principles for annual financial statements. These interim consolidated financial statements should be read in conjunction with the most recent annual consolidated financial statements.

3. Financial Instruments

The carrying value of cash, funds held in trust, accounts receivable and sundry assets, interest and dividends receivable, bank indebtedness and accounts payable approximate their fair values due to the short-term nature of these instruments.

The carrying values and fair values of the Company's short term investments, notes receivable, bridge loans and convertible debentures and portfolio investments are as follows:

	(unaudited) Sept 30 2006 Carrying Value	(unaudited) Sept 30 2006 Fair Value	(audited) December 31 2005 Carrying Value	(audited) December 31 2005 Fair Value
Short term investments	$ 2,210,996	$ 2,210,996	$ 1,300,000	$ 1,300,000
Notes receivable	-	-	55,000	55,000
Bridge loans and convertible debentures	8,142,166	8,142,166	6,728,298	7,141,831
Portfolio investments	4,433,638	4,525,870	5,160,957	6,462,049
	$ 14,786,800	$ 14,879,032	$ 13,244,255	$ 14,958,880

a) Short term investments include term deposits at a rate of 3.55% (December 31, 2005 2.5%) due between October 5, 2006 and October 30, 2006 (2005 January 27, 2006).

b) Portfolio investments represent shares in publicly traded companies and partnerships. Fair value represents the quoted trading price of the shares held at September 30, 2006 and December 31, 2005. Fair value of bridge loans is estimated to be approximately the equivalent of carrying value due to the relatively short term of these bridge loans. Fair value of convertible debentures is generally considered to be the equivalent of carrying value unless the trading price of the underlying security exceeds the conversion price of the debenture. Fair value is then considered to be the quoted trading price of the underlying security.

c) Certain of the portfolio investments are pledged as security for the Company's margin account lending facility with its Broker.

d) The Company invests extensively in emerging growth companies which are in the development stage or in companies which primarily hold investments in such companies. Certain investments are in companies which have not yet established commercial viability for their business activities and have not yet earned significant revenue; therefore, the quoted market values of their shares is not necessarily indicative of the fair value of these investments and the recoverability of invested amounts is dependent upon the eventual commercial success of these entities. At the balance sheet dates, certain investments have a quoted market value lower than the carrying amount. Since management does not consider it practical to determine fair value by other means and considers the decline as temporary, the carrying amount has not been adjusted to the lower market value. However, lack of positive developments, or adverse developments, could result in future writedowns of the carrying value of these investments.

4. Bank indebtedness

As at September 30, 2006, the Company borrowed US$392,109 from a lending institution which is secured by C$509,742 in term deposits. The US funds are used for a US currency bridge loan transaction. This structure allows the Company to hedge its foreign currency risk. The interest rate on the bank indebtedness is US prime.

5. Notes receivable, bridge loans and convertible debentures

Bridge loans are repayable over various terms up to 12 months from December 31, 2005, and bear interest at fixed rates of between 12% and 30%. Shares, real estate, and borrower, corporate or personal guarantees generally have been pledged as security.

Notes receivable, bridge loans and convertible debentures analysis as at September 30, 2006 and December 31, 2005 are as follows:

	(unaudited) September 30 2006	(audited) December 31 2005
Due on Demand		
Notes receivable	$ -	$ 55,000
	-	55,000
Due Within One Year		
Bridge loans	8,142,166	5,266,110
Convertible debentures	-	650,000
	8,142,166	5,916,110
Due Within 12 to 24 Months		
Convertible debentures	-	812,188
	-	812,188
	$ 8,142,166	$ 6,783,298

6. Development Properties

Development properties consist of properties under development for which a development program is being conducted and properties which are under construction. These properties are recorded at cost, including pre-development expenditures.

	(unaudited) September 30 2006	**(audited) December 31 2005**
Lot at The Briar Rose	$ 294,695	$ -
Big Creek Lodge (note 7)	1,235,486	1,163,000
	$ 1,530,181	$ 1,163,000

7. Big Creek Lodge Joint Venture

In 2005, the Company entered into a joint venture agreement for the development of Big Creek Lodge. The Company shares 40% of the profits and losses for an initial contribution of $1,163,000.

