



PORTLAND
INVESTMENT COUNSEL®

PORTLAND MUTUAL FUNDS
ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2017

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Chairman's Message



If ever there was a time to be reminded that the world is uncertain, it was over the past year. Against all odds, political outsiders earned the highest office in the USA and France, just when the establishment seemed immovable. The presidents of Brazil and South Korea were impeached, with the latter process likely catalyzed by the actions of an activist investor. Lifelong competitors, Russia and the OPEC found common ground and surprised everyone by returning the crude oil market to some semblance of order. Amazon is blurring the lines between online retail and brick-and-mortar, just as the massive Equifax hack is reminding everyone how damaging cyberattacks could be to the real economy. Due to globalization and digitization, we are more alike in the way we consume goods, services, news, media and art, while at the same time society has become more polarized and atomized, with nationalist and separatist movements seeing a resurgence across the world.

What is the relevance of these changes to the average investor, you may ask? Remember, there is never an opportunity unless there is a crisis. Since November elections, the U.S. market has posted all-time highs for more than 60 sessions and advanced nearly 18%, on expectations for tax reform, healthcare reform, de-regulation and infrastructure stimulus. Most are yet to be delivered. Conversely, actions of the U.S. Fed and Bank of Canada have raised the prospect for the unprecedented monetary stimulus to come to a grinding halt, adding to uncertainty. However, the 'goldilocks' like evolution of the equity markets has delivered strong returns to most investors, who might feel complacent.

A general observation that I have made over the years is that "Success begets complacency which begets failure". Recently, I have heard many are feeling uneasy about the current valuations in the equity markets. Invariably, the same individuals are 'fully invested bears' in a broadly diversified mix of publicly listed equities and some fixed income. To borrow a well-known adage from the world of real estate investing, "you make money when you buy, not when you sell". Having said that, it follows that returns for the broader equity markets, given the current valuation levels, are likely to be modest, at best. If you share the same angst about future investment returns, ask yourself, then, "Where in my portfolio am I taking advantage of an opportunity in today's environment?"

We, at Portland Investment Counsel, understand that wealth is created by business people and not by governments or central bankers. Enlightened governments provide social inclusion, fight to reduce poverty and provide an equitable path to opportunity, but more importantly promote an agenda that encourages business people and allows individuals to become wealthy. Our experience as investors, owners and operators of successful businesses has taught us that the best way to deal with uncertainty is to have a sound intellectual framework, control of emotions and access to opportunities. Over the course of time, through a process of continuous learning, I have devised a comprehensive set of 15 criteria which are used to drive our investment behavior (the five laws of wealth creation) and our security selection across our portfolios (the ten traits of successful private and private-like businesses). In brief form, wealth is being created by owning a few businesses, which are well understood, reside in long term growth industries, use other people's money prudently and which are held for the long term. Quality businesses are led by an owner/operator, have concentrated and easily identifiable ownership, exhibit autocratic and entrepreneurial management and board which are focused on growth, allow low turnover in their managerial ranks, have risks and rewards which are symmetrically distributed and focus on long term goals and business fundamentals.

Wealth is being created one investment decision at a time. As owners and operators of private businesses, we certainly believe that to be the case when building companies and we draw on that experience to patiently build portfolios that can withstand the test of time and allow tax-efficient compounding of wealth. Successful investing is about owning assets we understand. As such, our investment decisions are deliberate, taking care that quality opportunities are included in our portfolios. Patiently doing your homework and buying with a "margin of safety" is paramount to investment success. We continue to look for undervalued businesses and great companies at fair prices. As business owners our strategy does not vary with market conditions. As investors we apply the same stance. The opportunity is significantly broadened when one is provided access to privately held assets and alternative strategies. We have endeavored to leverage our investment approach by associating ourselves with other business people and eminent asset allocators, sharing access to such opportunities with our investors along the way. Our belief in the power of co-investing has led us to coin the phrase "Don't Just Invest, Co-Invest!"

We have made it our mission to create wealth for our investors, one investment decision at a time, one investment mandate at a time, one individual at a time. I am excited about the road ahead and grateful for the opportunity to share it with you, our investors. Thank you.

"Michael Lee-Chin"

Director, Executive Chairman, CEO and Portfolio Manager
Portland Investment Counsel Inc.

Management's Responsibility for Financial Reporting

The accompanying financial statements of Portland Advantage Fund, Portland Canadian Balanced Fund, Portland Canadian Focused Fund, Portland Global Banks Fund, Portland Global Dividend Fund, Portland Global Income Fund, Portland Value Fund and Portland 15 of 15 Fund (Funds) have been prepared by Portland Investment Counsel Inc. in its capacity as manager (Manager) of the Funds. The Manager of the Funds is responsible for the information and representations contained in these financial statements. The Board of Directors of the Manager, in its capacity as trustee of the Funds, has approved these financial statements.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Funds are described in Note 3 to these financial statements.

PricewaterhouseCoopers LLP is the external auditor of the Funds. They have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the unitholders their opinion on the financial statements. Their report is attached.

"Michael Lee-Chin"

**Michael Lee-Chin,
Director
December 8, 2017**

"Robert Almeida"

**Robert Almeida,
Director
December 8, 2017**

Independent Auditor's Report

December 8, 2017

To the Unitholders of:

Portland Advantage Fund
Portland Canadian Balanced Fund
Portland Canadian Focused Fund
Portland Global Banks Fund
Portland Global Income Fund
Portland Global Dividend Fund
Portland Value Fund
Portland 15 of 15 Fund

(collectively the Funds)

We have audited the accompanying financial statements of each of the Funds, which comprise the statements of financial position, comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows as at and for the periods indicated in Note 1, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of each of the Funds in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements of each of the Funds based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of each of the Funds present fairly, in all material respects, the financial position, financial performance and cash flows of each of the Funds as at and for the periods indicated in Note 1 in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

Statements of Financial Position

as at September 30,	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 35,886	\$ 178,864
Subscriptions receivable	333	1,830
Dividends receivable	8,604	15,774
Investments (note 5)	4,666,466	5,689,070
	<u>4,711,289</u>	<u>5,885,538</u>
Liabilities		
Current Liabilities		
Management fees payable	6,065	7,286
Expenses payable	2,151	2,767
Redemptions payable	-	559
	<u>8,216</u>	<u>10,612</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 4,703,073</u>	<u>\$ 5,874,926</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	2,424,788	2,770,840
Series F	2,278,285	3,102,977
Series G (note 1 (c))	-	1,109
	<u>\$ 4,703,073</u>	<u>\$ 5,874,926</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	203,582	235,362
Series F	185,761	255,828
Series G (note 1 (c))	-	102
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	11.91	11.77
Series F	12.26	12.13
Series G (note 1 (c))	-	10.90

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income

for the periods ended September 30,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 111,589	\$ 215,283
Interest for distribution purposes	39,567	15,580
Net realized gain (loss) on investments	(32,641)	71,312
Change in unrealized appreciation (depreciation) on investments	179,160	540,078
	<u>297,675</u>	<u>842,253</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(1,109)	(7,695)
Total income (net)	<u>296,566</u>	<u>834,558</u>
Expenses		
Unitholder reporting costs	115,439	108,042
Management fees (note 8)	88,074	93,868
Audit fees	12,849	12,614
Independent review committee fees	3,452	3,914
Transaction costs	2,769	2,456
Legal fees	2,469	3,828
Withholding tax expense	2,017	1,396
Custodial fees	1,964	4,092
Interest expense	290	-
Total operating expenses	<u>229,323</u>	<u>230,210</u>
Less: expenses absorbed by Manager	(105,759)	(99,404)
Net operating expenses	<u>123,564</u>	<u>130,806</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 173,002</u>	<u>\$ 703,752</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	66,084	333,352
Series F	106,883	370,146
Series G	35	254
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	0.29	1.36
Series F	0.48	1.46
Series G	0.34	0.87

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the periods ended September 30,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	2,770,840	\$	2,617,354
Series F		3,102,977		2,504,363
Series G		1,109		5,955
		<u>5,874,926</u>		<u>5,127,672</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		66,084		333,352
Series F		106,883		370,146
Series G		35		254
		<u>173,002</u>		<u>703,752</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(15,153)		(65,470)
Series F		(54,261)		(103,543)
Series G		-		(163)
		<u>(69,414)</u>		<u>(169,176)</u>
From net realized gains on investments				
Series A		(25,093)		-
Series F		(25,540)		-
Series G		(10)		-
		<u>(50,643)</u>		<u>-</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(120,057)</u>		<u>(169,176)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		92,262		280,089
Series F		35,414		440,846
Series G		-		2,000
		<u>127,676</u>		<u>722,935</u>
Reinvestments of distributions				
Series A		39,696		64,597
Series F		78,582		101,907
Series G		10		163
		<u>118,288</u>		<u>166,667</u>
Redemptions of redeemable units				
Series A		(503,848)		(459,082)
Series F		(965,770)		(210,742)
Series G		(1,144)		(7,100)
		<u>(1,470,762)</u>		<u>(676,924)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>(1,224,798)</u>		<u>212,678</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		2,424,788		2,770,840
Series F		2,278,285		3,102,977
Series G (note 1 (c))		-		1,109
	\$	<u>4,703,073</u>	\$	<u>5,874,926</u>

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

Statements of Cash Flows

for the periods ended September 30,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	173,002	\$	703,752
Adjustments for:				
Net realized (gain) loss on investments		32,641		(71,312)
Change in unrealized (appreciation) depreciation on investments		(179,160)		(540,078)
Unrealized foreign exchange (gain) loss on cash		1		47
(Increase) decrease in dividends receivable		7,170		(889)
Increase (decrease) in management fees and expenses payable		(1,837)		589
Purchase of investments		(552,393)		(1,787,298)
Proceeds from sale of investments		1,721,516		1,785,634
Net Cash Generated (Used) by Operating Activities		<u>1,200,940</u>		<u>90,445</u>
Cash Flows from Financing Activities				
Distributions to holders of redeemable units, net of reinvested distributions		(1,769)		(2,509)
Proceeds from redeemable units issued		129,173		712,151
Amount paid on redemption of redeemable units		(1,471,321)		(637,310)
Net Cash Generated (Used) by Financing Activities		<u>(1,343,917)</u>		<u>72,332</u>
Net increase (decrease) in cash and cash equivalents		(142,977)		162,777
Unrealized foreign exchange gain (loss) on cash		(1)		(47)
Cash and cash equivalents - beginning of period		178,864		16,134
Cash and cash equivalents - end of period		<u>35,886</u>		<u>178,864</u>
Cash and cash equivalents comprise:				
Cash at bank	\$	35,886	\$	178,864
From operating activities				
Interest received, net of withholding tax	\$	39,567	\$	15,580
Dividends received, net of withholding tax	\$	116,742	\$	212,998
From financing activities				
Interest paid	\$	(290)	\$	-

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares/ Par Value	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
BONDS				
Bermuda				
200,000	Digicel Group Limited Callable 8.250% September 30, 2020	\$ 239,607	\$ 243,780	5.2%
	Total bonds	<u>239,607</u>	<u>243,780</u>	<u>5.2%</u>
EQUITIES				
Bermuda				
3,660	Brookfield Infrastructure Partners L.P.	94,628	197,010	
7,325	Brookfield Property Partners L.P.	169,799	212,791	
5,690	Invesco Ltd.	205,770	248,774	
		<u>470,197</u>	<u>658,575</u>	<u>14.0%</u>
Canada				
67,955	Baytex Energy Corp.	421,676	255,511	
3,940	BCE Inc.	200,188	230,332	
10,200	Brookfield Asset Management Inc. Class A	365,812	525,504	
6,071	CI Financial Corp.	196,631	165,678	
23,277	Crescent Point Energy Corp.	578,730	233,236	
63,600	ECN Capital Corp.	200,207	251,856	
5,120	IGM Financial Inc.	238,740	214,733	
9,433	Northland Power Inc.	160,914	218,468	
2,860	The Bank of Nova Scotia	179,547	229,372	
3,350	The Toronto-Dominion Bank	165,729	235,337	
70	Trisura Group Ltd.	1,682	1,866	
		<u>2,709,856</u>	<u>2,561,893</u>	<u>54.5%</u>
Luxembourg				
3,385	Millicom International Cellular SA	249,909	278,727	5.9%
Panama				
1,028	Copa Holdings SA, Class A	138,064	159,733	3.4%
United Kingdom				
8,105	Liberty Global PLC LiLAC Class A	303,542	240,285	
10,610	Liberty Global PLC LiLAC Class C	444,394	308,460	
		<u>747,936</u>	<u>548,745</u>	<u>11.7%</u>
United States				
940	Berkshire Hathaway Inc.	134,263	215,013	4.5%
	Total equities	<u>4,450,225</u>	<u>4,422,686</u>	<u>94.0%</u>
	Total investment portfolio	4,689,832	4,666,466	99.2%
	Transaction costs	(13,948)	-	-
		<u>\$ 4,675,884</u>	<u>4,666,466</u>	<u>99.2%</u>
	Other assets less liabilities		36,607	0.8%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 4,703,073</u>	<u>100.0%</u>

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	35,886	35,886
Subscriptions receivable	-	-	333	333
Dividends receivable	-	-	8,604	8,604
Investments	-	4,666,466	-	4,666,466
Total	-	4,666,466	44,823	4,711,289

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	6,065	6,065
Expenses payable	-	-	2,151	2,151
Total	-	-	8,216	8,216

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	178,864	178,864
Subscriptions receivable	-	-	1,830	1,830
Dividends receivable	-	-	15,774	15,774
Investments	-	5,689,070	-	5,689,070
Total	-	5,689,070	196,468	5,885,538

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,286	7,286
Expenses payable	-	-	2,767	2,767
Redemptions payable	-	-	559	559
Total	-	-	10,612	10,612

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2017 and September 30, 2016:

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL:		
Designated at Inception	297,675	842,253
Total	297,675	842,253

(b) RISK MANAGEMENT**Price Risk**

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$233,323 (September 30, 2016: \$273,056). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2017 and September 30, 2016:

By Geographic Region	September 30, 2017	September 30, 2016
Canada	54.5%	54.2%
Bermuda	19.2%	19.5%
United Kingdom	11.7%	9.3%
Luxembourg	5.9%	3.9%
United States	4.5%	7.9%
Panama	3.4%	2.0%
Other Net Assets (Liabilities)	0.8%	3.2%
Total	100.0%	100.0%

By Industry Sector	September 30, 2017	September 30, 2016
Asset Management & Custody Banks	24.6%	27.0%
Cable & Satellite	11.7%	9.3%
Oil & Gas Exploration & Production	10.4%	14.5%
Diversified Banks	9.9%	11.6%
Wireless Telecommunication Services	5.9%	7.8%
Specialized Finance	5.4%	-
Corporate Bonds	5.2%	-
Integrated Telecommunication Services	4.9%	4.1%
Independent Power Producers & Energy Traders	4.6%	5.6%
Multi-Sector Holdings	4.5%	3.5%
Real Estate Operating Companies	4.5%	3.7%
Electric Utilities	4.2%	5.7%
Airlines	3.4%	2.0%
Other Net Assets (Liabilities)	0.8%	3.2%
Trucking	-	1.4%
Trading Companies & Distributors	-	0.4%
Construction & Engineering	-	0.2%
Total	100.0%	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be affected by changes in the value of these currencies relative to the Canadian dollar.

The tables below indicate the foreign currencies to which the Fund had significant exposure at September 30, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Swedish Krona	-	278,727	278,727	-	13,936	13,936
United States Dollar	12,280	1,613,056	1,625,336	614	80,653	81,267
Total	12,280	1,891,783	1,904,063	614	94,589	95,203
% of net assets attributable to holders of redeemable units	0.3%	40.2%	40.5%	-	2.0%	2.0%

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

September 30, 2016:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Swedish Krona	-	230,361	230,361	-	11,518	11,518
United States Dollar	15,280	2,048,143	2,063,423	764	102,407	103,171
Total	15,280	2,278,504	2,293,784	764	113,925	114,689
% of net assets attributable to holders of redeemable units	0.3%	38.8%	39.1%	-	1.9%	1.9%

Interest Rate Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017 and September 30, 2016:

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	4,422,686	-	-	4,422,686
Bonds - Long	-	243,780	-	243,780
Total	4,422,686	243,780	-	4,666,466

	Assets at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,461,119	-	-	5,461,119
Bonds - Long	-	227,951	-	227,951
Total	5,461,119	227,951	-	5,689,070

Fair values are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. All liabilities of the Fund are carried at amortized cost and therefore are not presented in the tables above.

(d) STRUCTURED ENTITIES

As at September 30, 2017 and September 30, 2016, the Fund did not have any investments in structured entities.

