



Portland Investment Counsel[®]

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PORTLAND ALTERNATIVE MUTUAL FUNDS
ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2021

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Chairman's Message



Do you know what a unicorn is? A unicorn is the name given to a private start-up company that eventually grows in valuation to over U.S. \$1 billion. Like the mythical horse, a unicorn business is rare and is the aspiration of every entrepreneur. An investment firm associated with one business unicorn is rare... a firm associated with more than one, even rarer. In fact, do you know what a group of unicorns is called? It is a blessing. Portland Holdings, the parent company of Portland Investment Counsel Inc., is, indeed, blessed to be associated with four unicorns, 2 past and 2 present and 3 multi-billion dollar businesses with one business being a wholly owned subsidiary of another business. These publicly listed companies that Portland Holdings affiliates directly invested in, eventually exceeded U.S. \$1 billion in valuation. Remarkably, these unicorns and public billion dollar associations are located in different sectors, ranging from asset management, telecommunications, power generation and radio molecular precision oncology. Geographically, these companies are headquartered in Canada, Australia, Germany, United Kingdom and the Caribbean region. Therefore, these success stories are sector agnostic and geographically agnostic.

How was this achieved? Is there a specific formula that one can distill down in order to replicate success? As a trained engineer, there is a process I go through when problem solving: I start by observing, in order to create a hypothesis. I then stress-test the hypothesis and, if it holds true, I codify it. I then hardwire the codified hypothesis as the default behavior via repeat practice. Repetition can lead to the long-term effect of compounding.

I believe investing successfully is a function of three conditions. Firstly, a sound intellectual framework is fundamental. Secondly, we must control our emotions. When we are in the midst of a crisis, stress can consume us. Therefore, during these times, following our framework will keep us clear-headed and grounded. Thirdly, success is a function of having access to opportunities. These three conditions can also be applied to success in life.

As a young investor and entrepreneur, I achieved success by identifying a key long-term demographic trend and positioned myself and my clients to optimally benefit as it unfolded. Baby boomers, those born between 1946 and 1964, of which I am a member, have been the largest demographic cohort in North America and have determined the evolution of the various economic sectors as they progressed through their life cycle. In their youth, baby boomers focused on consuming goods and services. As they matured, saving and retirement became the baby boomers' focus, which stimulated explosive growth in the asset management industry. In 1983, the assets under management in the Canadian asset management industry were circa \$5 billion. As of September 30, 2021, the total net asset of mutual funds in Canada were reported by The Investment Funds Institute of Canada to be \$1.98 trillion, an increase of more than 300 times!

As the baby boomers move into retirement, their chief concern shifted to longevity and quality of life. However, with increased cancer incidence, securing both longevity and quality of life is becoming increasingly difficult. As we all unfortunately know, cancer care places a significant burden on family, friends and society as a whole. Fortunately, the convergence of scientific advances, in particular in the area of molecular biology, immunology, genomics, nuclear physics and computational power, has led to the emergence of the promising field of precision oncology. The cancer treatment paradigm has been shifting from a one size fits all traditional medicine approach (primarily centered on surgery, chemotherapy and external radiation therapy) to an individually tailored, precision medicine approach. It is at the merging of these trends that we find ourselves and suggest how you could participate in this growing trend.

I am pleased to report that over the past three years, the Portland Holdings group of companies and its affiliated and connected parties have invested more than \$95 million in companies to support the development of cancer treatments. We believe these innovative therapies to be more effective than traditional cancer treatments, with the potential for less side effects and are more economically sustainable. Thus far, our track record has been strong. Portland led a private placement in Telix Pharmaceuticals Limited in July 2021, the market value of the company's shares has grown more than 4.5 times as of October 31, 2021. This comes on the back of our track record as investors in companies central to the growth of the molecularly targeted precision oncology sector. Our success, as explained earlier, was predicated on following a process and codifying it, once tested. Consequently, the traits we're looking for in a future unicorn in the field of precision oncology include: a focus on medical outcomes, an association with a strong financial and business network supporter, a long-term approach to both innovation and securing financing needs, skin in the game on the part of the company's principals, transparency, strong track record and potential platform value.

I would like to personally thank you, our investors, for your support. We are committed to continuing our journey towards better results for both patients and investors by seeking to expand our investment focus in the precision oncology area across both private to public securities. It is my honour to extend to you an invitation to join us on our continued journey.