8. Property and Equipment

	Cost	Accumulated Amortization	**(unaudited) September 30 2006 Net book Value**
Computer equipment	$ 25,776	$ 16,413	$ 9,364
Furniture	9,223	1,164	8,059
Equipment	14,006	2,101	11,905
	$ 49,005	$ 19,678	$ 29,328

	Cost	Accumulated Amortization	**(audited) December 31 2005 Net book Value**
Computer equipment	$ 23,606	$ 14,114	$ 9,492

9. Loans and Interest Payable

	(unaudited) September 30 2006	(audited) December 31 2005
Demand note, non-interest bearing (note 17)	$ -	$ 525,636
Demand notes, bearing interest at prime rate plus 2.0% including interest payable of $9,018 (2005 $9,018)	9,018	9,018
Demand loan including interest payable of $65,342 (2005 $65,342)	201,154	201,154
	$ 210,172	$ 735,808

Fair value of fixed rate debt has been determined based on interest rates at year end for debt with similar terms and risks. The fair value of the debt is approximately equal to its carrying value, as the majority of loans bear fair value interest rates or are due on demand.

10. Share Capital

	(unaudited) September 30 2006	(audited) December 31 2005
Authorized:		
Unlimited multiple voting shares		
Unlimited subordinate voting shares		
Unlimited preferred shares		
Issued:		
1,062,673 (2005 - 1,063,974) multiple voting shares	$ 1,937,671	$ 1,940,043
14,594,861 (2005 – 14,593,560) subordinate voting shares	12,172,751	12,170,379
	$ 14,110,422	$ 14,110,422

During 2006, 1,301 multiple voting shares were converted into subordinate voting shares on a one for one basis.

11. Stock-Based Compensation Plan

On February 7, 2006 the Directors of the Company approved the issuance of 240,000 options at an exercise price of $0.87 per share. The options are exercisable in whole or in part at any time prior to five years from the date of issuance. As at September 30, 2006, the Company had issued 1,450,000 options with an exercise price of $0.87 with a remaining contracted life of 2.9 and 4.6 years.

12. Contributed Surplus

During 2006, the Company issued 240,000 stock options and recorded an increase to contributed surplus of $66,148.

13. Net Income Per Share

Net income per share has been calculated using the weighted average number of multiple and subordinate voting shares outstanding during the year. Diluted income per share is calculated in a similar manner, except that the weighted average number of multiple and subordinate voting shares outstanding is increased to include potentially issuable subordinate voting shares from the assumed exercise of stock options, if dilutive. The conversion of the stock options would be anti-dilutive.

14. Cash Flows Supplementary Information

	Three months		Nine months	
	2006	**2005**	**2006**	**2005**
Net change in non-cash working capital balances				
Accounts receivable and sundry assets	$ (466,484)	$ (207,009)	$ (254,506)	$ (249,048)
Prepaid expenses	(1,409)	899	(30,520)	(897)
Interest and dividends receivable	200,495	(21,325)	90,019	(11,267)
Accounts payable	(362,426)	254,164	48,940	267,195
Dividends payable	-	-	-	20,328
Income taxes payable	-	48,297	(93,241)	93,241
	$ (629,824)	$ 75,026	$ (239,308)	$ 119,552

15. Income taxes

The Company has utilized tax losses to reduce its taxable income. The Company has recognized a future income tax asset to the extent that the amount is more likely than not to be realized from future earnings.

16. Related Party Transactions

The Company often receives the right to nominate a member to the Board of Directors of companies to which it provides a bridge loan. The nominees may be an employee, Officer or Director of the Company, and accordingly, the borrower may become related to the Company.

a) Bridge loans and convertible debentures include a balance due from companies having a current Director or Officer in common with the Company, with a cost of $250,000 (December 31, 2005 $1,062,188).

b) Portfolio investments include shares of companies and partnerships having a current Director or Officer in common with the Company, with a cost of $1,606,340 (December 31, 2005 $1,682,539) and a fair value of $2,317,756 (December 31, 2005 $2,465,134).

c) Loans and interest payable include a loan to a company controlled by a Shareholder of the Company for $nil (December 31, 2005 $525,636).

d) Interest and dividend income include interest earned on loans with current Directors and Officers in common with the Company, in the amount of $57,541 (September 30, 2005 $31,548) for the third quarter and $178,845 (September 30, 2005 $94,839) year-to-date.

e) Management and consulting fees and travel and promotion expenses include $85,995 (September 30, 2005 $278,735) for the third quarter and $317,844 (September 30, 2005 $436,753) year-to-date paid to companies controlled by current Directors and Officers of the Company.