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

Statements of Financial Position

as at September 30,	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 510,065	\$ 579,321
Subscriptions receivable	39,657	8,550
Receivable for investments sold	-	146,210
Dividends receivable	20,775	13,478
Investments (note 5)	7,613,920	4,935,764
	<u>8,184,417</u>	<u>5,683,323</u>
Liabilities		
Current Liabilities		
Management fees payable	9,310	6,438
Expenses payable	3,712	2,678
Redemptions payable	-	8,952
	<u>13,022</u>	<u>18,068</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 8,171,395</u>	<u>\$ 5,665,255</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	3,810,804	2,525,072
Series F	4,360,591	3,139,072
Series G (note 1 (c))	-	1,111
	<u>\$ 8,171,395</u>	<u>\$ 5,665,255</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	254,066	188,496
Series F	281,449	227,788
Series G (note 1 (c))	-	91
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	15.00	13.40
Series F	15.49	13.78
Series G (note 1 (c))	-	12.22

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income

for the periods ended September 30,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 220,286	\$ 145,390
Interest for distribution purposes	14,829	5,383
Net realized gain (loss) on investments	339,247	58,252
Change in unrealized appreciation (depreciation) on investments	494,043	380,584
	<u>1,068,405</u>	<u>589,609</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(2,874)	(15,509)
Total income (net)	<u>1,065,531</u>	<u>574,100</u>
Expenses		
Management fees (note 8)	107,508	78,083
Unitholder reporting costs	96,523	92,624
Audit fees	12,840	12,606
Independent review committee fees	3,450	3,912
Legal fees	3,163	2,438
Custodial fees	2,747	2,228
Withholding tax expense	2,315	3,000
Transaction costs	1,164	2,557
Total operating expenses	<u>229,710</u>	<u>197,448</u>
Less: expenses absorbed by Manager	<u>(77,943)</u>	<u>(88,410)</u>
Net operating expenses	<u>151,767</u>	<u>109,038</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 913,764</u>	<u>\$ 465,062</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	379,685	251,372
Series F	533,932	216,706
Series G	147	(3,016)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	1.67	1.19
Series F	2.03	1.61
Series G	1.61	(0.80)

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the periods ended September 30,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	2,525,072	\$	2,738,271
Series F		3,139,072		822,922
Series G		1,111		107,888
		<u>5,665,255</u>		<u>3,669,081</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		379,685		251,372
Series F		533,932		216,706
Series G		147		(3,016)
		<u>913,764</u>		<u>465,062</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(21)		-
Series F		(34,366)		(7,049)
Series G		-		-
		<u>(34,387)</u>		<u>(7,049)</u>
From net realized gains on investments				
Series A		(56,613)		(93,731)
Series F		(71,648)		(40,080)
Series G		(25)		(3,552)
		<u>(128,286)</u>		<u>(137,363)</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(162,673)</u>		<u>(144,412)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		1,337,806		284,690
Series F		908,462		2,638,188
Series G		-		1,000
		<u>2,246,268</u>		<u>2,923,878</u>
Reinvestments of distributions				
Series A		51,061		86,726
Series F		105,151		46,553
Series G		25		3,552
		<u>156,237</u>		<u>136,831</u>
Redemptions of redeemable units				
Series A		(426,186)		(742,256)
Series F		(220,012)		(538,168)
Series G		(1,258)		(104,761)
		<u>(647,456)</u>		<u>(1,385,185)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>1,755,049</u>		<u>1,675,524</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		3,810,804		2,525,072
Series F		4,360,591		3,139,072
Series G (note 1 (c))		-		1,111
	\$	<u>8,171,395</u>	\$	<u>5,665,255</u>

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

Statements of Cash Flows

for the periods ended September 30,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	913,764	\$	465,062
Adjustments for:				
Net realized (gain) loss on investments		(339,247)		(58,252)
Change in unrealized (appreciation) depreciation on investments		(494,043)		(380,584)
Unrealized foreign exchange (gain) loss on cash		(340)		334
(Increase) decrease in interest receivable		-		48
(Increase) decrease in dividends receivable		(7,297)		(3,615)
Increase (decrease) in management fees and expenses payable		3,906		1,599
Purchase of investments		(3,261,311)		(3,970,238)
Proceeds from sale of investments		1,562,655		2,630,217
Net Cash Generated (Used) by Operating Activities		<u>(1,621,913)</u>		<u>(1,315,429)</u>
Cash Flows from Financing Activities				
Distributions to holders of redeemable units, net of reinvested distributions		(6,436)		(7,581)
Proceeds from redeemable units issued		2,116,711		2,769,968
Amount paid on redemption of redeemable units		(557,958)		(1,230,974)
Net Cash Generated (Used) by Financing Activities		<u>1,552,317</u>		<u>1,531,413</u>
Net increase (decrease) in cash and cash equivalents		(69,596)		215,984
Unrealized foreign exchange gain (loss) on cash		340		(334)
Cash and cash equivalents - beginning of period		579,321		363,671
Cash and cash equivalents - end of period		<u>510,065</u>		<u>579,321</u>
Cash and cash equivalents comprise:				
Cash at bank		160,100		129,352
Short-term investments		349,965		449,969
	\$	<u>510,065</u>	\$	<u>579,321</u>
From operating activities				
Interest received, net of withholding tax	\$	14,829	\$	5,431
Dividends received, net of withholding tax	\$	210,674	\$	138,775

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Canada				
3,000	Bank of Montreal	\$ 226,160	\$ 283,290	
32,000	BMO Laddered Preferred Share Index ETF	318,370	370,560	
7,000	Canadian Imperial Bank of Commerce	713,275	764,190	
14,292	Emera Incorporated	640,613	675,440	
17,400	Fortis Inc.	683,087	779,172	
39,000	Horizons Active Preferred Share ETF	322,865	369,330	
26,000	iShares S&P/TSX Canadian Preferred Share Index ETF	329,611	368,160	
13,100	Power Financial Corporation	415,322	453,391	
32,800	RioCan Real Estate Investment Trust	812,360	784,904	
4,500	Royal Bank of Canada	353,561	434,430	
9,500	The Bank of Nova Scotia	697,337	761,900	
11,200	The Toronto-Dominion Bank	658,559	786,800	
		<u>6,171,120</u>	<u>6,831,567</u>	<u>83.6%</u>
United States				
4,100	Aflac Incorporated	312,259	416,373	
1,600	Berkshire Hathaway Inc. Class B	277,319	365,980	
		<u>589,578</u>	<u>782,353</u>	<u>9.6%</u>
	Total investment portfolio	6,760,698	7,613,920	93.2%
	Transaction costs	(1,863)	-	-
		<u>\$ 6,758,835</u>	<u>7,613,920</u>	<u>93.2%</u>
	Other assets less liabilities		557,475	6.8%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 8,171,395</u>	<u>100.0%</u>

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	510,065	510,065
Subscriptions receivable	-	-	39,657	39,657
Dividends receivable	-	-	20,775	20,775
Investments	-	7,613,920	-	7,613,920
Total	-	7,613,920	570,497	8,184,417

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	9,310	9,310
Expenses payable	-	-	3,712	3,712
Total	-	-	13,022	13,022

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	579,321	579,321
Subscriptions receivable	-	-	8,550	8,550
Receivable for investments sold	-	-	146,210	146,210
Dividends receivable	-	-	13,478	13,478
Investments	-	4,935,764	-	4,935,764
Total	-	4,935,764	747,559	5,683,323

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	6,438	6,438
Expenses payable	-	-	2,678	2,678
Redemptions payable	-	-	8,952	8,952
Total	-	-	18,068	18,068

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2017 and September 30, 2016:

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL:		
Designated at Inception	1,063,410	589,609
Total	1,063,410	589,609

(b) RISK MANAGEMENT**Price Risk**

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$380,696 (September 30, 2016: \$246,788). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by industry sector as at September 30, 2017 and September 30, 2016:

By Industry Sector	September 30, 2017	September 30, 2016
Financials	52.3%	66.6%
Utilities	17.8%	8.2%
Exchange Traded Funds	13.5%	12.3%
Real Estate	9.6%	-
Other Net Assets (Liabilities)	6.8%	12.9%
Total	100.0%	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be directly affected by changes in the value of these currencies relative to the Canadian dollar.

The tables below indicate the foreign currencies to which the Fund had significant direct exposure at September 30, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	782,353	782,353	-	39,118	39,118
Total	-	782,353	782,353	-	39,118	39,118
% of net assets attributable to holders of redeemable units	-	9.6%	9.6%	-	0.5%	0.5%

September 30, 2016:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	146,210	1,850,741	1,996,951	7,311	92,537	99,848
Total	146,210	1,850,741	1,996,951	7,311	92,537	99,848
% of net assets attributable to holders of redeemable units	2.6%	32.7%	35.3%	0.1%	1.6%	1.7%

Interest Rate Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk. The Fund has indirect exposure to interest rate risk through its investments in preferred share ETFs.

Credit Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, management fees payable, expenses payable, payable for investments purchased and redemptions payable, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

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

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017 and September 30, 2016:

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	7,613,920	-	-	7,613,920
Total	7,613,920	-	-	7,613,920

	Assets at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	4,935,764	-	-	4,935,764
Total	4,935,764	-	-	4,935,764

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. All liabilities of the Fund are carried at amortized cost and therefore are not presented in the tables above.

(d) STRUCTURED ENTITIES

The Fund's investments in ETFs are susceptible to market price risk arising from uncertainties about future values. The Manager makes investment decisions after extensive due diligence on the strategy and overall quality of the ETF's manager.

The Fund's investments in ETFs as at September 30, 2017 and September 30, 2016 are summarized below:

September 30, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
BMO Laddered Preferred Share Index ETF	370,560	2,233	-
Horizons Active Preferred Share ETF	369,330	1,361	-
iShares S&P/TSX Canadian Preferred Share Index ETF	368,160	1,485	-

September 30, 2016	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
BMO Laddered Preferred Share Index ETF	234,295	1,229	-
Horizons Active Preferred Share ETF	233,240	810	-
iShares S&P/TSX Canadian Preferred Share Index ETF	229,680	1,201	-

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

Statements of Financial Position

as at September 30,	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,566,984	\$ 264,695
Subscriptions receivable	34,510	1,648
Receivable for investments sold	-	275,727
Dividends receivable	33,294	25,281
Investments (note 5)	12,544,917	9,214,391
	<u>15,179,705</u>	<u>9,781,742</u>
Liabilities		
Current Liabilities		
Management fees payable	15,171	8,740
Expenses payable	6,861	4,638
	<u>22,032</u>	<u>13,378</u>
Net Assets Attributable to Holders of Redeemable Units	\$ 15,157,673	\$ 9,768,364
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	4,270,287	1,777,168
Series F	10,887,386	7,976,763
Series G (note 1 (c))	-	14,433
	<u>\$ 15,157,673</u>	<u>\$ 9,768,364</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	291,969	133,584
Series F	707,465	569,929
Series G (note 1 (c))	-	1,110
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	14.63	13.30
Series F	15.39	14.00
Series G (note 1 (c))	-	13.01

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income

for the periods ended September 30,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 366,604	\$ 285,899
Interest for distribution purposes	22,869	2,285
Net realized gain (loss) on investments	670,441	220,760
Change in unrealized appreciation (depreciation) on investments	826,400	781,179
	<u>1,886,314</u>	<u>1,290,123</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(6,459)	(25,238)
Total income (net)	<u>1,879,855</u>	<u>1,264,885</u>
Expenses		
Management fees (note 8)	166,160	103,116
Unitholder reporting costs	93,426	100,560
Audit fees	12,834	12,604
Withholding tax expense	5,763	4,912
Custodial fees	4,030	3,978
Independent review committee fees	3,448	3,911
Legal fees	3,161	2,437
Transaction costs	1,578	2,162
Total operating expenses	<u>290,400</u>	<u>233,680</u>
Less: expenses absorbed by Manager	(43,894)	(77,438)
Net operating expenses	<u>246,506</u>	<u>156,242</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 1,633,349</u>	<u>\$ 1,108,643</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	298,543	205,101
Series F	1,332,751	904,195
Series G	2,055	(653)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	1.44	1.55
Series F	2.01	1.83
Series G	1.84	(0.14)

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the periods ended September 30,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	1,777,168	\$	1,652,985
Series F		7,976,763		5,559,835
Series G		14,433		119,655
		<u>9,768,364</u>		<u>7,332,475</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		298,543		205,101
Series F		1,332,751		904,195
Series G		2,055		(653)
		<u>1,633,349</u>		<u>1,108,643</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(160)		-
Series F		(111,428)		(61,470)
Series G		-		-
		<u>(111,588)</u>		<u>(61,470)</u>
From net realized gains on investments				
Series A		(83,708)		(80,876)
Series F		(385,771)		(194,611)
Series G		(658)		(4,183)
		<u>(470,137)</u>		<u>(279,670)</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(581,725)</u>		<u>(341,140)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		2,597,185		333,936
Series F		2,388,196		2,656,165
Series G		-		1,000
		<u>4,985,381</u>		<u>2,991,101</u>
Reinvestments of distributions				
Series A		83,868		80,876
Series F		495,678		254,501
Series G		658		4,183
		<u>580,204</u>		<u>339,560</u>
Redemptions of redeemable units				
Series A		(402,609)		(414,854)
Series F		(808,803)		(1,141,852)
Series G		(16,488)		(105,569)
		<u>(1,227,900)</u>		<u>(1,662,275)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>4,337,685</u>		<u>1,668,386</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		4,270,287		1,777,168
Series F		10,887,386		7,976,763
Series G (note 1 (c))		-		14,433
	\$	<u>15,157,673</u>	\$	<u>9,768,364</u>

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

Statements of Cash Flows

for the periods ended September 30,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	1,633,349	\$	1,108,643
Adjustments for:				
Net realized (gain) loss on investments		(670,441)		(220,760)
Change in unrealized (appreciation) depreciation on investments		(826,400)		(781,179)
Unrealized foreign exchange (gain) loss on cash		(641)		641
(Increase) decrease in interest receivable		-		48
(Increase) decrease in dividends receivable		(8,013)		(2,442)
Increase (decrease) in management fees and expenses payable		8,654		1,928
Purchase of investments		(4,682,108)		(5,105,287)
Proceeds from sale of investments		3,124,150		3,550,853
Net Cash Generated (Used) by Operating Activities		(1,421,450)		(1,447,555)
Cash Flows from Financing Activities				
Distributions to holders of redeemable units, net of reinvested distributions		(1,521)		(1,580)
Proceeds from redeemable units issued		4,774,169		2,851,616
Amount paid on redemption of redeemable units		(1,049,550)		(1,584,915)
Net Cash Generated (Used) by Financing Activities		3,723,098		1,265,121
Net increase (decrease) in cash and cash equivalents		2,301,648		(182,434)
Unrealized foreign exchange gain (loss) on cash		641		(641)
Cash and cash equivalents - beginning of period		264,695		447,770
Cash and cash equivalents - end of period		2,566,984		264,695
Cash and cash equivalents comprise:				
Cash at bank		367,204		264,695
Short-term investments		2,199,780		-
	\$	2,566,984	\$	264,695
From operating activities				
Interest received, net of withholding tax	\$	22,869	\$	2,333
Dividends received, net of withholding tax	\$	352,828	\$	278,545

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Canada				
9,110	Bank of Montreal	\$ 702,280	\$ 860,257	
12,400	Canadian Imperial Bank of Commerce	1,242,228	1,353,708	
26,411	Emera Incorporated	1,183,473	1,248,184	
30,800	Fortis Inc.	1,199,458	1,379,224	
24,600	Power Financial Corporation	779,781	851,406	
59,800	RioCan Real Estate Investment Trust	1,481,304	1,431,014	
10,900	Royal Bank of Canada	851,303	1,052,286	
16,900	The Bank of Nova Scotia	1,218,879	1,355,380	
19,900	The Toronto-Dominion Bank	1,125,827	1,397,975	
		<u>9,784,533</u>	<u>10,929,434</u>	<u>72.1%</u>
United States				
8,700	Aflac Incorporated	662,598	883,523	
3,200	Berkshire Hathaway Inc. Class B	554,639	731,960	
		<u>1,217,237</u>	<u>1,615,483</u>	<u>10.7%</u>
	Total investment portfolio	11,001,770	12,544,917	82.8%
	Transaction costs	(2,460)	-	-
		<u>\$ 10,999,310</u>	<u>12,544,917</u>	<u>82.8%</u>
	Other assets less liabilities		2,612,756	17.2%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 15,157,673</u>	<u>100.0%</u>

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	2,566,984	2,566,984
Subscriptions receivable	-	-	34,510	34,510
Dividends receivable	-	-	33,294	33,294
Investments	-	12,544,917	-	12,544,917
Total	-	12,544,917	2,634,788	15,179,705

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	15,171	15,171
Expenses payable	-	-	6,861	6,861
Total	-	-	22,032	22,032

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	264,695	264,695
Subscriptions receivable	-	-	1,648	1,648
Receivable for investments sold	-	-	275,727	275,727
Dividends receivable	-	-	25,281	25,281
Investments	-	9,214,391	-	9,214,391
Total	-	9,214,391	567,351	9,781,742

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	8,740	8,740
Expenses payable	-	-	4,638	4,638
Total	-	-	13,378	13,378

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2017 and September 30, 2016:

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL:		
Designated at Inception	1,878,503	1,290,123
Total	1,878,503	1,290,123

(b) RISK MANAGEMENT**Price Risk**

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$627,246 (September 30, 2016: \$460,720). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2017 and September 30, 2016:

By Geographic Region	September 30, 2017	September 30, 2016
Canada	72.1%	55.6%
Other Net Assets (Liabilities)	17.2%	5.7%
United States	10.7%	38.7%
Total	100.0%	100.0%

By Industry Sector	September 30, 2017	September 30, 2016
Financials	55.9%	85.4%
Utilities	17.3%	8.9%
Other Net Assets (Liabilities)	17.2%	5.7%
Real Estate	9.6%	-
Total	100.0%	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be affected by changes in the value of these currencies relative to the Canadian dollar.

The tables below indicate the foreign currencies to which the Fund had significant exposure at September 30, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	1,615,483	1,615,483	-	80,774	80,774
Total	-	1,615,483	1,615,483	-	80,774	80,774
% of net assets attributable to holders of redeemable units	-	10.7%	10.7%	-	0.5%	0.5%

September 30, 2016:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	275,727	3,777,559	4,053,286	13,786	188,878	202,664
Total	275,727	3,777,559	4,053,286	13,786	188,878	202,664
% of net assets attributable to holders of redeemable units	2.8%	38.7%	41.5%	0.2%	1.9%	2.1%

Interest Rate Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

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

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017 and September 30, 2016:

	Assets at fair value as at September 30, 2017			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	12,544,917	-	-	12,544,917
Total	12,544,917	-	-	12,544,917

	Assets at fair value as at September 30, 2016			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	9,214,391	-	-	9,214,391
Total	9,214,391	-	-	9,214,391

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. All liabilities of the Fund are carried at amortized cost and therefore are not presented in the tables above.

(d) STRUCTURED ENTITIES

As at September 30, 2017 and September 30, 2016, the Fund did not have any investments in structured entities.