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 15 of 15 Alternative Fund, Portland Global Alternative Fund, Portland Life Sciences Alternative Fund and Portland North American Alternative Fund (collectively the Funds) have been prepared by Portland Investment Counsel Inc. (the Manager) in its capacity as 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, have 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 Chartered Professional Accountants 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 16, 2021**

"Robert Almeida"

**Robert Almeida,
Director
December 16, 2021**

Independent Auditor's Report

To the Unitholders and Trustee of:

Portland 15 of 15 Alternative Fund
Portland Global Alternative Fund
Portland Life Sciences Alternative Fund
Portland North American Alternative Fund
(individually, a Fund)

Our Opinion

In our opinion, the accompanying September 30, 2021 financial statements of each Fund present fairly, in all material respects, the financial position of each Fund, its financial performance and its cash flows as at and for the periods indicated in note 1 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The financial statements of each Fund comprise:

- the statements of financial position as at the period-end dates indicated in note 1;
- the statements of comprehensive income for the periods indicated in note 1;
- the statements of changes in net assets attributable to holders of redeemable units for the periods indicated in note 1;
- the statements of cash flows for the periods indicated in note 1; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of each Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information of each Fund. The other information comprises the Annual Management Report of Fund Performance of each Fund.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of each Fund, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of each Fund or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of each Fund in accordance with IFRS, 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.

In preparing the financial statements, management is responsible for assessing the ability of each Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate any Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of each Fund.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole for each Fund are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements of each Fund.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of each Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 internal control of each Fund.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of each Fund to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of each Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause any Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of each Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
December 16, 2021

Statements of Financial Position

As at September 30,	2021		2020	
Assets				
Current Assets				
Cash and cash equivalents	\$	4,006,536	\$	2,180,584
Subscriptions receivable		33,870		41,715
Dividends receivable		5,436		3,879
Investments (note 5)		15,899,372		5,530,882
		19,945,214		7,757,060
Liabilities				
Current Liabilities				
Management fees payable		25,863		10,500
Performance fees payable		-		5,223
Expenses payable		9,299		3,498
Redemptions payable		29,585		6,203
		64,747		25,424
Net Assets Attributable to Holders of Redeemable Units	\$	19,880,467	\$	7,731,636
Net Assets Attributable to Holders of Redeemable Units Per Series				
Series A		13,157,564		5,965,937
Series F		6,722,903		1,765,699
		19,880,467		7,731,636
Number of Redeemable Units Outstanding (note 6)				
Series A		1,558,571		851,881
Series F		739,699		236,257
Net Assets Attributable to Holders of Redeemable Units Per Unit				
Series A	\$	8.44	\$	7.00
Series F	\$	9.09	\$	7.47

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 years ended September 30,	2021	2020
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 36,171	\$ 44,675
Interest for distribution purposes	9,972	6,752
Net realized gain (loss) on investments and options	129,456	(337,277)
Net realized gain (loss) on forward currency contracts	-	(21,340)
Change in unrealized appreciation (depreciation) on investments and derivatives	2,876,274	695,839
	<u>3,051,873</u>	<u>388,649</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(11,074)	5,795
Total income (net)	<u>3,040,799</u>	<u>394,444</u>
Expenses		
Performance fees (note 8)	400,170	63,438
Management fees (note 8)	231,194	75,784
Unitholder reporting costs	77,537	89,602
Audit fees	18,097	17,487
Legal fees	13,905	223
Custodial fees	10,878	4,092
Transaction costs	6,992	5,225
Withholding tax expense (reclaims)	4,726	(5,764)
Independent review committee fees	3,367	2,958
Interest expense and bank charges	248	414
Total operating expenses	767,114	253,459
Less: expenses absorbed by Manager	(42,152)	(90,545)
Net operating expenses	724,962	162,914
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 2,315,837</u>	<u>\$ 231,530</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	\$ 1,588,857	\$ 367,113
Series A2 (note 1(b))	\$ -	\$ (234,431)
Series F	\$ 726,980	\$ 98,848
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	\$ 1.29	\$ 1.05
Series A2 (note 1(b))	\$ -	\$ (0.87)
Series F	\$ 1.33	\$ 0.91

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 years ended September 30,	2021	2020
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period		
Series A	\$ 5,965,937	\$ 93,131
Series A2 (note 1(b))	-	2,278,234
Series F	1,765,699	249,983
	<u>7,731,636</u>	<u>2,621,348</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	1,588,857	367,113
Series A2 (note 1(b))	-	(234,431)
Series F	726,980	98,848
	<u>2,315,837</u>	<u>231,530</u>
Distributions to Holders of Redeemable Units		
From net investment income		
Series A	-	(865)
Series A2 (note 1(b))	-	(30,655)
Series F	-	(4,167)
	<u>-</u>	<u>(35,687)</u>
From return of capital		
Series A	-	(1,326)
Series A2 (note 1(b))	-	(41,661)
Series F	-	(2,214)
	<u>-</u>	<u>(45,201)</u>
Net Decrease from Distributions to Holders of Redeemable Units	<u>-</u>	<u>(80,888)</u>
Redeemable Unit Transactions		
Proceeds from redeemable units issued		
Series A	6,245,915	5,788,650
Series A2 (note 1(b))	-	121
Series F	4,562,536	1,562,372
	<u>10,808,451</u>	<u>7,351,143</u>
Reinvestments of distributions		
Series A	-	1,960
Series A2 (note 1(b))	-	66,897
Series F	-	4,407
	<u>-</u>	<u>73,264</u>
Redemptions of redeemable units		
Series A	(643,145)	(282,726)
Series A2 (note 1(b))	-	(2,038,505)
Series F	(332,312)	(143,530)
	<u>(975,457)</u>	<u>(2,464,761)</u>
Net Increase (Decrease) from Redeemable Unit Transactions	<u>9,832,994</u>	<u>4,959,646</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period		
Series A	13,157,564	5,965,937
Series A2 (note 1(b))	-	-
Series F	6,722,903	1,765,699
	<u>\$ 19,880,467</u>	<u>\$ 7,731,636</u>