17. Dividends Paid

On May 1, 2006, the Company declared a cash dividend of $0.04 per share payable to Shareholders of the Company's subordinate voting and multiple voting shares. The dividend was paid on May 31, 2006, to shareholders on record on May 15, 2006. It is the intention of the Company to pay out a portion of its future annual earnings to Shareholders in the form of a dividend.

18. Financial Instruments

Currency Risk

The Company is exposed to certain currency risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Credit Risk

Concentration of credit risk may arise from exposures to a single debtor or to a group of debtors having similar characteristics such that their ability to meet their current obligations is expected to be affected similarly by changes in economic or other conditions.

Market Risk

The Company is exposed to certain market risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to an individual security or its issuer or factors affecting all securities traded in the market.

Fair Values

The Company's financial instruments consist of cash, funds held in trust, short term investments, accounts receivable and sundry assets, interest and dividends receivable, notes receivable, bridge loans and convertible debentures, portfolio investments, bank indebtedness, accounts payable, and loans and interest payable. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

19. Commitments

The Company has entered into an operating lease for office premises. Minimum annual lease payments required for the next five years are approximately as follows:

2006	$	15,550
2007		58,662
2008		58,662
2009		58,662
2010		58,662

20. Contingent Liabilities

a) On March 22, 2002, the Company and other parties were named as defendants in a lawsuit filed in the Supreme Court of British Columbia. The plaintiff has claimed approximately $87,000 for unpaid consulting services plus interest at a rate which at this time cannot be determined. Management intends to fully defend this claim. Accordingly, no provision has been made for this claim in the consolidated financial statements.

In March 2004, the Company and a Director was named in an action of which the plaintiff has claimed $130,000, or in the alternative the return of shares. The Company and the Director have defended and counterclaimed rescission of the agreement by which the Company agreed to purchase shares from the plaintiff. Affidavit of Documents have yet to be exchanged and the plaintiff has taken no steps to move the action forward. Accordingly, no provision has been made for this claim in the consolidated financial statements.

The outcome of these claims are not determinable at the time of issue of these consolidated financial statements and the costs, if any, will be charged to income in the period(s) in which they are finally determined.

b) In 1998, the Company and other parties were named as defendants in a lawsuit filed in the Supreme Court of Newfoundland alleging that the common shares which they hold in the Company were sold to them without their knowledge. In 2001, the Company was named in a second action against the Company, by the same plaintiffs, alleging that the Company failed to comply with the applicable provisions of the Canada Business Corporations Act giving Shareholders the right of dissent with respect to certain transactions and to be paid the fair market value for these shares. Management has filed statements of defense for each action. No provision has been made for these claims in the consolidated financial statements.

The ultimate outcome of these claims is not determinable at the time of issue of these consolidated financial statements and the costs, if any, will be charged to income in the period(s) in which they are finally determined.

c) In 1997, the Company's wholly owned subsidiary, Global Benefit Plan Consultants Inc. ("GBPC"), had two divisions. The Company sold the assets of one of the divisions ("GBPC Division") to companies controlled by the then current management of that specific division (the "Former Management"). Pursuant to the sale agreement, the Company received an indemnity from the Former Management in respect of any reassessments by Revenue Canada for taxes related to the GBPC Division.

Revenue Canada recently reassessed the tax returns for GBPC for the tax years 1996 and 1997. The reassessment concluded that the GBPC reported false travel and promotion expenses for two former members of GBPC's management in the amounts of $206,814 and $19,641. The reassessment further concluded that GBPC made false ITC claims in the amounts of $14,083 and $1,370 attributed to the false travel and promotion expenses. Total taxes payable on the reassessment amounted to $101,409 plus interest and penalty of approximately $215,000.

The Company will take all legal steps necessary to ensure the taxes are paid by the indemnifying parties.

In 2003, the Company sold GBPC and provided an indemnity to the purchaser for claims related to the previous years.

21. Comparative Figures

The comparative figures for December 31, 2005 are based on audited financial statements of GC-Global Capital Corp. The comparative figures for the three and nine month periods ended September 30, 2005 are based on the unaudited financial statements of both Global (GMPC) Holdings Inc. and E & E Capital Funding Inc. (formerly A & E Capital Funding Inc.). Certain comparative figures of those previously issued audited and unaudited financial statements have been reclassified to conform to the current year's basis of presentation.