Statements of Financial Position

as at September 30,	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 137,038	\$ 73,814
Margin accounts (note 11)	6,668	3
Subscriptions receivable	-	1,500
Receivable for investments sold	-	65,212
Interest receivable	2	-
Dividends receivable	1,349	2,904
Investments (note 5)	6,538,737	5,812,034
Investments - pledged as collateral (note 5 and 11)	447,608	306,117
Derivative assets	-	2,361
	<u>7,131,402</u>	<u>6,263,945</u>
Liabilities		
Current Liabilities		
Management fees payable	10,669	9,827
Expenses payable	3,054	2,826
Redemptions payable	7,044	6,094
Payable for investments purchased	-	53,357
Distributions payable	-	1,882
Derivative liabilities	35,330	17,251
	<u>56,097</u>	<u>91,237</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 7,075,305</u>	<u>\$ 6,172,708</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	504,601	316,018
Series A2	6,396,290	5,660,292
Series F	174,414	196,398
	<u>\$ 7,075,305</u>	<u>\$ 6,172,708</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	44,370	35,744
Series A2	555,479	634,956
Series F	14,672	21,532
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	11.37	8.84
Series A2	11.51	8.91
Series F	11.89	9.12

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income

for the periods ended September 30,	2017	2016
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 143,226	\$ 151,537
Interest for distribution purposes	303	-
Net realized gain (loss) on investments and options	782,882	133,846
Net realized gain (loss) on currency forward contracts	89,090	23,508
Change in unrealized appreciation (depreciation) on investments and derivatives	1,287,595	(1,204,387)
	<u>2,303,096</u>	<u>(895,496)</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(7,415)	(24,439)
Total income (net)	<u>2,295,681</u>	<u>(919,935)</u>
Expenses		
Unitholder reporting costs	150,676	185,695
Management fees (note 8)	136,423	136,371
Withholding tax expense	19,343	13,480
Audit fees	12,448	12,337
Transaction costs	4,885	8,057
Independent review committee fees	3,344	3,828
Legal fees	3,066	2,386
Custodial fees	465	8,212
Interest expense	143	13
Total operating expenses	<u>330,793</u>	<u>370,379</u>
Less: expenses absorbed by Manager	(130,896)	(172,564)
Net operating expenses	<u>199,897</u>	<u>197,815</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 2,095,784</u>	<u>\$ (1,117,750)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	112,579	(49,657)
Series A2	1,925,860	(1,034,481)
Series F	57,345	(33,612)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	2.83	(1.65)
Series A2	3.28	(1.46)
Series F	3.44	(1.36)

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the periods ended September 30,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	316,018	\$	150,723
Series A2		5,660,292		8,712,264
Series F		196,398		232,358
		<u>6,172,708</u>		<u>9,095,345</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		112,579		(49,657)
Series A2		1,925,860		(1,034,481)
Series F		57,345		(33,612)
		<u>2,095,784</u>		<u>(1,117,750)</u>
Distributions to Holders of Redeemable Units				
From return of capital				
Series A		(21,572)		(16,244)
Series A2		(314,863)		(369,150)
Series F		(8,733)		(12,983)
Net Decrease from Distributions to Holders of Redeemable Units		<u>(345,168)</u>		<u>(398,377)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		93,650		221,299
Series A2		182,799		62,550
Series F		37,635		54,534
		<u>314,084</u>		<u>338,383</u>
Reinvestments of distributions				
Series A		19,504		15,356
Series A2		298,572		350,503
Series F		8,363		13,118
		<u>326,439</u>		<u>378,977</u>
Redemptions of redeemable units				
Series A		(15,578)		(5,459)
Series A2		(1,356,370)		(2,061,394)
Series F		(116,594)		(57,017)
		<u>(1,488,542)</u>		<u>(2,123,870)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>(848,019)</u>		<u>(1,406,510)</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		504,601		316,018
Series A2		6,396,290		5,660,292
Series F		174,414		196,398
	\$	<u>7,075,305</u>	\$	<u>6,172,708</u>

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

Statements of Cash Flows

for the periods ended September 30,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	2,095,784	\$	(1,117,750)
Adjustments for:				
Net realized (gain) loss on investments and options		(782,882)		(133,846)
Change in unrealized (appreciation) depreciation on investments and derivatives		(1,287,595)		1,204,387
Unrealized foreign exchange (gain) loss on cash		(826)		10,383
(Increase) decrease in interest receivable		(2)		-
(Increase) decrease in dividends receivable		1,555		728
Increase (decrease) in management fees and expenses payable		1,070		(6,201)
(Increase) decrease in harmonized sales tax recoverable		-		1,325
Purchase of investments		(802,524)		(1,153,025)
Proceeds from sale of investments		2,037,102		3,033,221
Net Cash Generated (Used) by Operating Activities		1,261,682		1,839,222
Cash Flows from Financing Activities				
Change in margin cash		(6,665)		4,049
Distributions to holders of redeemable units, net of reinvested distributions		(20,611)		(19,146)
Proceeds from redeemable units issued		278,357		371,883
Amount paid on redemption of redeemable units		(1,450,365)		(2,130,280)
Net Cash Generated (Used) by Financing Activities		(1,199,284)		(1,773,494)
Net increase (decrease) in cash and cash equivalents		62,398		65,728
Unrealized foreign exchange gain (loss) on cash		826		(10,383)
Cash and cash equivalents - beginning of period		73,814		18,469
Cash and cash equivalents - end of period		137,038		73,814
Cash and cash equivalents comprise:				
Cash at bank	\$	137,038	\$	73,814
From operating activities				
Interest received, net of withholding tax	\$	301	\$	-
Dividends received, net of withholding tax	\$	125,438	\$	138,785
From financing activities				
Interest paid	\$	(143)	\$	(13)

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
France				
600	BNP Paribas S.A.	\$ 42,044	\$ 60,389	
4,000	BNP Paribas S.A. ADR	156,152	201,786	
		198,196	262,175	3.7%
Italy				
8,000	UniCredit S.p.A	197,794	212,594	3.0%
Netherlands				
12,000	ING Groep N.V. ADR	175,654	275,803	3.9%
Norway				
6,000	DNB ASA	134,101	150,867	2.1%
Sweden				
8,000	Nordea Bank AB	125,601	135,301	1.9%
United Kingdom				
60,000	Barclays PLC	647,592	193,967	
50,000	Barclays PLC ADR	1,300,827	645,711	
1,000	HSBC Holdings PLC ADR	72,991	61,651	
34,000	Standard Chartered PLC	413,056	421,580	
5,000	The Royal Bank of Scotland Group PLC	20,171	22,430	
46,500	The Royal Bank of Scotland Group PLC ADR	543,245	422,388	
		2,997,882	1,767,727	25.0%
United States				
23,000	Bank of America Corporation	414,399	727,214	
11,000	Citigroup Inc.	569,852	998,375	
3,000	Citizens Financial Group Inc.	92,783	141,757	
2,700	Fifth Third Bancorp	68,824	94,262	
9,200	JPMorgan Chase & Co.	362,800	1,096,388	
2,800	Morgan Stanley	93,192	168,292	
2,000	State Street Corporation	148,023	238,420	
2,400	The Goldman Sachs Group Inc.	436,767	710,289	
100	Wells Fargo & Company	5,638	6,881	
		2,192,278	4,181,878	59.1%
	Total equities	\$ 6,021,506	\$ 6,986,345	98.7%
DERIVATIVES - WRITTEN OPTIONS¹				
Written Call Options				
United States				
USD (10)	Bank of America Corporation, Call 28, 20/10/2017	(254)	(25)	
USD (10)	Citigroup Inc., Call 75, 20/10/2017	(773)	(549)	
USD (20)	Citigroup Inc., Call 77.5, 20/10/2017	(718)	(225)	
USD (10)	JPMorgan Chase & Co., Call 105, 20/10/2017	(609)	(62)	
USD (10)	JPMorgan Chase & Co., Call 110, 20/10/2017	(271)	(25)	
USD (30)	Bank of America Corporation, Call 28, 17/11/2017	(412)	(337)	
USD (10)	Citigroup Inc., Call 77.5, 17/11/2017	(295)	(499)	
USD (10)	Citizens Financial Group Inc., Call 40, 17/11/2017	(424)	(562)	
USD (7)	JPMorgan Chase & Co., Call 100, 17/11/2017	(241)	(472)	
USD (4)	State Street Corporation, Call 100, 17/11/2017	(394)	(459)	
USD (5)	State Street Corporation, Call 105, 17/11/2017	(426)	(125)	
USD (5)	Citigroup Inc., Call 77.5, 15/12/2017	(318)	(505)	
USD (8)	JPMorgan Chase & Co., Call 110, 15/12/2017	(418)	(90)	
	Total written call options	(5,553)	(3,935)	(0.1%)
Written Put Options				
Netherlands				
USD (15)	ING Groep N.V. ADR, Put 15, 20/10/2017	(791)	(234)	-
United States				
USD (14)	Citizens Financial Group Inc., Put 30, 20/10/2017	(832)	(87)	
USD (18)	Fifth Third Bancorp, Put 23, 20/10/2017	(502)	(45)	
		(1,334)	(132)	-
	Total written put options	(2,125)	(366)	-
	Total written options	(7,678)	(4,301)	(0.1%)

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

Schedule of Investment Portfolio (continued)

as at September 30, 2017

No. of Shares/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
FORWARD CURRENCY CONTRACTS (Schedule 1)				
	Total unrealized loss on forward currency contracts	-	(31,029)	(0.4%)
	Net Investments	6,013,828	6,951,015	98.2%
	Transaction costs	\$ (29,726)	-	-
		5,984,102	6,951,015	98.2%
	Other assets less liabilities		124,290	1.8%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	\$	7,075,305	100.0%

¹ The contract size of the options is 100 shares, except as otherwise noted.

Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at September 30, 2017 (\$)	Currency	Amount (\$)	Value as at September 30, 2017 (\$)	
0.68422	Dec-14-17	Canadian Dollar	146,152	146,152	Euro	100,000	148,005	(1,853)
0.81966	Dec-14-17	Canadian Dollar	732,012	732,012	United States Dollar	600,000	748,303	(16,291)
0.61318	Nov-15-17	Canadian Dollar	489,250	489,250	British Pound	300,000	502,135	(12,885)
							Unrealized loss	(31,029)

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

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund uses two counterparties for the execution of forward currency contracts. The Fund has master netting or similar arrangements in place with both counterparties. This means that in the event of default, the Fund may set off the assets held with the counterparty against the liabilities it owes to the same counterparty. When applicable the contracts in place under these arrangements have been offset and presented as a net figure in the statements of financial position of the Fund, where applicable. There is no collateral associated with these arrangements.

The following table presents the gross amount of recognized financial assets and liabilities of the Fund under master netting or similar arrangements as at September 30, 2017 and September 30, 2016:

	TD Securities Inc. (\$)	Bank of New York Mellon (\$)
September 30, 2017		
Gross derivative assets	-	-
Gross derivative liabilities	(18,144)	(12,885)
Net exposure	(18,144)	(12,885)
September 30, 2016		
Gross derivative assets	-	2,361
Gross derivative liabilities	(12,221)	-
Net exposure	(12,221)	2,361

(b) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	137,038	137,038
Margin accounts	-	-	6,668	6,668
Interest receivable	-	-	2	2
Dividends receivable	-	-	1,349	1,349
Investments	-	6,538,737	-	6,538,737
Investments - pledged as collateral	-	447,608	-	447,608
Total	-	6,986,345	145,057	7,131,402

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	10,669	10,669
Expenses payable	-	-	3,054	3,054
Redemptions payable	-	-	7,044	7,044
Derivative liabilities	35,330	-	-	35,330
Total	35,330	-	20,767	56,097

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	73,814	73,814
Margin accounts	-	-	3	3
Subscriptions receivable	-	-	1,500	1,500
Receivable for investments sold	-	-	65,212	65,212
Dividends receivable	-	-	2,904	2,904
Investments	-	5,812,034	-	5,812,034
Investments - pledged as collateral	-	306,117	-	306,117
Derivative assets	2,361	-	-	2,361
Total	2,361	6,118,151	143,433	6,263,945

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

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	9,827	9,827
Expenses payable	-	-	2,826	2,826
Redemptions payable	-	-	6,094	6,094
Payable for investments purchased	-	-	53,357	53,357
Distributions payable	-	-	1,882	1,882
Derivative liabilities	17,251	-	-	17,251
Total	17,251	-	73,986	91,237

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2017 and September 30, 2016:

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL:		
Held for Trading	67,921	29,544
Designated at Inception	2,236,020	(956,732)
Total	2,303,941	(927,188)
Financial liabilities at FVTPL:		
Held for Trading	(1,148)	31,692
Total	2,302,793	(895,496)

(c) RISK MANAGEMENT

Price Risk

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$349,102 (September 30, 2016: \$305,656). Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2017 and September 30, 2016:

By Geographic Region	September 30, 2017	September 30, 2016
United States	59.0%	71.7%
United Kingdom	25.0%	21.6%
Netherlands	3.9%	3.2%
France	3.7%	1.5%
Italy	3.0%	-
Norway	2.1%	-
Sweden	1.9%	-
Other Net Assets (Liabilities)	1.8%	1.2%
Forward Currency Contracts	(0.4%)	(0.2%)
Japan	-	1.0%
Total	100.0%	100.0%

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

By Industry Sector	September 30, 2017	September 30, 2016
Diversified Banks	79.6%	80.5%
Investment Banking & Brokerage	12.4%	10.1%
Asset Management & Custody Banks	3.4%	3.7%
Regional Banks	3.3%	4.7%
Other Net Assets (Liabilities)	1.8%	1.2%
Forward Currency Contracts	(0.4%)	(0.2%)
Short Positions - Derivatives	(0.1%)	-
Total	100.0%	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be affected by changes in the value of these currencies relative to the Canadian dollar.

The use of currency risk mitigation strategies such as forward currency contracts involves special risks including the possible default by the counterparty to the transaction, illiquidity and to the extent the Manager's assessment of certain market movements is incorrect, the risk that the use of such strategies could result in losses greater than if the strategy had not been used. The forward currency contracts may have the effect of limiting or reducing the total returns of the Fund if the Manager's expectations concerning future events or market conditions prove to be incorrect. In addition, costs associated with the forward currency contracts may outweigh the benefits of the arrangements in some circumstances.

The Manager may, from time to time, at its sole discretion, enter into forward currency contracts in relation to all or a portion of the value of the Fund's non-Canadian dollar currency exposure or the non-Canadian currency exposure of the issuers whose securities comprise the Fund's portfolio back, directly or indirectly, to the Canadian dollar. Forward currency contract amounts are based on a combination of trading currency of the Fund's holdings and an estimate of the currency to which their operations are exposed.

The tables below indicate the foreign currencies to which the Fund had significant exposure at September 30, 2017 and September 30, 2016, in Canadian dollar terms, net of the notional amounts of forward currency contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
British Pound	(502,135)	637,976	135,841	(25,107)	31,899	6,792
Euro	(148,006)	272,983	124,977	(7,400)	13,649	6,249
Norwegian Krone	-	150,868	150,868	-	7,543	7,543
Swedish Krona	-	135,301	135,301	-	6,765	6,765
United States Dollar	(736,084)	5,784,917	5,048,833	(36,804)	289,246	252,442
Total	(1,386,225)	6,982,045	5,595,820	(69,311)	349,102	279,791
% of net assets attributable to holders of redeemable units	(19.6%)	98.6%	79.0%	(1.0%)	4.9%	3.9%

September 30, 2016:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
British Pound	(510,211)	438,306	(71,905)	(25,511)	21,915	(3,596)
Euro	(590,836)	40,473	(550,363)	(29,542)	2,024	(27,518)
Japanese Yen	(77,826)	-	(77,826)	(3,891)	-	(3,891)
United States Dollar	(1,100,127)	5,634,343	4,534,216	(55,006)	281,717	226,711
Total	(2,279,000)	6,113,122	3,834,122	(113,950)	305,656	191,706
% of net assets attributable to holders of redeemable units	(36.9%)	99.0%	62.1%	(1.8%)	5.0%	3.2%

Interest Rate Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

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

Credit Risk

The Fund's exposure to credit risk arises primarily from investments in forward currency contracts. The maximum exposure to credit risk from these contracts is equivalent to the fair value of forward currency contracts that are in a net unrealized gain position as of the reporting date.

As at September 30, 2017, the Fund did not have any forward currency contracts in an unrealized gain position. As at September 30, 2016, the Fund had forward currency contracts with one counterparty that were in an unrealized gain position. The counterparty had a Standard & Poor's credit rating of A-1.

The Fund limits its exposure to credit losses on forward currency contracts by ensuring there are netting arrangements with each counterparty to the forward currency contracts, such that any gains (amounts owing to the Fund) on individual contracts can be set off against any losses (amounts owing to the counterparty) in the event of default.

The Fund's cash and margin accounts are maintained at financial institutions with a Standard & Poor's credit rating of AA- and A; and therefore credit risk is deemed minimal.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, derivative liabilities, management fees payable, expenses payable, redemptions payable and distributions payable, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

The Fund writes cash secured put options in accordance with its investment objectives and strategies. The value of the securities and/or cash required to satisfy the written options if they were exercised, is presented in the table below.

Value of securities or cash required to satisfy written put options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
September 30, 2017	-	132,136	-	132,136
September 30, 2016	26,239	98,396	69,534	194,169

All other obligations including management fees payable, expenses payable, redemptions payable, derivative liabilities associated with currency forward contracts and distributions payable, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

(d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017 and September 30, 2016:

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,986,345	-	-	6,986,345
Total	6,986,345	-	-	6,986,345

	Liabilities at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(4,301)	-	-	(4,301)
Forward currency contracts	-	(31,029)	-	(31,029)
Total	(4,301)	(31,029)	-	(35,330)

	Assets at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,118,151	-	-	6,118,151
Forward currency contracts	-	2,361	-	2,361
Total	6,118,151	2,361	-	6,120,512

	Liabilities at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(5,030)	-	-	(5,030)
Forward currency contracts	-	(12,221)	-	(12,221)
Total	(5,030)	(12,221)	-	(17,251)

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

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

(e) STRUCTURED ENTITIES

As at September 30, 2017 and September 30, 2016, the Fund did not have any investments in structured entities.

Statements of Financial Position

as at September 30,	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 513,672	\$ 234,295
Margin accounts (note 11)	15,479	3,749
Subscriptions receivable	750	-
Receivable for investments sold	-	17,391
Interest receivable	1,361	2,367
Dividends receivable	15,312	8,376
Investments (note 5)	6,744,570	5,046,071
Investments - pledged as collateral (note 5 and 11)	173,116	103,697
Derivative assets	6,608	1,763
	<u>7,470,868</u>	<u>5,417,709</u>
Liabilities		
Current Liabilities		
Management fees payable	9,765	7,084
Expenses payable	3,350	2,445
Redemptions payable	142	9,996
Payable for investments purchased	21,690	29,643
Distributions payable	-	2,250
Derivative liabilities	17,701	22,058
	<u>52,648</u>	<u>73,476</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 7,418,220</u>	<u>\$ 5,344,233</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	1,284,568	753,528
Series A2	4,491,787	3,475,041
Series F	1,641,865	1,115,664
	<u>\$ 7,418,220</u>	<u>\$ 5,344,233</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	127,113	79,618
Series A2	440,052	364,590
Series F	155,028	113,958
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	10.11	9.46
Series A2	10.21	9.53
Series F	10.59	9.79

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income

for the periods ended September 30,	2017	2016
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 208,275	\$ 237,913
Interest for distribution purposes	46,107	13,634
Net realized gain (loss) on investments and options	106,778	173,480
Net realized gain (loss) on currency forward contracts	49,917	(764)
Change in unrealized appreciation (depreciation) on investments and derivatives	418,227	160,816
	<u>829,304</u>	<u>585,079</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(11,863)	529
Total income (net)	<u>817,441</u>	<u>585,608</u>
Expenses		
Unitholder reporting costs	119,281	140,880
Management fees (note 8)	99,053	92,123
Audit fees	12,788	12,563
Withholding tax expense (reclaims)	12,012	(3,060)
Independent review committee fees	3,435	3,899
Custodial fees	2,812	6,177
Legal fees	2,796	3,634
Transaction costs	2,685	3,784
Interest expense	19	-
Total operating expenses	<u>254,881</u>	<u>260,000</u>
Less: expenses absorbed by Manager	(107,252)	(135,668)
Net operating expenses	<u>147,629</u>	<u>124,332</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 669,812</u>	<u>\$ 461,276</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	100,869	62,779
Series A2	416,180	297,316
Series F	152,763	101,181
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	1.02	0.75
Series A2	1.11	0.74
Series F	1.23	0.85

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the periods ended September 30,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	753,528	\$	776,845
Series A2		3,475,041		4,102,793
Series F		1,115,664		1,176,728
		<u>5,344,233</u>		<u>6,056,366</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		100,869		62,779
Series A2		416,180		297,316
Series F		152,763		101,181
		<u>669,812</u>		<u>461,276</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(14,818)		(16,516)
Series A2		(50,798)		(78,539)
Series F		(32,658)		(29,953)
		<u>(98,274)</u>		<u>(125,008)</u>
From return of capital				
Series A		(35,827)		(25,561)
Series A2		(137,444)		(119,534)
Series F		(30,259)		(29,193)
		<u>(203,530)</u>		<u>(174,288)</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(301,804)</u>		<u>(299,296)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		455,011		5,554
Series A2		1,506,181		21,686
Series F		622,260		16,685
		<u>2,583,452</u>		<u>43,925</u>
Reinvestments of distributions				
Series A		38,174		33,850
Series A2		174,576		185,982
Series F		56,325		57,350
		<u>269,075</u>		<u>277,182</u>
Redemptions of redeemable units				
Series A		(12,369)		(83,423)
Series A2		(891,949)		(934,663)
Series F		(242,230)		(177,134)
		<u>(1,146,548)</u>		<u>(1,195,220)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>1,705,979</u>		<u>(874,113)</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		1,284,568		753,528
Series A2		4,491,787		3,475,041
Series F		1,641,865		1,115,664
	\$	<u>7,418,220</u>	\$	<u>5,344,233</u>

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

Statements of Cash Flows

for the periods ended September 30,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	669,812	\$	461,276
Adjustments for:				
Net realized (gain) loss on investments and options		(106,778)		(173,480)
Change in unrealized (appreciation) depreciation on investments and derivatives		(418,227)		(160,816)
Unrealized foreign exchange (gain) loss on cash		(180)		(629)
(Increase) decrease in interest receivable		1,006		483
(Increase) decrease in dividends receivable		(6,936)		8,455
Increase (decrease) in management fees and expenses payable		3,586		(1,773)
(Increase) decrease in harmonized sales tax recoverable		-		116
Purchase of investments		(2,530,395)		(984,161)
Proceeds from sale of investments		1,287,718		2,177,044
Net Cash Generated (Used) by Operating Activities		(1,100,394)		1,326,515
Cash Flows from Financing Activities				
Change in margin cash		(11,730)		26,825
Distributions to holders of redeemable units, net of reinvested distributions		(34,979)		(21,492)
Proceeds from redeemable units issued		2,520,329		43,925
Amount paid on redemption of redeemable units		(1,094,029)		(1,200,542)
Net Cash Generated (Used) by Financing Activities		1,379,591		(1,151,284)
Net increase (decrease) in cash and cash equivalents		279,197		175,231
Unrealized foreign exchange gain (loss) on cash		180		629
Cash and cash equivalents - beginning of period		234,295		58,435
Cash and cash equivalents - end of period		513,672		234,295
Cash and cash equivalents comprise:				
Cash at bank		64,151		59,364
Short-term investments		449,521		174,931
	\$	513,672	\$	234,295
From operating activities				
Interest received, net of withholding tax	\$	47,113	\$	14,117
Dividends received, net of withholding tax	\$	189,327	\$	249,428
From financing activities				
Interest paid	\$	(19)	\$	-

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
BONDS				
Bermuda				
200,000	Digicel Group Limited Callable 6.75% March 1, 2023	\$ 249,628	\$ 244,559	
	Total bonds	249,628	244,559	3.3%
Equities - Preferred				
Bermuda				
3,000	Brookfield Infrastructure Partners L.P., Preferred, Series 5, Fixed-Reset	75,000	77,580	
2,000	Brookfield Renewable Partners L.P., Preferred, Series 11, Fixed-Reset	50,000	50,380	
		125,000	127,960	1.7%
Canada				
2,000	AltaGas Ltd., Preferred, Series K, Fixed-Reset	50,000	51,260	
5,000	Bank of Montreal, Preferred, Series 42, Fixed-Reset	125,000	126,500	
15,000	BCE Inc., Preferred, Series AE, Floating Rate	307,274	282,300	
1,000	Brookfield Asset Management Inc., Preferred, Series 46, Fixed-Reset	25,000	25,720	
2,000	Brookfield Asset Management Inc., Preferred, Series 48, Fixed-Reset	50,000	51,000	
4,000	Brookfield Asset Management Inc., Preferred, Series 8, Floating Rate	88,483	78,120	
1,000	Brookfield Office Properties Inc., Preferred, Series EE, Fixed-Reset	25,000	25,250	
3,500	Brookfield Office Properties Inc., Preferred, Series GG, Fixed-Reset	75,000	73,500	
13,500	Brookfield Office Properties Inc., Preferred, Series V, Floating Rate	178,825	178,875	
5,000	Brookfield Renewable Power Inc., Preferred, Series 2, Floating Rate	92,541	109,900	
3,000	Canadian Imperial Bank of Commerce, Preferred, Series 45, Fixed-Reset	75,000	75,600	
2,000	Capital Power Corp, Preferred, Series 9, Fixed-Reset	50,000	51,900	
6,000	ECN Capital Corp., Preferred, Series C, Fixed-Reset	146,768	140,700	
3,000	Enbridge Inc., Preferred, Series 11, Fixed-Reset	73,730	64,110	
1,000	Enbridge Inc., Preferred, Series 17, Fixed-Reset	25,000	25,810	
9,000	First National Financial Corporation, Preferred, Series 1, Fixed-Reset	142,003	130,500	
3,000	Kinder Morgan Canada Ltd, Preferred, Series 1, Fixed-Reset	75,000	76,170	
3,000	National Bank of Canada, Preferred, Series 38, Fixed-Reset	75,000	76,620	
6,000	Northland Power Inc., Preferred, Series 1, Fixed-Reset	137,354	115,800	
5,000	Power Financial Corporation, Preferred, Series A, Floating Rate	81,760	81,750	
6,000	The Bank of Nova Scotia, Preferred, Series 19, Floating Rate	154,455	149,880	
3,000	The Toronto-Dominion Bank, Preferred, Series 16, Fixed-Reset	75,000	77,250	
14,000	Thomson Reuters Corporation, Preferred, Series B, Floating Rate	246,492	227,920	
5,000	TransAlta Corporation, Preferred, Series B, Floating Rate	69,340	75,950	
7,000	TransAlta Corporation, Preferred, Series E, Fixed-Reset	168,439	150,640	
1,500	TransCanada Corporation, Preferred, Series 15, Fixed-Reset	37,500	38,925	
4,800	TransCanada Corporation, Preferred, Series 2, Floating Rate	86,332	96,240	
		2,736,296	2,658,190	35.9%
	Total equities - preferred	2,861,296	2,786,150	37.6%
Equities - Common				
Australia				
5,000	Amcor Limited	52,817	74,433	
40,000	AusNet Services	46,061	66,162	
9,000	Super Retail Group Ltd.	71,564	71,086	
		170,442	211,681	2.9%
Bermuda				
8,000	Brookfield Property Partners L.P.	198,620	232,400	
5,000	CK Infrastructure Holdings Ltd	35,125	53,670	
		233,745	286,070	3.9%
Canada				
3,500	Barrick Gold Corporation	73,928	70,267	
3,000	Crescent Point Energy Corp.	44,056	30,060	
1,000	Fortis Inc.	44,852	44,780	
697	Frontera Energy Corporation	39,729	30,355	
100	iShares 1-5 Year Laddered Corporate Bond Index ETF	1,973	1,858	
2,000	iShares S&P/TSX Canadian Preferred Share Index ETF	28,781	28,320	
2,000	RioCan Real Estate Investment Trust	47,340	47,860	
6,000	TransAlta Renewables Inc.	77,780	82,620	
		358,439	336,120	4.5%
France				
1,543	TOTAL SA ADR	96,595	103,041	1.4%

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

Schedule of Investment Portfolio (continued)

as at September 30, 2017

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Jersey 300	WPP PLC ADR	43,518	34,737	0.5%
Sweden 5,000	Nordea Bank AB	41,853	84,563	1.1%
Switzerland				
1,200	ABB Ltd	31,518	37,058	
2,000	Aryzta AG	74,528	76,642	
800	Nestlé SA	61,706	83,600	
200	Roche Holding AG	57,129	63,705	
		224,881	261,005	3.5%
United Kingdom				
7,000	Barclays PLC ADR	129,834	90,399	
3,500	BHP Billiton PLC	192,747	154,815	
1,400	BP PLC ADR	62,505	67,131	
1,500	Bunzl PLC	43,158	56,856	
2,884	Compass Group PLC	64,324	76,332	
1,400	Johnson Matthey PLC	79,351	80,055	
2,800	Royal Dutch Shell PLC ADR Class A	195,924	211,648	
		767,843	737,236	9.9%
United States				
6,000	Ares Capital Corporation	118,019	122,704	
1,500	AT&T Inc.	70,577	73,312	
5,500	BlackRock Capital Investment Corporation	54,081	51,470	
750	Chevron Corporation	99,577	109,958	
2,000	Energy Select Sector SPDR Fund	184,557	170,892	
15,300	Fifth Street Senior Floating Rate Corp.	196,223	167,997	
300	Gilead Sciences, Inc.	29,799	30,328	
100	iShares iBoxx \$ Investment Grade Corporate Bond ETF	14,256	15,126	
1,500	iShares India 50 ETF	55,519	63,860	
6,000	iShares International Select Dividend ETF	234,964	252,744	
2,000	iShares MSCI Japan ETF	141,240	139,024	
500	JPMorgan Chase & Co.	22,724	59,586	
500	PowerShares Fundamental High Yield Corporate Bond Portfolio	10,398	11,904	
2,000	PowerShares S&P 500 Enhanced Value Factor Portfolio ETF	79,073	81,528	
500	SPDR S&P 500 ETF Trust	130,057	156,736	
700	SPDR S&P Global Dividend ETF	58,565	59,332	
200	Technology Select Sector SPDR Fund ETF	9,040	14,748	
500	The Walt Disney Company	61,008	61,495	
1,000	Vanguard FTSE Europe ETF	71,511	72,781	
1,200	Wal-Mart Stores, Inc.	108,624	116,999	
		1,749,812	1,832,524	24.7%
	Total equities - common	3,687,128	3,886,977	52.4%
	Total investment portfolio	6,798,052	6,917,686	93.3%
DERIVATIVES - WRITTEN OPTIONS¹				
Written Call Options				
Switzerland				
USD (10)	ABB Ltd ADR, Call 26, 15/12/2017	(233)	(312)	-
United States				
USD (4)	Wal-Mart Stores, Inc., Call 87.5, 15/12/2017	(236)	(105)	-
	Total written call options	(469)	(417)	-
Written Put Options				
Bermuda				
CAD (20)	Brookfield Property Partners L.P., Put 28, 20/10/2017	(480)	(160)	-
Canada				
CAD (20)	RioCan Real Estate Investment Trust, Put 23, 20/10/2017	(280)	(40)	
CAD (30)	RioCan Real Estate Investment Trust, Put 24, 20/10/2017	(1,270)	(750)	
CAD (10)	Crescent Point Energy Corp., Put 13, 19/01/2018	(1,340)	(3,150)	
		(2,890)	(3,940)	(0.1%)

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

Schedule of Investment Portfolio (continued)

as at September 30, 2017

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Jersey				
USD (5)	WPP PLC ADR, Put 85, 20/10/2017	(619)	(203)	-
United States				
USD (30)	Snap Inc., Put 10, 20/10/2017	(1,222)	(37)	
USD (5)	Walgreens Boots Alliance, Inc., Put 70, 20/10/2017	(985)	(56)	
USD (4)	The Walt Disney Company, Put 95, 20/10/2017	(310)	(170)	
USD (10)	Vanguard FTSE Europe ETF, Put 55, 17/11/2017	(295)	(187)	
USD (3)	The Walt Disney Company, Put 92.5, 17/11/2017	(376)	(269)	
USD (4)	Wal-Mart Stores, Inc., Put 70, 15/12/2017	(177)	(250)	
		(3,365)	(969)	-
	Total written put options	(7,354)	(5,272)	(0.1%)
	Total written options	(7,823)	(5,689)	(0.1%)
FORWARD CURRENCY CONTRACTS (Schedule 1)				
	Total unrealized gain on forward currency contracts	-	6,608	0.1%
	Total unrealized loss on forward currency contracts	-	(12,012)	(0.2%)
		-	(5,404)	(0.1%)
	Net investments	6,790,229	6,906,593	93.1%
	Transaction costs	(4,978)	-	-
		\$ 6,785,251	6,906,593	93.1%
	Other assets less liabilities		511,627	6.9%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 7,418,220	100.0%

¹ The contract size of the options is 100 shares, except as otherwise noted.

Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at September 30, 2017 (\$)	Currency	Amount (\$)	Value as at September 30, 2017 (\$)	
86.70500	Nov-20-17	Canadian Dollar	57,667	57,667	Japanese Yen	5,000,000	55,552	2,115
1.01812	Oct-10-17	Canadian Dollar	127,686	127,686	Australian Dollar	130,000	127,218	468
0.74019	Oct-10-17	Canadian Dollar	87,815	87,815	Swiss Franc	65,000	83,790	4,025
							Unrealized gain	6,608
0.81966	Dec-14-17	Canadian Dollar	366,006	366,006	United States Dollar	300,000	374,152	(8,146)
0.61318	Nov-15-17	Canadian Dollar	146,775	146,775	British Pound	90,000	150,641	(3,866)
							Unrealized loss	(12,012)

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

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund uses three counterparties for the execution of forward currency contracts. The Fund has master netting or similar arrangements in place with all counterparties. This means that in the event of default, the Fund may set off the assets held with the counterparty against the liabilities it owes to the same counterparty. The contracts in place under these arrangements have been offset and presented as a net figure in the statements of financial position of the Fund, where applicable. There is no collateral associated with these arrangements.

The following table presents the gross amount of recognized financial assets and liabilities of the Fund that are offset under master netting or similar arrangements as at September 30, 2017 and September 30, 2016:

	TD Securities Inc. (\$)	National Bank of Canada (\$)	Bank of New York Mellon (\$)
September 30, 2017			
Gross derivative assets	2,115	4,493	-
Gross derivative liabilities	(8,146)	-	(3,866)
Net exposure	(6,031)	4,493	(3,866)
September 30, 2016			
Gross derivative assets	105	-	1,763
Gross derivative liabilities	(5,669)	(11,775)	-
Net exposure	(5,564)	(11,775)	1,763

(b) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	513,672	513,672
Margin accounts	-	-	15,479	15,479
Subscriptions receivable	-	-	750	750
Interest receivable	-	-	1,361	1,361
Dividends receivable	-	-	15,312	15,312
Investments	-	6,744,570	-	6,744,570
Investments - pledged as collateral	-	173,116	-	173,116
Derivative assets	6,608	-	-	6,608
Total	6,608	6,917,686	546,574	7,470,868

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	9,765	9,765
Expenses payable	-	-	3,350	3,350
Redemptions payable	-	-	142	142
Payable for investments purchased	-	-	21,690	21,690
Derivative liabilities	17,701	-	-	17,701
Total	17,701	-	34,947	52,648

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	234,295	234,295
Margin accounts	-	-	3,749	3,749
Receivable for investments sold	-	-	17,391	17,391
Interest receivable	-	-	2,367	2,367
Dividends receivable	-	-	8,376	8,376
Investments	-	5,046,071	-	5,046,071
Investments - pledged as collateral	-	103,697	-	103,697
Derivative assets	1,763	-	-	1,763
Total	1,763	5,149,768	266,178	5,417,709

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

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,084	7,084
Expenses payable	-	-	2,445	2,445
Redemptions payable	-	-	9,996	9,996
Payable for investments purchased	-	-	29,643	29,643
Distributions payable	-	-	2,250	2,250
Derivative liabilities	22,058	-	-	22,058
Total	22,058	-	51,418	73,476

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2017 and September 30, 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL:		
Held for Trading	60,090	(13,433)
Designated at Inception	741,866	569,174
Total	801,956	555,741
Financial liabilities at FVTPL:		
Held for Trading	26,226	29,338
Total	828,182	585,079

(c) RISK MANAGEMENT

Price Risk

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$345,600 (September 30, 2016: \$243,306). Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and industry sector, as at September 30, 2017 and September 30, 2016.

By Geographic Region	September 30, 2017	September 30, 2016
Canada	40.3%	33.4%
United States	24.7%	29.8%
United Kingdom	9.9%	12.4%
Bermuda	8.9%	6.4%
Other Net Assets (Liabilities)	6.9%	4.0%
Switzerland	3.5%	6.0%
Australia	2.9%	5.3%
France	1.4%	1.8%
Sweden	1.1%	1.2%
Jersey	0.5%	-
Forward Currency Contracts	(0.1%)	(0.3%)
Total	100.0%	100.0%

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

By Industry Sector	September 30, 2017	September 30, 2016
Financials	21.5%	18.0%
Exchange Traded Funds	14.3%	21.0%
Energy	12.1%	10.4%
Utilities	11.8%	8.2%
Real Estate	7.5%	7.4%
Other Net Assets (Liabilities)	6.9%	4.0%
Consumer Discretionary	6.4%	6.5%
Materials	5.1%	8.0%
Telecommunication Services	5.0%	4.0%
Consumer Staples	3.7%	3.7%
Corporate Bonds	3.3%	5.3%
Health Care	1.3%	1.8%
Industrials	1.3%	2.0%
Forward Currency Contracts	(0.1%)	(0.3%)
Short Positions - Derivatives	(0.1%)	-
Total	100.0%	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be affected by changes in the value of these currencies relative to the Canadian dollar.

The use of currency risk mitigation strategies such as forward currency contracts involves special risks including the possible default by the counterparty to the transaction, illiquidity and to the extent the Manager's assessment of certain market movements is incorrect, the risk that the use of such strategies could result in losses greater than if the strategy had not been used. The forward currency contracts may have the effect of limiting or reducing the total returns of the Fund if the Manager's expectations concerning future events or market conditions prove to be incorrect. In addition, costs associated with the forward currency contracts may outweigh the benefits of the arrangements in some circumstances.

The Manager may, from time to time, at its sole discretion, enter into forward currency contracts in relation to all or a portion of the value of the Fund's non-Canadian dollar currency exposure or the non-Canadian currency exposure of the issuers whose securities comprise the Fund's portfolio back, directly or indirectly, to the Canadian dollar. Forward currency contract amounts are based on a combination of trading currency of the Fund's holdings and an estimate of the currency to which their operations are exposed.

The tables below indicate the foreign currencies to which the Fund had significant direct exposure at September 30, 2017 and September 30, 2016, in Canadian dollar terms, net of the notional amounts of forward currency contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(123,555)	211,681	88,126	(6,178)	10,584	4,406
British Pound	(150,641)	213,243	62,602	(7,532)	10,662	3,130
Hong Kong Dollar	-	53,669	53,669	-	2,684	2,684
Japanese Yen	(55,552)	-	(55,552)	(2,778)	-	(2,778)
Swedish Krona	-	84,563	84,563	-	4,228	4,228
Swiss Franc	(83,790)	223,947	140,157	(4,190)	11,197	7,007
United States Dollar	(349,528)	2,844,592	2,495,064	(17,475)	142,230	124,755
Total	(763,066)	3,631,695	2,868,629	(38,153)	181,585	143,432
% of net assets attributable to holders of redeemable units	(10.3%)	49.0%	38.7%	(0.5%)	2.4%	1.9%

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

September 30, 2016:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(247,747)	284,422	36,675	(12,387)	14,221	1,834
British Pound	(186,918)	223,621	36,703	(9,346)	11,181	1,835
Euro	(221,681)	-	(221,681)	(11,084)	-	(11,084)
Hong Kong Dollar	-	56,410	56,410	-	2,821	2,821
Japanese Yen	(70,044)	-	(70,044)	(3,502)	-	(3,502)
Swedish Krona	(30,681)	65,110	34,429	(1,534)	3,256	1,722
Swiss Franc	(135,051)	180,337	45,286	(6,753)	9,017	2,264
United States Dollar	(466,370)	2,508,290	2,041,920	(23,319)	125,415	102,096
Total	(1,358,492)	3,318,190	1,959,698	(67,925)	165,911	97,986
% of net assets attributable to holders of redeemable units	(25.4%)	62.1%	36.7%	(1.3%)	3.1%	1.8%

The Fund also had indirect exposure to currency risk through ETFs which may hold securities traded in foreign currencies.

Interest Rate Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk. The Fund is also exposed to indirect interest rate risk as it holds units of exchange traded funds that invest in debt securities.

Credit Risk

The Fund's exposure to credit risk arises primarily from investments in forward currency contracts. The maximum exposure to credit risk from these contracts is equivalent to the fair value of forward currency contracts that are in a net unrealized gain position as of the reporting date.

As at September 30, 2017 and September 30, 2016, the Fund had forward currency contracts with three counterparties. The following table outlines the exposure and credit rating of each counterparty in an unrealized gain position as of the date of the statements of financial position. The counterparties both have credit ratings which exceed the minimum requirement outlined in securities legislation.

September 30, 2017		
	Net Unrealized Gain (\$)	Credit Rating
National Bank of Canada	4,493	Standard & Poor's A

September 30, 2016		
	Net Unrealized Gain (\$)	Credit Rating
Bank of New York Mellon	1,763	Standard & Poor's A-1

The Fund limits its exposure to credit losses on forward currency contracts by ensuring there are netting arrangements with each counterparty to the forward currency contracts, such that any gains (amounts owing to the Fund) on individual contracts can be set off against any losses (amounts owing to the counterparty) in the event of default.

The Fund's cash and margin accounts are maintained at financial institutions with a Standard & Poor's credit rating of AA- and A; and therefore credit risk is deemed minimal.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, derivative liabilities, management fees payable, expenses payable, redemptions payable, payable for investments purchased and distributions payable, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

The Fund writes cash secured put options in accordance with its investment objectives and strategies. The value of the securities and/or cash required to satisfy the written options if they were exercised, is presented in the table below:

Value of securities or cash required to satisfy written put options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
September 30, 2017	355,546	138,188	13,000	506,734
September 30, 2016	-	115,451	87,735	203,186

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

All other obligations including management fees payable, expenses payable, redemptions payable, payable for investments purchased, distributions payable and derivative liabilities associated with forward currency contracts, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

(d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017 and September 30, 2016:

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,416,132	256,995	-	6,673,127
Bonds - Long	-	244,559	-	244,559
Forward currency contracts	-	6,608	-	6,608
Total	6,416,132	508,162	-	6,924,294

	Liabilities at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(5,689)	-	-	(5,689)
Forward currency contracts	-	(12,012)	-	(12,012)
Total	(5,689)	(12,012)	-	(17,701)

	Assets at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	4,743,610	127,238	-	4,870,848
Bonds - Long	-	278,920	-	278,920
Forward currency contracts	-	1,868	-	1,868
Total	4,743,610	408,026	-	5,151,636

	Liabilities at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(4,719)	-	-	(4,719)
Forward currency contracts	-	(17,444)	-	(17,444)
Total	(4,719)	(17,444)	-	(22,163)

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

As at September 30, 2017, the Fund did not hold any investments which were classified as Level 3. During the period ended September 30, 2016, the Fund disposed its only Level 3 position – units of Portland Global Energy Efficiency and Renewable Energy Fund LP, a closed-end investment fund that has the same Manager as the Fund. Units were redeemed at NAV per unit for a gain of \$27,565.

Reconciliation of Level 3 Fair Value Measurement of Financial Instruments

The following tables reconcile the Fund's Level 3 fair value measurement of financial instruments for the period ended September 30, 2016:

	Investment Funds (\$)	Total (\$)
Balance, Beginning of Period	146,208	146,208
Investment purchases during the period	-	-
Proceeds from disposals during the period	(151,765)	(151,765)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on disposals of investments	27,565	27,565
Change in unrealized appreciation (depreciation) in value of investments	(22,008)	(22,008)
Balance, End of Period	-	-
Change in unrealized appreciation (depreciation) in value of investments held at end of period	-	-

(e) STRUCTURED ENTITIES

The Fund's investments in ETFs are susceptible to market price risk arising from uncertainties about the future values. The Manager makes investment decisions after extensive due diligence on the strategy and overall quality of the ETF's manager.

The Fund's investments in ETFs as at September 30, 2017 and September 30, 2016 are summarized below:

September 30, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Energy Select Sector SPDR Fund	170,892	20,740	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	1,858	1,760	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	15,126	47,300	-
iShares India 50 ETF	63,860	1,396	-
iShares International Select Dividend ETF	252,744	5,885	-
iShares MSCI Japan ETF	139,024	19,988	-
iShares S&P/TSX Canadian Preferred Share Index ETF	28,320	1,485	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	11,904	1,490	-
PowerShares S&P 500 Enhanced Value Factor Portfolio ETF	81,528	65	0.1%
SPDR S&P 500 ETF Trust	156,736	303,498	-
SPDR S&P Global Dividend ETF	59,332	208	-
Technology Select Sector SPDR Fund ETF	14,748	22,241	-
Vanguard FTSE Europe ETF	72,781	22,155	-

September 30, 2016	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Energy Select Sector SPDR Fund	111,164	14,742	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	120,519	2,053	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	161,606	33,222	-
iShares India 50 ETF	58,644	760	-
iShares International Select Dividend ETF	235,994	3,182	-
iShares MSCI Japan ETF	82,259	14,130	-
iShares S&P/TSX Canadian Preferred Share Index ETF	6,380	1,201	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	61,891	1,079	-
SPDR S&P 500 ETF Trust	170,265	197,121	-
Technology Select Sector SPDR Fund	94,028	13,047	-
WisdomTree Asia Local Debt Fund	6,000	27	-

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

Statements of Financial Position

as at September 30,	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 363,363	\$ 58,045
Margin accounts (note 11)	9,707	2,551
Subscriptions receivable	70,078	500
Interest receivable	3	-
Dividends receivable	6,547	8,846
Investments (note 5)	5,604,372	6,965,536
Investments - pledged as collateral (note 5 and 11)	115,812	141,560
Derivative assets	22,573	21,979
	<u>6,192,455</u>	<u>7,199,017</u>
Liabilities		
Current Liabilities		
Management fees payable	8,543	10,023
Expenses payable	2,667	3,273
Redemptions payable	-	19,699
Distributions payable	-	4,860
Derivative liabilities	31,793	40,872
	<u>43,003</u>	<u>78,727</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 6,149,452</u>	<u>\$ 7,120,290</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	141,388	120,767
Series A2	4,777,254	5,357,629
Series F	1,230,810	1,641,894
	<u>\$ 6,149,452</u>	<u>\$ 7,120,290</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	14,964	13,402
Series A2	503,264	593,551
Series F	127,077	179,954
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	9.45	9.01
Series A2	9.49	9.03
Series F	9.69	9.12

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income

for the periods ended September 30,	2017	2016
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 207,889	\$ 302,530
Interest for distribution purposes	1,302	-
Net realized gain (loss) on investments and options	509,355	40,489
Net realized gain (loss) on currency forward contracts	59,605	24,016
Change in unrealized appreciation (depreciation) on investments and derivatives	73,061	346,986
	<u>851,212</u>	<u>714,021</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(11,155)	954
Total income (net)	<u>840,057</u>	<u>714,975</u>
Expenses		
Unitholder reporting costs	130,398	145,603
Management fees (note 8)	113,743	141,634
Withholding tax expense	13,883	32,578
Audit fees	12,409	12,394
Independent review committee fees	3,334	3,824
Transaction costs	3,327	10,287
Legal fees	2,713	3,564
Custodial fees	2,698	7,711
Interest expense	77	-
Total operating expenses	<u>282,582</u>	<u>357,595</u>
Less: expenses absorbed by Manager	(116,695)	(128,098)
Net operating expenses	<u>165,887</u>	<u>229,497</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 674,170</u>	<u>\$ 485,478</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	9,669	6,966
Series A2	504,917	349,941
Series F	159,584	128,571
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	0.90	0.53
Series A2	0.95	0.52
Series F	1.09	0.55

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the periods ended September 30,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	120,767	\$	111,996
Series A2		5,357,629		6,886,194
Series F		1,641,894		2,272,210
		<u>7,120,290</u>		<u>9,270,400</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		9,669		6,966
Series A2		504,917		349,941
Series F		159,584		128,571
		<u>674,170</u>		<u>485,478</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(827)		(2,895)
Series A2		(26,003)		(189,109)
Series F		(19,404)		(106,369)
		<u>(46,234)</u>		<u>(298,373)</u>
From return of capital				
Series A		(4,702)		(4,122)
Series A2		(237,163)		(197,140)
Series F		(55,383)		(58,476)
		<u>(297,248)</u>		<u>(259,738)</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(343,482)</u>		<u>(558,111)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		76,354		10,000
Series A2		116,906		5,074
Series F		13,229		83,432
		<u>206,489</u>		<u>98,506</u>
Reinvestments of distributions				
Series A		4,083		3,329
Series A2		214,983		313,105
Series F		71,195		163,825
		<u>290,261</u>		<u>480,259</u>
Redemptions of redeemable units				
Series A		(63,956)		(4,507)
Series A2		(1,154,015)		(1,810,436)
Series F		(580,305)		(841,299)
		<u>(1,798,276)</u>		<u>(2,656,242)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>(1,301,526)</u>		<u>(2,077,477)</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		141,388		120,767
Series A2		4,777,254		5,357,629
Series F		1,230,810		1,641,894
	\$	<u>6,149,452</u>	\$	<u>7,120,290</u>

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

Statements of Cash Flows

for the periods ended September 30,	2017	2016
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 674,170	\$ 485,478
Adjustments for:		
Net realized (gain) loss on investments and options	(509,355)	(40,489)
Change in unrealized (appreciation) depreciation on investments and derivatives	(73,061)	(346,986)
Unrealized foreign exchange (gain) loss on cash	(478)	(3,229)
(Increase) decrease in interest receivable	(3)	1,600
(Increase) decrease in dividends receivable	2,299	4,513
Increase (decrease) in management fees and expenses payable	(2,086)	(5,108)
(Increase) decrease in harmonized sales tax recoverable	-	932
Purchase of investments	(432,235)	(1,711,378)
Proceeds from sale of investments	2,391,890	4,146,562
Net Cash Generated (Used) by Operating Activities	2,051,141	2,531,895
Cash Flows from Financing Activities		
Change in margin cash	(7,156)	43,793
Distributions to holders of redeemable units, net of reinvested distributions	(58,081)	(79,285)
Proceeds from redeemable units issued	129,188	49,004
Amount paid on redemption of redeemable units	(1,810,252)	(2,621,415)
Net Cash Generated (Used) by Financing Activities	(1,746,301)	(2,607,903)
Net increase (decrease) in cash and cash equivalents	304,840	(76,008)
Unrealized foreign exchange gain (loss) on cash	478	3,229
Cash and cash equivalents - beginning of period	58,045	130,824
Cash and cash equivalents - end of period	363,363	58,045
Cash and cash equivalents comprise:		
Cash at bank	238,431	58,045
Short-term investments	124,932	-
	\$ 363,363	\$ 58,045
From operating activities		
Interest received, net of withholding tax	\$ 1,299	\$ 1,600
Dividends received, net of withholding tax	\$ 196,306	\$ 274,465
From financing activities		
Interest paid	\$ (77)	\$ -

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Australia				
14,000	AmcOR Limited	\$ 153,136	\$ 208,412	
120,000	AusNet Services	113,915	198,487	
5,000	South32 Limited ADR	44,360	80,418	
		311,411	487,317	7.9%
Canada				
12,500	Canfor Corporation	287,099	293,000	
3,000	Crescent Point Energy Corp.	44,057	30,060	
		331,156	323,060	5.2%
France				
500	LVMH Moet Hennessy Louis Vuitton SE	109,050	172,135	
4,046	TOTAL SA ADR	238,319	270,190	
		347,369	442,325	7.2%
Germany				
6,500	GEA Group AG	201,269	368,950	6.0%
Netherlands				
3,055	NN Group NV	118,110	159,530	2.6%
Switzerland				
3,500	ABB Ltd	64,577	108,086	
5,000	Aryzta AG	215,095	191,605	
2,200	Dufry AG	367,028	435,987	
2,000	Nestlé SA	118,443	209,000	
1,500	Novartis AG ADR	131,778	160,679	
400	Roche Holding AG	74,625	127,410	
800	Roche Holding AG ADR	29,411	31,942	
		1,000,957	1,264,709	20.6%
United Kingdom				
18,000	Barclays PLC ADR	434,419	232,456	
8,500	BHP Billiton PLC	469,259	375,978	
4,000	BP PLC ADR	175,488	191,804	
7,692	Compass Group PLC	170,485	203,588	
200	Diageo PLC ADR	29,193	32,973	
3,200	Johnson Matthey PLC	126,814	182,982	
7,000	Prudential PLC	87,183	209,090	
35,000	Rentokil Initial PLC	79,898	175,909	
5,500	Royal Dutch Shell PLC ADR Class A	385,307	415,738	
		1,958,046	2,020,518	32.9%
United States				
12,100	Fifth Street Senior Floating Rate Corp.	151,025	132,861	
1,500	JPMorgan Chase & Co.	93,009	178,759	
4,000	Mondelez International Inc. Class A	171,168	202,934	
100	Technology Select Sector SPDR Fund ETF	4,397	7,374	
200	The Walt Disney Company	24,752	24,598	
1,100	Wal-Mart Stores, Inc.	107,199	107,249	
		551,550	653,775	10.6%
	Total equities	4,819,868	5,720,184	93.0%
DERIVATIVES - WRITTEN OPTIONS¹				
Written Call Options				
Switzerland				
USD (15)	ABB Ltd ADR, Call 26, 15/12/2017	(350)	(468)	
USD (5)	Novartis AG ADR, Call 90, 15/12/2017	(424)	(483)	
		(774)	(951)	-
United States				
USD (4)	Wal-Mart Stores, Inc., Call 87.5, 15/12/2017	(236)	(105)	-
	Total written call options	(1,010)	(1,056)	-

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

Schedule of Investment Portfolio (continued)

as at September 30, 2017

No. of Shares/ (Contract Size)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
Written Put Options				
Canada				
CAD (10)	Crescent Point Energy Corp., Put 13, 19/01/2018	(1,340)	(3,150)	(0.1%)
Jersey				
USD (5)	WPP PLC ADR, Put 85, 20/10/2017	(619)	(203)	-
United Kingdom				
USD (6)	Diageo PLC ADR, Put 115, 17/11/2017	(180)	(131)	-
United States				
USD (20)	Snap Inc., Put 10, 20/10/2017	(815)	(25)	
USD (5)	Walgreens Boots Alliance, Inc., Put 70, 20/10/2017	(985)	(56)	
USD (3)	The Walt Disney Company, Put 95, 20/10/2017	(232)	(127)	
USD (10)	Mondelez International Inc. ADR, Put 37, 17/11/2017	(373)	(381)	
USD (3)	The Walt Disney Company, Put 92.5, 17/11/2017	(376)	(269)	
USD (7)	Wal-Mart Stores, Inc., Put 70, 15/12/2017	(310)	(437)	
		(3,091)	(1,295)	-
	Total written put options	(5,230)	(4,779)	(0.1%)
	Total written options	(6,240)	(5,835)	(0.1%)
FORWARD CURRENCY CONTRACTS (Schedule 1)				
	Total unrealized gain on forward currency contracts	-	22,573	0.4%
	Total unrealized loss on forward currency contracts	-	(25,958)	(0.4%)
		-	(3,385)	-
	Net Investments	4,813,628	5,710,964	92.9%
	Transaction costs	(12,258)	-	-
		\$ 4,801,370	5,710,964	92.9%
	Other assets less liabilities		438,488	7.1%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 6,149,452	100.0%

¹ The contract size of the options is 100 shares, except as otherwise noted.

Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at September 30, 2017 (\$)	Currency	Amount (\$)	Value as at September 30, 2017 (\$)	
1.01812	Oct-10-17	Canadian Dollar	245,550	245,549	Australian Dollar	250,000	244,650	899
0.74019	Oct-10-17	Canadian Dollar	472,852	472,851	Swiss Franc	350,000	451,177	21,674
							Unrealized gain	22,573
0.68422	Dec-14-17	Canadian Dollar	219,228	219,228	Euro	150,000	222,008	(2,780)
0.81966	Dec-14-17	Canadian Dollar	366,006	366,006	United States Dollar	300,000	374,152	(8,146)
0.61318	Nov-15-17	Canadian Dollar	570,791	570,792	British Pound	350,000	585,824	(15,032)
							Unrealized loss	(25,958)

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

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund uses three counterparties for the execution of forward currency contracts. The Fund has master netting or similar arrangements in place with all counterparties. This means that in the event of default, the Fund may set off the assets held with the counterparty against the liabilities it owes to the same counterparty. The contracts in place under these arrangements have been offset and presented as a net figure in the statements of financial position of the Fund, where applicable. There is no collateral associated with these arrangements.

The following table presents the gross amount of recognized financial assets and liabilities of the Fund that are offset under master netting or similar arrangements as at September 30, 2017 and September 30, 2016:

	TD Securities Inc. (\$)	National Bank of Canada (\$)	Bank of New York Mellon (\$)
September 30, 2017			
Gross derivative assets	-	22,573	-
Gross derivative liabilities	(10,925)	-	(15,033)
Net exposure	(10,925)	22,573	(15,033)
September 30, 2016			
Gross derivative assets	-	-	7,055
Gross derivative liabilities	(9,406)	(25,526)	-
Net exposure	(9,406)	(25,526)	7,055

(b) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	363,363	363,363
Margin accounts	-	-	9,707	9,707
Subscriptions receivable	-	-	70,078	70,078
Interest receivable	-	-	3	3
Dividends receivable	-	-	6,547	6,547
Investments	-	5,604,372	-	5,604,372
Investments - pledged as collateral	-	115,812	-	115,812
Derivative assets	22,573	-	-	22,573
Total	22,573	5,720,184	449,698	6,192,455

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	8,543	8,543
Expenses payable	-	-	2,667	2,667
Derivative liabilities	31,793	-	-	31,793
Total	31,793	-	11,210	43,003

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	58,045	58,045
Margin accounts	-	-	2,551	2,551
Subscriptions receivable	-	-	500	500
Dividends receivable	-	-	8,846	8,846
Investments	-	6,965,536	-	6,965,536
Investments - pledged as collateral	-	141,560	-	141,560
Derivative assets	21,979	-	-	21,979
Total	21,979	7,107,096	69,942	7,199,017

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

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	10,023	10,023
Expenses payable	-	-	3,273	3,273
Redemptions payable	-	-	19,699	19,699
Distributions payable	-	-	4,860	4,860
Derivative liabilities	40,872	-	-	40,872
Total	40,872	-	37,855	78,727

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2017 and September 30, 2016:

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL:		
Held for Trading	84,097	8,121
Designated at Inception	739,080	658,812
Total	823,177	666,933
Financial liabilities at FVTPL:		
Held for Trading	27,576	47,088
Total	850,753	714,021

(c) RISK MANAGEMENT

Price Risk

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$285,717 (September 30, 2016: \$354,287). Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2017 and September 30, 2016:

By Geographic Region	September 30, 2017	September 30, 2016
United Kingdom	32.9%	34.1%
Switzerland	20.6%	26.1%
United States	10.6%	12.2%
Australia	7.9%	8.7%
France	7.2%	6.0%
Other Net Assets (Liabilities)	7.1%	0.5%
Germany	6.0%	5.6%
Canada	5.1%	3.5%
Netherlands	2.6%	1.7%
Forward Currency Contracts	-	(0.4%)
Japan	-	1.1%
Cayman Islands	-	0.9%
Total	100.0%	100.0%

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

By Industry Sector	September 30, 2017	September 30, 2016
Materials	18.5%	22.1%
Financials	14.9%	15.9%
Energy	14.8%	11.4%
Consumer Discretionary	13.6%	15.1%
Consumer Staples	12.0%	12.3%
Industrials	10.7%	12.3%
Other Net Assets (Liabilities)	7.1%	0.6%
Health Care	5.2%	5.6%
Utilities	3.2%	3.2%
Exchange Traded Funds	0.1%	1.3%
Short Positions - Derivatives	(0.1%)	-
Forward Currency Contracts	-	(0.4%)
Corporate Bonds	-	0.4%
Long Positions - Derivatives	-	0.2%
Total	100.0%	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be affected by changes in the value of these currencies relative to the Canadian dollar.

The use of currency risk mitigation strategies such as forward currency contracts involves special risks including the possible default by the counterparty to the transaction, illiquidity and to the extent the Manager's assessment of certain market movements is incorrect, the risk that the use of such strategies could result in losses greater than if the strategy had not been used. The forward currency contracts may have the effect of limiting or reducing the total returns of the Fund if the Manager's expectations concerning future events or market conditions prove to be incorrect. In addition, costs associated with the forward currency contracts may outweigh the benefits of the arrangements in some circumstances.

The Manager may, from time to time, at its sole discretion, enter into forward currency contracts in relation to all or a portion of the value of the Fund's non-Canadian dollar currency exposure or the non-Canadian currency exposure of the issuers whose securities comprise the Fund's portfolio back, directly or indirectly, to the Canadian dollar. Forward currency contract amounts are based on a combination of trading currency of the Fund's holdings and an estimate of the currency to which their operations are exposed.

The tables below indicate the foreign currencies to which the Fund had significant exposure at September 30, 2017 and September 30, 2016, in Canadian dollar terms, net of the notional amounts of forward currency contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(240,560)	406,899	166,339	(12,028)	20,345	8,317
British Pound	(584,128)	771,569	187,441	(29,206)	38,578	9,372
Euro	(222,008)	700,615	478,607	(11,100)	35,031	23,931
Swiss Franc	(451,177)	964,002	512,825	(22,559)	48,200	25,641
United States Dollar	(349,108)	2,551,354	2,202,246	(17,456)	127,568	110,112
Total	(1,846,981)	5,394,439	3,547,458	(92,349)	269,722	177,373
% of net assets attributable to holders of redeemable units	(30.0%)	87.7%	57.7%	(1.5%)	4.4%	2.9%

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

September 30, 2016:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(417,686)	443,512	25,826	(20,884)	22,176	1,292
British Pound	(805,197)	1,107,667	302,470	(40,260)	55,383	15,123
Euro	(516,866)	700,410	183,544	(25,843)	35,021	9,178
Hong Kong Dollar	-	66,710	66,710	-	3,336	3,336
Japanese Yen	(80,421)	-	(80,421)	(4,021)	-	(4,021)
Swiss Franc	(607,730)	1,022,079	414,349	(30,387)	51,104	20,717
United States Dollar	(670,141)	3,549,338	2,879,197	(33,507)	177,467	143,960
Total	(3,098,041)	6,889,716	3,791,675	(154,902)	344,487	189,585
% of net assets attributable to holders of redeemable units	(43.5%)	96.8%	53.3%	(2.2%)	4.8%	2.6%

Interest Rate Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

The Fund's exposure to credit risk arises primarily from investments in forward currency contracts. The maximum exposure to credit risk from these contracts is equivalent to the fair value of forward currency contracts that are in a net unrealized gain position as of the reporting date.

As at September 30, 2017 and September 30, 2016, the Fund had forward currency contracts with three counterparties. The following table outlines the exposure and credit rating of each counterparty in an unrealized gain position as of the date of the statements of financial position. The counterparties both have credit ratings which exceed the minimum requirement outlined in securities legislation.

	September 30, 2017	
	Net Unrealized Gain (\$)	Credit Rating
National Bank of Canada	22,573	Standard & Poor's A

	September 30, 2016	
	Net Unrealized Gain (\$)	Credit Rating
Bank of New York Mellon	7,055	Standard & Poor's A-1

The Fund limits its exposure to credit losses on forward currency contracts by ensuring there are netting arrangements with each counterparty to the forward currency contracts, such that any gains (amounts owing to the Fund) on individual contracts can be set off against any losses (amounts owing to the counterparty) in the event of default.

The Fund's cash and margin accounts are maintained at financial institutions with a Standard & Poor's credit rating of AA- and A; and therefore credit risk is deemed minimal.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, derivative liabilities, management fees payable, expenses payable, redemptions payable, payable for investments purchased and distributions payable, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

The Fund writes cash secured put options in accordance with its investment objectives and strategies. The value of the securities and/or cash required to satisfy the written options if they were exercised, is presented in the table below:

Value of securities or cash required to satisfy written put options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
September 30, 2017	157,215	228,027	13,000	398,242
September 30, 2016	-	115,451	100,735	216,186

All other obligations including management fees payable, expenses payable, redemptions payable, payable for investments purchased, distributions payable and derivative liabilities associated with forward currency contracts, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

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

(d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017 and September 30, 2016:

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,720,184	-	-	5,720,184
Forward currency contracts	-	22,573	-	22,573
Total	5,720,184	22,573	-	5,742,757

	Liabilities at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(5,835)	-	-	(5,835)
Forward currency contracts	-	(25,958)	-	(25,958)
Total	(5,835)	(25,958)	-	(31,793)

	Assets at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	7,076,757	-	-	7,076,757
Bonds - Long	-	30,339	-	30,339
Options - Long	14,924	-	-	14,924
Forward currency contracts	-	7,055	-	7,055
Total	7,091,681	37,394	-	7,129,075

	Liabilities at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(5,940)	-	-	(5,940)
Forward currency contracts	-	(34,932)	-	(34,932)
Total	(5,940)	(34,932)	-	(40,872)

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

As at September 30, 2017, the Fund did not hold any investments which were classified as Level 3. During the period ended September 30, 2016, the Fund disposed its only Level 3 position – units of Portland Global Energy Efficiency and Renewable Energy Fund LP, a closed-end investment fund that has the same Manager as the Fund. Units were redeemed at NAV per unit for a gain of \$27,529.

Reconciliation of Level 3 Fair Value Measurement of Financial Instruments

The following tables reconcile the Fund's Level 3 fair value measurement of financial instruments for the period ended September 30, 2016:

September 30, 2016	Investment Funds (\$)	Total (\$)
Balance at Beginning of Period	145,905	145,905
Investment purchases during the period	-	-
Proceeds from disposals during the period	(151,449)	(151,449)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on disposal of investments	27,529	27,529
Change in unrealized appreciation (depreciation) in value of investments	(21,985)	(21,985)
Balance, End of Period	-	-
Change in unrealized appreciation (depreciation) in value of investments held at end of period	-	-

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

(e) STRUCTURED ENTITIES

The Fund's investments in ETFs are susceptible to market price risk arising from uncertainties about the future values. The Manager makes investment decisions after extensive due diligence on the strategy and overall quality of the ETF's manager.

The Fund's investments in ETFs as at September 30, 2017 and September 30, 2016 are summarized below:

September 30, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Technology Select Sector SPDR Fund ETF	7,374	22,241	-

September 30, 2016	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Technology Select Sector SPDR Fund ETF	94,027	13,047	-

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

Statements of Financial Position

as at September 30,	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 54,401	\$ 116,270
Receivable for investments sold	35,871	-
Dividends receivable	380	311
Investments (note 5)	505,161	534,525
	<u>595,813</u>	<u>651,106</u>
Liabilities		
Current Liabilities		
Management fees payable	872	1,015
Expenses payable	270	299
Payable for investments purchased	-	8,009
	<u>1,142</u>	<u>9,323</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 594,671</u>	<u>\$ 641,783</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	383,479	470,433
Series F	211,192	171,350
	<u>\$ 594,671</u>	<u>\$ 641,783</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	48,059	53,522
Series F	26,102	19,316
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	7.98	8.79
Series F	8.09	8.87

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income

for the periods ended September 30,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 3,885	\$ 6,513
Interest for distribution purposes	818	12
Net realized gain (loss) on investments	21,295	18,162
Change in unrealized appreciation (depreciation) on investments	(60,864)	259
	<u>(34,866)</u>	<u>24,946</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	39	(1,635)
Total income (net)	<u>(34,827)</u>	<u>23,311</u>
Expenses		
Unitholder reporting costs	91,207	76,675
Audit fees	12,867	12,250
Management fees (note 8)	10,989	7,136
Independent review committee fees	3,457	3,916
Legal fees	2,813	4,894
Custodial fees	1,600	2,089
Minimum tax	732	-
Transaction costs	141	611
Interest expense	4	-
Withholding tax expense	-	38
Total operating expenses	<u>123,810</u>	<u>107,609</u>
Less: expenses absorbed by Manager	<u>(108,642)</u>	<u>(97,618)</u>
Net operating expenses	<u>15,168</u>	<u>9,991</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ (49,995)</u>	<u>\$ 13,320</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	(37,552)	620
Series F	(12,443)	12,700
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	(0.77)	0.02
Series F	(0.55)	0.76

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

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the periods ended September 30,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	470,433	\$	46,143
Series F		171,350		111,150
		<u>641,783</u>		<u>157,293</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		(37,552)		620
Series F		(12,443)		12,700
		<u>(49,995)</u>		<u>13,320</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(37)		(131)
Series F		(68)		(890)
		<u>(105)</u>		<u>(1,021)</u>
From net realized gains on investments				
Series A		(2,602)		-
Series F		(2,035)		-
		<u>(4,637)</u>		<u>-</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(4,742)</u>		<u>(1,021)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		66,810		424,482
Series F		104,920		47,500
		<u>171,730</u>		<u>471,982</u>
Reinvestments of distributions				
Series A		2,639		131
Series F		2,103		890
		<u>4,742</u>		<u>1,021</u>
Redemptions of redeemable units				
Series A		(116,212)		(812)
Series F		(52,635)		-
		<u>(168,847)</u>		<u>(812)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>7,625</u>		<u>472,191</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		383,479		470,433
Series F		211,192		171,350
	\$	<u>594,671</u>	\$	<u>641,783</u>

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

Statements of Cash Flows

for the periods ended September 30,	2017	2016
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ (49,995)	\$ 13,320
Adjustments for:		
Net realized (gain) loss on investments	(21,295)	(18,162)
Change in unrealized (appreciation) depreciation on investments	60,864	(259)
Unrealized foreign exchange (gain) loss on cash	(3)	2
(Increase) decrease in dividends receivable	(69)	48
Increase (decrease) in management fees and expenses payable	(172)	1,103
Purchase of investments	(110,369)	(521,765)
Proceeds from sale of investments	56,284	129,062
Net Cash Generated (Used) by Operating Activities	(64,755)	(396,651)
Cash Flows from Financing Activities		
Proceeds from redeemable units issued	170,956	496,982
Amount paid on redemption of redeemable units	(168,073)	(812)
Net Cash Generated (Used) by Financing Activities	2,883	496,170
Net increase (decrease) in cash and cash equivalents	(61,872)	99,519
Unrealized foreign exchange gain (loss) on cash	3	(2)
Cash and cash equivalents - beginning of period	116,270	16,753
Cash and cash equivalents - end of period	54,401	116,270
Cash and cash equivalents comprise:		
Cash at bank	54,401	116,270
From operating activities		
Interest received, net of withholding tax	\$ 818	\$ 12
Dividends received, net of withholding tax	\$ 3,816	\$ 6,523
From financing activities		
Interest paid	\$ (4)	\$ -

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Bermuda				
1,249	Brookfield Business Partners L.P.	\$ 33,737	\$ 46,208	7.8%
British Virgin Islands				
3,650	Nomad Foods Limited	50,094	66,356	11.1%
Canada				
11,410	Baytex Energy Corp.	71,516	42,902	
715	Brookfield Asset Management Inc. Class A	31,361	36,845	
4,373	Crescent Point Energy Corp.	82,148	43,818	
450	Linamar Corporation	25,549	34,263	
5,880	Whitecap Resources, Inc.	59,673	57,036	
		270,247	214,864	36.1%
Guernsey				
2,795	Pershing Square Holdings, Ltd.	58,651	45,093	7.6%
United Kingdom				
2,100	Liberty Global PLC LiLAC Class A	92,005	62,257	10.5%
United States				
190	Berkshire Hathaway Inc. Class B	34,727	43,460	
965	Hertz Global Holdings, Inc.	52,706	26,923	
		87,433	70,383	11.8%
	Total investment portfolio	592,167	505,161	84.9%
	Transaction costs	(603)	-	-
		\$ 591,564	505,161	84.9%
	Other assets less liabilities		89,510	15.1%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 594,671	100.0%

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	54,401	54,401
Receivable for investments sold	-	-	35,871	35,871
Dividends receivable	-	-	380	380
Investments	-	505,161	-	505,161
Total	-	505,161	90,652	595,813

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	872	872
Expenses payable	-	-	270	270
Total	-	-	1,142	1,142

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	116,270	116,270
Dividends receivable	-	-	311	311
Investments	-	534,525	-	534,525
Total	-	534,525	116,581	651,106

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	1,015	1,015
Expenses payable	-	-	299	299
Payable for investments purchased	-	-	8,009	8,009
Total	-	-	9,323	9,323

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month period ended September 30, 2017 and September 30, 2016:

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL:		
Designated at Inception	(34,965)	24,946
Total	(34,965)	24,946

(b) RISK MANAGEMENT**Price Risk**

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$25,258 (September 30, 2016: \$26,726). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2017 and September 30, 2016:

By Geographic Region	September 30, 2017	September 30, 2016
Canada	36.1%	39.7%
Other Net Assets (Liabilities)	15.1%	16.7%
United States	11.8%	12.5%
British Virgin Islands	11.1%	6.0%
United Kingdom	10.5%	10.2%
Bermuda	7.8%	7.8%
Guernsey	7.6%	7.1%
Total	100.0%	100.0%

By Industry Sector	September 30, 2017	September 30, 2016
Energy	24.1%	26.7%
Financials	21.1%	19.9%
Consumer Discretionary	16.3%	16.6%
Other Net Assets (Liabilities)	15.1%	16.7%
Industrials	12.3%	14.1%
Consumer Staples	11.1%	6.0%
Total	100.0%	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be affected by changes in the value of these currencies relative to the Canadian dollar.

The tables below indicate the foreign currencies to which the Fund had significant exposure at September 30, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	36,222	327,143	363,365	1,811	16,357	18,168
Total	36,222	327,143	363,365	1,811	16,357	18,168
% of net assets attributable to holders of redeemable units	6.1%	55.0%	61.1%	0.3%	2.8%	3.1%

September 30, 2016:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	(7,607)	362,814	355,207	(380)	18,141	17,761
Total	(7,607)	362,814	355,207	(380)	18,141	17,761
% of net assets attributable to holders of redeemable units	(1.2%)	56.5%	55.3%	-	2.8%	2.8%

Interest Rate Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at September 30, 2017 and September 30, 2016, the Fund did not have significant direct exposure to credit risk.

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

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, management fees payable, expenses payable and payable for investments purchased, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017 and September 30, 2016:

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	505,161	-	-	505,161
Total	505,161	-	-	505,161

	Assets at fair value as at September 30, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	534,525	-	-	534,525
Total	534,525	-	-	534,525

Fair values are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. All liabilities of the Fund are carried at amortized cost and therefore are not presented in the tables above.

(d) STRUCTURED ENTITIES

As at September 30, 2017 and September 30, 2016, the Fund did not have any investments in structured entities.

Statement of Financial Position

as at September 30,

2017

Assets

Current Assets

Cash and cash equivalents	\$	369,798
Receivable for investments sold		16,580
Dividends receivable		187
Investments (note 5)		614,154
		<u>1,000,719</u>

Liabilities

Current Liabilities

Management fees payable		1,390
Expenses payable		364
Payable for investments purchased		42,186
		<u>43,940</u>

Net Assets Attributable to Holders of Redeemable Units

\$	<u>956,779</u>
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Net Assets Attributable to Holders of Redeemable Units Per Series

Series A	583,373
Series F	373,406
	<u>\$ 956,779</u>

Number of Redeemable Units Outstanding (note 6)

Series A	59,160
Series F	37,693

Net Assets Attributable to Holders of Redeemable Units Per Unit

Series A	9.86
Series F	9.91

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statement of Comprehensive Income

for the period ended September 30,	2017*
Income	
Net gain (loss) on investments	
Dividends	\$ 2,262
Interest for distribution purposes	550
Net realized gain (loss) on investments	87
Change in unrealized appreciation (depreciation) on investments	1,254
	<u>4,153</u>
Other income	
Foreign exchange gain (loss) on cash and other net assets	(376)
Total income (net)	<u>3,777</u>
Expenses	
Unitholder reporting costs	23,763
Audit fees	11,726
Management fees (note 8)	4,486
Custodial fees	2,788
Independent review committee fees	1,383
Legal fees	1,160
Transaction costs	210
Withholding tax expense	126
Interest expense	13
Total operating expenses	<u>45,655</u>
Less: expenses absorbed by Manager	(39,418)
Net operating expenses	<u>6,237</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ (2,460)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series	
Series A	(1,818)
Series F	(642)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit	
Series A	(0.05)
Series F	(0.03)

* From April 28, 2017 (commencement of operations) to September 30, 2017

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

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

for the period ended September 30,	2017*
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period	
Series A	\$ -
Series F	-
	<u>-</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	
Series A	(1,818)
Series F	(642)
	<u>(2,460)</u>
Redeemable Unit Transactions	
Proceeds from redeemable units issued	
Series A	636,947
Series F	374,048
	<u>1,010,995</u>
Redemptions of redeemable units	
Series A	(51,756)
Series F	-
	<u>(51,756)</u>
Net Increase (Decrease) from Redeemable Unit Transactions	
	<u>959,239</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period	
Series A	583,373
Series F	373,406
	<u>\$ 956,779</u>

* From April 28, 2017 (commencement of operations) to September 30, 2017

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

Statement of Cash Flows

for the period ended September 30,	2017*
Cash Flows from Operating Activities	
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ (2,460)
Adjustments for:	
Net realized (gain) loss on investments	(87)
Change in unrealized (appreciation) depreciation on investments	(1,254)
Unrealized foreign exchange (gain) loss on cash	49
(Increase) decrease in dividends receivable	(187)
Increase (decrease) in management fees and expenses payable	1,754
Purchase of investments	(591,675)
Proceeds from sale of investments	4,468
Net Cash Generated (Used) by Operating Activities	<u>(589,392)</u>
Cash Flows from Financing Activities	
Proceeds from redeemable units issued	990,317
Amount paid on redemption of redeemable units	(31,078)
Net Cash Generated (Used) by Financing Activities	<u>959,239</u>
Net increase (decrease) in cash and cash equivalents	369,847
Unrealized foreign exchange gain (loss) on cash	(49)
Cash and cash equivalents - beginning of period	-
Cash and cash equivalents - end of period	<u>369,798</u>
Cash and cash equivalents comprise:	
Cash at bank	169,818
Short-term investments	199,980
	<u>\$ 369,798</u>
From operating activities	
Interest received, net of withholding tax	\$ 550
Dividends received, net of withholding tax	\$ 1,949
From financing activities	
Interest paid	\$ (13)

* From April 28, 2017 (commencement of operations) to September 30, 2017

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

Schedule of Investment Portfolio

as at September 30, 2017

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Bermuda				
531	Brookfield Infrastructure Partners L.P.	\$ 27,929	\$ 28,583	
1,138	Brookfield Property Partners L.P.	33,917	33,155	
		<u>61,846</u>	<u>61,738</u>	6.4%
Canada				
598	Brookfield Asset Management Inc. Class A	29,859	30,816	
1,267	Fortis Inc.	56,858	56,736	
275	George Weston Limited	30,044	29,879	
393	Linamar Corporation	25,097	29,923	
3,142	Whitecap Resources, Inc.	28,894	30,478	
		<u>170,752</u>	<u>177,832</u>	18.6%
Panama				
366	Carnival Corporation	30,816	29,488	3.1%
United Kingdom				
1,216	Liberty Global PLC LiLAC Class A	36,053	36,050	3.8%
United States				
23	Alphabet Inc. Class A	28,351	27,944	
247	Berkshire Hathaway Inc. Class B	54,733	56,498	
50	BlackRock, Inc.	26,843	27,893	
442	Danaher Corporation	48,086	47,308	
529	Fortive Corporation	43,900	46,725	
507	Oracle Corporation	31,365	30,587	
283	The Kraft Heinz Company	31,764	27,384	
464	Walgreens Boots Alliance, Inc.	48,589	44,707	
		<u>313,631</u>	<u>309,046</u>	32.3%
	Total investment portfolio	613,098	614,154	64.2%
	Transaction costs	(198)	-	-
		<u>\$ 612,900</u>	<u>614,154</u>	64.2%
	Other assets less liabilities		342,625	35.8%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	<u>\$</u>	<u>956,779</u>	100.0%

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	369,798	369,798
Receivable for investments sold	-	-	16,580	16,580
Dividends receivable	-	-	187	187
Investments	-	614,154	-	614,154
Total	-	614,154	386,565	1,000,719

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	1,390	1,390
Expenses payable	-	-	364	364
Payable for investments purchased	-	-	42,186	42,186
Total	-	-	43,940	43,940

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the year ended September 30, 2017:

Category	Net gains (losses) (\$) 2017
Financial assets at FVTPL:	
Designated at Inception	3,891
Total	3,891

(b) RISK MANAGEMENT**Price Risk**

Please see note 5 for a definition of Price Risk. The Manager moderates this risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The Fund is limited to investing in securities that comprise no more than 10% of the net asset value at the time of purchase.

If the price of investments held by the Fund on September 30, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$30,707. Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2017:

By Geographic Region	September 30, 2017
Other Net Assets (Liabilities)	35.8%
United States	32.3%
Canada	18.6%
Bermuda	6.4%
United Kingdom	3.8%
Panama	3.1%
Total	100.0%

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

By Industry Sector	September 30, 2017
Other Net Assets (Liabilities)	35.8%
Financials	12.0%
Consumer Staples	10.7%
Consumer Discretionary	10.0%
Utilities	9.0%
Information Technology	6.1%
Industrials	4.9%
Health Care	4.9%
Real Estate	3.4%
Energy	3.2%
Total	100.0%

Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be affected by changes in the value of these currencies relative to the Canadian dollar.

The tables below indicate the foreign currencies to which the Fund had significant exposure at September 30, 2017, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	12,967	467,139	480,106	648	23,357	24,005
Total	12,967	467,139	480,106	648	23,357	24,005
% of net assets attributable to holders of redeemable units	1.4%	48.8%	50.2%	0.1%	2.4%	2.5%

Interest Rate Risk

As at September 30, 2017, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at September 30, 2017, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable.

The liquidity risk associated with issued redeemable units is managed by investing in a diversified portfolio with no more than 10% of its net assets in illiquid investments at the time of purchase. The Fund may also borrow temporarily to fund redemptions or settle trades.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, as applicable, were due within 3 months from the financial reporting date. Issued redeemable units are payable on demand.

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2017.

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	614,154	-	-	614,154
Total	614,154	-	-	614,154

Fair values are classified as Level 1 when the related security is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. All liabilities of the Fund are carried at amortized cost and therefore are not presented in the tables above.

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

(d) STRUCTURED ENTITIES

As at September 30, 2017, the Fund did not have any investments in structured entities.

Notes to Financial Statements

1. GENERAL INFORMATION

(a) Portland Advantage Fund, Portland Canadian Balanced Fund, Portland Canadian Focused Fund, Portland Global Banks Fund, Portland Global Income Fund, Portland Global Dividend Fund, Portland Value Fund and Portland 15 of 15 Fund (collectively referred to as the Funds) are open-ended mutual funds created under the laws of Ontario in Canada and governed by a Master Declaration of Trust as amended and restated from time to time. The Funds offer units to the public under a simplified prospectus dated April 20, 2017, as may be amended from time to time (Prospectus). The Funds were formed and related series commenced operations on the following dates:

Name of Fund	Formation Date of Fund	Commencement of Operations		
		Series A, Series F	Series A2 (note 1b)	Series G
Portland Advantage Fund	October 1, 2012	October 31, 2012	n/a	March 14, 2013
Portland Canadian Balanced Fund	October 1, 2012	October 31, 2012	n/a	March 14, 2013
Portland Canadian Focused Fund	October 1, 2012	October 31, 2012	n/a	January 24, 2013
Portland Global Banks Fund	June 25, 2007	December 17, 2013	December 17, 2013	n/a
Portland Global Income Fund	January 27, 2005	December 17, 2013	December 17, 2013	n/a
Portland Global Dividend Fund	May 16, 2007	May 29, 2014	May 29, 2014	n/a
Portland Value Fund	April 14, 2015	May 19, 2015	n/a	n/a
Portland 15 of 15 Fund	April 12, 2017	April 28, 2017	n/a	n/a

Portland Investment Counsel Inc. (Manager) is the Investment Fund Manager, Portfolio Manager and Trustee of each Fund. The head office of the Fund is 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7. Effective October 19, 2015, the Funds changed custodians from Citibank Canada to CIBC Mellon Trust Company. These financial statements are presented in Canadian dollars and were authorized for issue by the board of directors of the Manager on December 8, 2017. The Funds are authorized to issue an unlimited number of units in an unlimited number of series.

The statements of financial position of the Funds, except Portland 15 of 15 Fund, are as at September 30, 2017 and September 30, 2016. The statement of financial position for Portland 15 of 15 Fund is as at September 30, 2017. The statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows of the Funds are for the years ended September 30, 2017 and September 30, 2016 unless the Fund commenced operations during either year, in which case the statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows are for the period from commencement of operations in the above table to the applicable year end reporting date.

The following table presents the investment objective of each Fund.

Name of Fund	Investment Objective
Portland Advantage Fund	Provide positive long-term total returns, consisting of both income and capital gains, by investing primarily in a portfolio of Canadian equities.
Portland Canadian Balanced Fund	Provide positive long-term total returns, consisting of both income and capital gains by investing primarily in a portfolio of fixed income securities and Canadian equity securities.
Portland Canadian Focused Fund	Provide positive long-term total returns by investing primarily in a portfolio of Canadian equities.
Portland Global Banks Fund	Provide positive long-term total returns by investing primarily in a portfolio of global bank equities.
Portland Global Income Fund	Provide income and long-term total returns by investing primarily in a high-quality portfolio of fixed/floating rate income securities, preferred shares and dividend paying equities of issuers located anywhere in the world
Portland Global Dividend Fund	Provide income and long-term total returns by investing primarily in a portfolio of global dividend paying equities.
Portland Value Fund	Provide positive long-term total returns by investing primarily in a portfolio of global equities.
Portland 15 of 15 Fund	Provide positive long-term total returns by investing primarily in a portfolio of global equities.

(b) Fund Restructuring

Portland Global Banks Fund and Portland Global Income Fund were subject to a restructuring in December 2013 and Portland Global Dividend Fund was subject to a restructuring in May 2014, at which time they became open ended funds with multiple series. Prior to the restructuring Series A2 Units of these Funds were referred to as Trust Units. Due to the restructuring, the date of commencement for the Trust Units was reset.

(c) Effective April 20, 2017, the Funds no longer offered Series G units. All Series G units were redeemed as of April 28, 2017.

2. BASIS OF PRESENTATION

The financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB). These financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss (FVTPL).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(a) Classification

The Funds recognize financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. The Funds' investments and derivative assets and liabilities are measured at FVTPL. Other than its derivative assets and liabilities which are held for trading, all of the Funds' investments have been designated at FVTPL including its equity investments, fixed income investments and investments in other investment funds.

The Funds' obligation for net assets attributable to holders of redeemable units is presented at the redemption amount.

All other financial assets and liabilities are classified as loans and receivables or other financial liabilities and are measured at amortized cost which approximates fair value due to their short-term maturities. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

The Funds' accounting policies for measuring the fair value of its investments and derivatives are similar to those used in measuring their net asset value (NAV) for unitholder transactions; therefore it is expected that net assets attributable to holders of redeemable units will be the same in all material respects as the NAV per unit used in processing unitholder transactions.

Financial assets and liabilities may be offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Funds may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the statements of financial position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy, certain events of default or termination of the contracts.

(b) Recognition, de-recognition and measurement

Purchases and sales of financial assets are recognized on their trade date - the date on which the Funds commit to purchase or sell the investment. Financial assets and liabilities at FVTPL are initially recognized at fair value. Transaction costs are expensed as incurred in the statements of comprehensive income.

Financial assets are de-recognized when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all the risks and rewards of ownership. Upon disposal, the difference between the amount received and the average cost to acquire the financial asset is included within 'Net realized gain (loss) on investments' or 'Net realized gain (loss) on investments and options' in the statements of comprehensive income.

When the Funds write an option, an amount equal to fair value which is based on the premium received by the Funds is recorded as a liability. When options are closed, the difference between the premium and the amount received, net of brokerage commissions, or the full amount of the premium if the option expires worthless, is recognized as a gain or loss and is presented in the statements of comprehensive income within 'Net realized gain (loss) on investments and options'. When a written call option is exercised, the amount of gain or loss realized from the disposition of the related investment at the exercise price, plus the premiums received at the time the option was written are included in the statements of comprehensive income within 'Net realized gain (loss) on investments and options'. When a written put option is exercised, the amount of premiums received is deducted from the cost to acquire the related investment.

Option premiums paid when a Fund purchases an option are recorded as an asset. Exchange traded options are valued at their last traded market price where the last traded market price falls within the day's bid-ask spread. In cases where the last traded price is not within the day's bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances.

Realized gains and losses relating to purchased options may arise from:

- i. Expiration of purchased options - realized losses will arise equal to the premium paid;
- ii. Exercise of the purchased options - realized gains will arise up to the intrinsic value of the option net of premiums paid; or
- iii. Closing of the purchased options - realized gains or losses will arise equal to the proceeds from selling the options to close the position, net of any premium paid.

Realized gains and losses related to options are included in 'Net realized gain (loss) on investments and options' in the statements of comprehensive income.

Subsequent to initial recognition, all financial assets and liabilities at FVTPL are measured at fair value. Gains and losses arising from change in fair value of the 'financial assets and liabilities at FVTPL' category are presented in the statements of comprehensive income within 'Change in unrealized appreciation (depreciation) of investments' or 'Change in unrealized appreciation (depreciation) of investments and derivatives' in the period in which they arise.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both

financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. If there has been no trade, the mid price (average bid and asking price) as of the close of the business on the reporting date is used to approximate fair value. The Funds' policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Forward contracts are agreements to purchase or sell financial instruments at a specified future date. As forward contracts are not traded on an exchange, the agreements between counterparties are not standardized. Changes in value of forward contracts are settled only on termination of the contract. Open forward contracts are revalued to fair value in the statements of comprehensive income based on the difference between the contract rate and the applicable forward rate. Gains and losses associated with the valuation of open forward contracts are recorded in the statements of comprehensive income as 'Change in unrealized appreciation (depreciation) of investments and derivatives'. The cumulative change in value upon settlement is included in the statements of comprehensive income as 'Net realized gain (loss) on forward currency contracts'.

The fair value of bonds is based on closing bid quotations.

In accordance with the Funds' fair value policy, an Investment Committee comprised of representatives from the fund reporting and oversight, compliance and portfolio management teams respond to fair value situations, using inputs from various sources which may include the portfolio management team, the administrator and general news. Fair value situations are reported to senior management and the Independent Review Committee and if deemed necessary, to the Board of Directors.

Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes:

- a) restricted activities;
- b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors;
- c) insufficient equity to permit the structured entity to finance its activities without subordinate financial support; and
- d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Funds consider all of their investments in exchange traded funds (ETFs) to be investments in unconsolidated structured entities. ETFs are bought and sold on the stock market on which they are traded and are valued at the last traded price as per above section on Fair Value Measurement.

The change in fair value of each ETF is included in the statement of comprehensive income in 'Change in unrealized appreciation (depreciation) of the investments' or 'Change in unrealized appreciation (depreciation) of the investments and derivatives'.

Revenue recognition

'Interest for distribution purposes' shown on the statements of comprehensive income represents the coupon interest earned by the Funds on debt securities accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities other than zero coupon debt securities which are amortized on a straight line basis. Interest receivable is shown separately in the statement of financial position based on the debt instruments' stated rates of interest. Dividends on equity investments are recognized as income on the ex-dividend date.

Foreign currency translation

The Funds' subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the reporting date. Foreign exchange gains and losses related to assets and liabilities at amortized cost are recognized in profit and loss and are presented as 'Foreign exchange gain (loss) on cash and other net assets' on the statements of comprehensive income. Realized foreign exchange gains and losses related to investments and options are recognized when incurred and are presented in the statement of comprehensive income within 'Net realized gain (loss) on investments' or 'Net realized gain (loss) on investments and options'. Realized gains and losses on forward currency contracts are recognized when incurred and are presented in the statement of comprehensive income within 'Net realized gain (loss) on foreign currency contracts'.

Unrealized exchange gains or losses on investments, options and forward currency contracts are included in 'Change in unrealized appreciation (depreciation) of investments' or 'Change in unrealized appreciation (depreciation) of investments and derivatives' in the statements of comprehensive income.

'Foreign exchange gain (loss) on cash and other net assets' arise from sale of foreign currencies, currency gains or losses realized between trade and settlement dates on securities transactions, and the difference between the recorded amounts of dividend, interest and foreign withholding taxes and the Canadian dollar equivalent of the amounts actually received or paid.

Cash and cash equivalents

The Funds consider highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value to be cash equivalents. Cash is comprised of deposits with financial institutions.

Cost of investments

The cost of investments represents the cost for each security excluding transaction costs and amortization of premiums and discounts on fixed income securities with the exception of zero coupon bonds. The cost of each investment is determined on an average basis by dividing the total cost of such investment by the number of shares purchased. On the schedule of investment portfolio, transaction costs have been deducted in aggregate from the total cost of individual investments which include transaction costs. The premium received on a written put option is added to the cost of investments acquired when the written put option is exercised.

Redeemable units

The Funds issue multiple series of redeemable units, which are redeemable at the holder's option and do not have identical rights. Therefore, such units are classified as financial liabilities. Redeemable units can be put back to the Funds at any redemption date for cash equal to a proportionate share of the Funds' NAV attributable to the unit series. Units are redeemable daily.

Redeemable units are issued and redeemed at the holder's option at prices based on each Fund's NAV per unit at the time of issue or redemption. The Funds' NAVs per unit are calculated by dividing the NAV of each series of redeemable units by the total number of outstanding redeemable units of each respective series.

Expenses

Expenses of the Funds, including management fees and other operating expenses, are recorded on an accrual basis.

Transaction costs associated with investment transactions for financial assets and liabilities at FVTPL, including brokerage commissions, have been expensed on the statements of comprehensive income.

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

'Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit' in the statements of comprehensive income represents the Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series, divided by the daily average units outstanding of that series during the reporting period.

Distribution to the Unitholders

Distributions will be made to Unitholders only at such times and in such amounts as may be determined at the discretion of the Manager. The Funds are required to distribute enough net income and net realized capital gains so that they do not have to pay ordinary income tax. All distributions by the Funds will be automatically reinvested in additional units of the Fund held by the investor at the NAV per unit thereof, unless the investor notifies the Manager in writing that cash distributions are preferred.

Allocation of income and expense, and realized and unrealized gains and losses

Management fees and other costs directly attributable to a series are charged to that series. Each Fund's shared operating expenses, income, and realized and unrealized gains and losses are generally allocated proportionately to each series based upon the relative NAV of each series.

Collateral

Cash collateral provided by the Funds is identified in the statements of financial position as 'Margin accounts' and is not included as a component of cash and cash equivalents.

Collateral other than cash is classified in the statements of financial position separately from other assets and liabilities as 'Investments-pledged collateral' if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral.

Future accounting changes

IFRS 9, Financial Instruments

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of the entity's own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of the entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Manager has commenced a detailed review of the new standard. At this time, the Manager does not anticipate a material impact on the carrying amounts that have been determined historically for such investments. It is anticipated that disclosures may change as a result of implementing IFRS 9, regardless of how its investments are classified.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments under IAS 39, Financial Instruments - Recognition and Measurement, the Manager is required to make significant judgments about whether or not the investments of the Funds are considered held for trading or that the fair value option can be applied to those that are not. The Manager has concluded that the fair value option can be applied to the Funds' investments that are not considered held for trading. Such investments have been designated at FVTPL.

Functional and presentation currency

Investors in the Funds are mainly from Canada, with subscriptions and redemptions of the redeemable units denominated in Canadian dollars. The performance of the Funds is measured and reported to the investors in Canadian dollars. The Manager considers the Canadian dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Canadian dollars, which is the Funds' functional and presentation currency.

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Funds' investment activities may be exposed to various financial risks, including market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Funds' risk management goals are to ensure that the outcome of activities involving risk is consistent with the Funds' investment objectives and risk tolerance per the Funds' Prospectus. All investments result in a risk of loss of capital.

For a detailed discussion of risks associated with each Fund, refer to the 'Fund Specific Notes to the Financial Statements'.

Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk). Financial instruments held by the Funds are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Fund limits its exposure to any one security to 10% of NAV at the time of purchase, which is monitored on a daily basis.

Interest rate risk

Interest rate risk arises on interest-bearing financial instruments having fixed interest rates held by the Funds, such as bonds and borrowings. The fair value and future cash flows of such instruments held by the Fund will fluctuate due to changes in market interest rates.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Securities included in the Funds may be valued in or have exposure to currencies other than the Canadian dollar and when measured in Canadian dollars, be affected by fluctuations in the value of such currencies relative to the Canadian dollar. The Funds may enter into currency forward contracts to limit their currency exposure.

Liquidity risk

Liquidity risk is the risk that the Funds will encounter difficulty in meeting their obligations associated with financial liabilities. The Funds are exposed to daily cash redemptions. As a result, the Funds invest the majority of assets in investments that are traded in an active market and can be readily disposed of. There can be no assurance that an active trading market for the investments will exist at all times, or that the prices at which the securities trade accurately reflect their values. In accordance with securities regulations, each Fund must maintain at least 90% of assets in liquid investments at time of purchase. In addition, each Fund has the ability to borrow up to 5% of its net assets attributable to holders of redeemable units for the purposes of funding redemptions and settling portfolio transactions.

Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Investments in currency forward contracts and long term debt securities represent the main concentration of credit risk in a Fund. The Funds manage their exposure to credit risk by limiting investment in such contracts to those with (i) terms less than 365 days and (ii) counterparties that are major banks having a minimum short-term debt credit rating of A-1 (Low) as published by the Standard & Poor's Ratings Service (Canada). The Funds limit exposure to any one counterparty to no more than 10% of the NAV of each Fund. The fair value of debt instruments includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Funds.

Fair value of financial instruments

Financial instruments measured at fair value are classified according to a fair value hierarchy that reflects the importance of the inputs used to perform each valuation. The fair value hierarchy is made up of the following levels:

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

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs are unobservable for the asset or liability.

The fair value hierarchy requires the use of observable market data each time such data exists. A financial instrument is classified at the lowest level of the hierarchy for which significant input has been considered in measuring fair value.

6. REDEEMABLE UNITS

The Funds are permitted to have an unlimited number of series of units, having such terms and conditions as the Manager may determine. Additional series may be offered in future on different terms, including different fee and dealer compensation terms and different minimum subscription levels. Each unit of a series represents an undivided ownership interest in the net assets of a Fund attributable to that series of units.

The Funds endeavor to invest capital in appropriate investments in conjunction with their investment objectives. The Funds maintain sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments, where necessary.

Units of the Funds are available in multiple series as outlined below. The principal difference between the series of units relates to the management fee payable to the Manager, the compensation paid to dealers, distributions and the expenses payable by the series. Units of each Fund are entitled to participate in its liquidation of assets on a series basis. Units are issued as fully paid and non-assessable and are redeemable at the NAV per unit of the applicable series of units being redeemed, determined at the close of business on the day the redemption request is submitted.

Series A Units and Series A2 Units are available to all investors. Series G Units were available to investors who reside in non-HST provinces but ceased to be offered effective April 20, 2017.

Series F Units are available to investors who participate in fee-based programs through their dealer and whose dealer has signed a Series F Agreement with the Manager, investors for whom the Funds do not incur distribution costs, or individual investors approved by the Manager.

The number of units issued and outstanding for the period ended September 30, 2017 was as follows:

	Balance, Beginning of Period	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches from Other Series	Balance, End of Period	Weighted Average Number of Units
Portland Advantage Fund						
Series A Units	235,362	7,802	3,374	42,956	203,582	230,401
Series F Units	255,828	2,976	6,542	79,585	185,761	222,487
Series G Units	102	-	1	103	-	102
Portland Canadian Balanced Fund						
Series A Units	188,496	91,105	3,546	29,081	254,066	227,211
Series F Units	227,788	61,151	7,125	14,615	281,449	262,538
Series G Units	91	-	2	93	-	92
Portland Canadian Focused Fund						
Series A Units	133,584	180,707	5,886	28,208	291,969	207,322
Series F Units	569,929	158,442	33,334	54,240	707,465	664,180
Series G Units	1,110	-	47	1,157	-	1,116
Portland Global Banks Fund						
Series A Units	35,744	8,219	1,768	1,361	44,370	39,734
Series A2 Units	634,956	15,900	26,900	122,277	555,479	587,271
Series F Units	21,532	3,208	734	10,802	14,672	16,674
Portland Global Income Fund						
Series A Units	79,618	44,903	3,828	1,236	127,113	99,305
Series A2 Units	364,590	147,660	17,396	89,594	440,052	374,210
Series F Units	113,958	59,080	5,428	23,438	155,028	124,286
Portland Global Dividend Fund						
Series A Units	13,402	8,055	442	6,935	14,964	10,715
Series A2 Units	593,551	12,316	23,311	125,914	503,264	530,878
Series F Units	179,954	1,386	7,621	61,884	127,077	146,685
Portland Value Fund						
Series A Units	53,522	8,243	308	14,014	48,059	48,462
Series F Units	19,316	13,092	245	6,551	26,102	22,692
Portland 15 of 15 Fund						
Series A Units	-	64,455	-	5,295	59,160	35,931
Series F Units	-	37,693	-	-	37,693	23,973

The number of units issued and outstanding for the period ended September 30, 2016 was as follows:

	Balance, Beginning of Period	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches from Other Series	Balance, End of Period	Weighted Average Number of Units
Portland Advantage Fund						
Series A Units	244,347	24,347	5,602	38,934	235,362	244,637
Series F Units	227,399	37,355	8,647	17,573	255,828	253,915
Series G Units	600	206	15	719	102	292
Portland Canadian Balanced Fund						
Series A Units	215,918	22,615	7,032	57,069	188,496	211,005
Series F Units	62,993	201,800	3,691	40,696	227,788	134,330
Series G Units	9,313	91	314	9,627	91	3,791
Portland Canadian Focused Fund						
Series A Units	133,150	26,929	6,842	33,337	133,584	132,067
Series F Units	434,414	203,479	20,599	88,563	569,929	493,165
Series G Units	10,053	88	362	9,393	1,110	4,706
Portland Global Banks Fund						
Series A Units	13,981	20,655	1,700	592	35,744	30,095
Series A2 Units	804,849	6,555	37,792	214,240	634,956	706,437
Series F Units	21,156	5,186	1,399	6,209	21,532	24,720
Portland Global Income Fund						
Series A Units	84,293	584	3,679	8,938	79,618	84,065
Series A2 Units	443,266	2,309	20,086	101,071	364,590	400,159
Series F Units	125,023	1,770	6,061	18,896	113,958	118,731
Portland Global Dividend Fund						
Series A Units	12,464	1,063	378	503	13,402	13,176
Series A2 Units	763,877	559	35,392	206,277	593,551	676,611
Series F Units	248,627	9,593	18,297	96,563	179,954	232,372
Portland Value Fund						
Series A Units	5,594	48,004	15	91	53,522	28,126
Series F Units	13,417	5,797	102	-	19,316	16,817

7. TAXATION

All of the Funds except Portland Value Fund and Portland 15 of 15 Fund qualify as mutual fund trusts within the meaning of the Income Tax Act (Canada). Portland Value Fund and Portland 15 of 15 Fund are unit trusts, have registered investment status and will qualify as mutual fund trusts once they each have 150 qualifying unitholders. The Funds are subject to tax on any income, including net realized capital gains, which is not paid or payable to their unitholders. Each Fund's net income for tax purposes and sufficient net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by each Fund. As a result, the Funds do not record income taxes. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statements of financial position as a deferred income tax asset.

Portland Value Fund and Portland 15 of 15 Fund may incur Minimum Tax (as defined in the Income Tax Act (Canada)) since they are unit trusts. Minimum Tax may arise if the unit trust retains capital gains by virtue of applying: a) expenses, b) non-capital loss carry forwards, or c) dividend tax credits against those gains. Minimum Tax may also arise in certain circumstances where dividend income is retained to utilize the dividend tax credit. Minimum Tax is reflected as an expense on the statements of comprehensive income, if applicable.

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statements of comprehensive income. Withholding taxes are shown as a separate item in the statements of comprehensive income.

The taxation year-end for the Funds is December 15, except Portland Value Fund and Portland 15 of 15 Fund which have taxation year-ends of December 31. The following chart presents the amount of non-capital loss carry forwards available to the Funds by year of expiry:

	2030 (\$)	2032 (\$)	2033 (\$)	2035 (\$)	Total (\$)
Portland Global Banks Fund	279,354	1,913	336,358	56,124	673,749

The following chart presents the amount of unused capital losses which can be carried forward indefinitely by the Funds:

	Total (\$)
Portland Advantage Fund	-
Portland Canadian Balanced Fund	-
Portland Canadian Focused Fund	-
Portland Global Banks Fund	159,072,011
Portland Global Income Fund	23,140,077
Portland Global Dividend Fund	26,866,722
Portland Value Fund	-

8. MANAGEMENT FEES AND EXPENSES

Pursuant to the Prospectus, the Funds agree to pay management fees to the Manager, calculated and accrued daily based on a percentage of the NAV of each series of each Fund and paid monthly. The annual management fees rate of the respective series of units are as follows:

	Series A Units	Series A2 Units	Series F Units
Portland Advantage Fund	2.00%	n/a	1.00%
Portland Canadian Balanced Fund	2.00%	n/a	1.00%
Portland Canadian Focused Fund	2.00%	n/a	1.00%
Portland Global Banks Fund	2.00%	1.75%	1.00%
Portland Global Income Fund	1.85%	1.65%	0.85%
Portland Global Dividend Fund	2.00%	1.85%	1.00%
Portland Value Fund	2.00%	n/a	1.00%
Portland 15 of 15 Fund	2.00%	n/a	1.00%

The Manager is reimbursed for any operating expenses it incurs on behalf of the Funds, including regulatory filing fees, custodian fees, legal and audit fees, costs associated with the Independent Review Committee, bank charges, the cost of financial reporting, and all related sales taxes. GST and HST paid by the Funds on its expenses is not recoverable. The Manager also provides key management personnel to the Funds. The Manager may charge the Funds for actual time spent by its personnel (or those of its affiliates) in overseeing the day-to-day business affairs of the Funds. The amount charged for time spent by personnel is determined based on fully allocated costs and does not include a mark-up or administration fee. The Manager may absorb fund operating expenses at its discretion but is under no obligation to do so.

The Manager may reduce the effective management fee payable by some unitholders by reducing the management fee it charges to the particular fund and directing the fund to make management fee distributions to these unitholders in amounts equal to the amounts of the management fee reduction.

Management fee distributions are accounted for as distributions for financial reporting purposes.

9. SOFT DOLLARS

Allocation of business to brokers of the Funds is made on the basis of coverage, trading ability and fundamental research expertise. The Manager may choose to affect portfolio transactions with dealers who provide research, statistical and other similar services to the Funds or to the Manager at prices which reflect such services (termed proprietary research). The dealers do not provide the Manager with an estimate of the cost of the research, statistical and other similar services (referred to as soft dollars).

In addition to the foregoing, effective January 1, 2016, the Manager may use third party proprietary research, which is generally also available on a subscription basis, the value of which will be used to approximate the value of research and other similar services received from third parties through commission sharing arrangements with executing brokers. The ascertainable value of the third party soft dollar arrangements in connection with portfolio transactions for the period ended September 30, 2017 and the period from January 1 to September 30, 2016 are presented in the table below:

For the period ended	September 30, 2017 (\$)	September 30, 2016 (\$)
Portland Advantage Fund	899	381
Portland Canadian Balanced Fund	-	-
Portland Canadian Focused Fund	-	-
Portland Global Banks Fund	79	335
Portland Global Income Fund	223	114
Portland Global Dividend Fund	149	193
Portland Value Fund	40	118
Portland 15 of 15 Fund	70	n/a

10. RELATED PARTY TRANSACTIONS

The following tables outline the management fees and operating expense reimbursements that were paid to the Manager by the Funds during the periods ended September 30, 2017 and September 30, 2016. The tables include the amount of operating expense reimbursement that was paid to affiliates of the Manager for administrative services provided in managing the day-to-day operation of the Funds and the amount of additional absorbed operating expenses that the Manager chose not to charge to the Funds. All of the dollar amounts in the tables below exclude applicable GST or HST:

Period ended September 30, 2017	Management Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	77,998	26,921	93,615	2,237
Portland Canadian Balanced Fund	95,268	36,122	69,040	2,237
Portland Canadian Focused Fund	147,364	64,699	38,900	2,237
Portland Global Banks Fund	124,645	35,727	119,595	2,237
Portland Global Income Fund	88,098	30,115	95,390	2,237
Portland Global Dividend Fund	104,358	31,948	106,955	2,237
Portland Value Fund	9,714	2,918	96,035	2,204
Portland 15 of 15 Fund	3,963	1,239	34,825	305

Period ended September 30, 2016	Management Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	83,099	29,290	88,000	2,581
Portland Canadian Balanced Fund	69,172	22,499	78,320	2,581
Portland Canadian Focused Fund	91,361	40,802	68,610	2,581
Portland Global Banks Fund	124,587	36,111	156,200	2,581
Portland Global Income Fund	81,989	27,986	120,590	2,581
Portland Global Dividend Fund	129,577	40,773	116,070	2,581
Portland Value Fund	6,315	1,953	86,385	2,581

The Funds owed the following amounts to the Manager as at September 30, 2017 and September 30, 2016 (excluding applicable GST or HST):

Period ended September 30, 2017	Management Fees (\$)	Operating Expense Reimbursement (\$)
Portland Advantage Fund	5,368	1,903
Portland Canadian Balanced Fund	8,246	3,289
Portland Canadian Focused Fund	13,447	6,082
Portland Global Banks Fund	9,750	2,791
Portland Global Income Fund	8,684	2,979
Portland Global Dividend Fund	7,853	2,440
Portland Value Fund	771	239
Portland 15 of 15 Fund	1,185	365

Period ended September 30, 2016	Management Fees (\$)	Operating Expense Reimbursement (\$)
Portland Advantage Fund	6,489	2,412
Portland Canadian Balanced Fund	5,745	2,325
Portland Canadian Focused Fund	7,846	3,999
Portland Global Banks Fund	8,967	2,579
Portland Global Income Fund	6,306	2,174
Portland Global Dividend Fund	9,225	2,953
Portland Value Fund	899	264

The Manager and/or its affiliates, officers and directors (Related Parties) may invest in units of the Funds from time to time in the normal course of business. All such transactions are measured at NAV per unit. The following table presents the percentage ownership of each of the Funds by Related Parties on each reporting date:

	September 30, 2017	September 30, 2016
Portland Advantage Fund	13.4%	9.5%
Portland Canadian Balanced Fund	2.2%	1.9%
Portland Canadian Focused Fund	1.6%	1.5%
Portland Global Banks Fund	1.1%	1.3%
Portland Global Income Fund	1.9%	2.4%
Portland Global Dividend Fund	0.9%	0.7%
Portland Value Fund	29.7%	20.8%
Portland 15 of 15 Fund	16.6%	n/a

11. BROKERAGE FACILITY

As of September 30, 2017 and September 30, 2016, each of Portland Global Banks Fund, Portland Global Income Fund and Portland Global Dividend Fund had a Settlement Services Agreement with RBC Dominion Securities Inc. (RBCDS), and had placed securities and cash on account with RBCDS as collateral for their option writing strategy. In the event of default, including failure to make any payment or delivery to RBCDS, RBCDS may freeze the collateral property and cease the provision of settlement services. In such circumstances, RBCDS had the right to set off the collateral property to reduce or eliminate the amount owed to them. RBCDS also has the right to sell or otherwise dispose of the collateral property held on account for the Funds in order to set off against amounts owing to them from the Funds. Non-cash collateral has been classified separately within the statements of financial position from other assets and is identified as 'Investments - pledged as collateral'. Cash collateral has been classified separately on the statements of financial position as 'Margin accounts'.

12. COMPARISON OF NET ASSET VALUE

As at September 30, 2017 and September 30, 2016, there was no difference between the NAV per unit used for transactional purposes and the net assets attributable to holders of redeemable units per unit in these financial statements.

Statement of Corporate Governance Practices

Canadian securities law requires certain reporting issuers to publish specific disclosure concerning their corporate governance practices. The Manager has established an Independent Review Committee consisting of three members appointed to provide independent advice to assist the Manager in performing its services and to consider and provide recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Fund.



Commissions, service fees, management fees and expenses may be associated with investment funds. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The views and opinions contained in this report are as of September 30, 2017 and this report is not intended to provide legal, accounting, tax or specific investment advice. Please read the prospectus before investing. PORTLAND, PORTLAND INVESTMENT COUNSEL and the Clock Tower Design are registered trademarks of Portland Holdings Inc. Used under licence by Portland Investment Counsel Inc.

Portland Investment Counsel Inc., 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7 Tel:1-888-710-4242 • Fax: 1-866-722-4242
www.portlandic.com • info@portlandic.com