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

Statements of Cash Flows

For the years ended September 30,	2021	2020
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 2,315,837	\$ 231,530
Adjustments for:		
Net realized (gain) loss on investments and options	(129,456)	337,277
Change in unrealized (appreciation) depreciation on investments and derivatives	(2,876,274)	(695,839)
Unrealized foreign exchange (gain) loss on cash	164	(50)
(Increase) decrease in interest receivable	-	750
(Increase) decrease in dividends receivable	(1,557)	3,790
Increase (decrease) in management fees, performance fees and expenses payable	15,941	13,688
Purchase of investments	(7,773,989)	(5,421,174)
Proceeds from sale of investments	411,229	4,035,106
Net Cash Generated (Used) by Operating Activities	(8,038,105)	(1,494,922)
Cash Flows from Financing Activities		
Change in margin cash	-	5,548
Distributions to holders of redeemable units, net of reinvested distributions	-	(8,837)
Proceeds from redeemable units issued (note 3)	10,720,349	4,353,989
Amount paid on redemption of redeemable units (note 3)	(856,128)	(860,503)
Net Cash Generated (Used) by Financing Activities	9,864,221	3,490,197
Net increase (decrease) in cash and cash equivalents	1,826,116	1,995,275
Unrealized foreign exchange gain (loss) on cash	(164)	50
Cash and cash equivalents - beginning of period	2,180,584	185,259
Cash and cash equivalents - end of period	4,006,536	2,180,584
Cash and cash equivalents comprise:		
Cash at bank	\$ 1,007,424	\$ 680,737
Short-term investments	2,999,112	1,499,847
	\$ 4,006,536	\$ 2,180,584
From Operating Activities:		
Interest received, net of withholding tax	\$ 9,972	\$ 7,502
Dividends received, net of withholding tax	\$ 29,888	\$ 54,229
From Financing Activities:		
Interest paid	\$ -	\$ (414)

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

Schedule of Investment Portfolio

As at September 30, 2021

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Australia				
882,892	Telix Pharmaceuticals Limited	\$ 2,577,778	\$ 4,874,983	24.5%
Bermuda				
35	Brookfield Asset Management Reinsurance Partners Ltd.	2,290	2,463	-
British Virgin Islands				
4,930	Nomad Foods Ltd.	140,209	172,094	0.9%
Canada				
5,077	Brookfield Asset Management Inc., Class A	240,663	344,098	
24,800	Horizons Cash Maximizer ETF	2,500,133	2,511,000	
40,000	Purpose High Interest Savings ETF	2,001,000	2,000,000	
		4,741,796	4,855,098	24.4%
Guernsey				
4,185	Pershing Square Holdings Ltd.	115,639	191,356	1.0%
India				
490	Reliance Industries Ltd.	22,698	42,265	0.2%
Japan				
20,350	SoftBank Group Corp.	817,334	748,515	3.8%
South Korea				
105	Samsung Electronics Co., Ltd.	181,034	207,802	1.0%
United States				
40,470	Altice USA, Inc.	1,044,811	1,062,093	
2,530	Ares Management Corporation	115,955	236,588	
6,534	Berkshire Hathaway Inc., Class B	1,925,107	2,258,842	
390	D.R. Horton, Inc.	21,293	41,479	
1,152	Danaher Corporation	249,011	444,215	
470	Facebook Inc., Class A	118,084	202,039	
3,012	Oracle Corporation	228,575	332,401	
680	Stryker Corporation	175,680	227,139	
		3,878,516	4,804,796	24.2%
	Total investment portfolio	12,477,294	15,899,372	80.0%
	Transaction costs	(10,346)	-	-
		\$ 12,466,948	15,899,372	80.0%
	Other assets less liabilities		3,981,095	20.0%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 19,880,467	100.0%

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund may borrow on margin for the purposes of making investments. Collateral in the form of securities is required to secure the borrowing. Securities pledged as collateral have not been offset against the borrowing but are presented separately on the statements of financial position as investments that are pledged as collateral. The broker holding the collateral has the right to sell or re-pledge such securities in order to pay back the loan. However, the Fund does not have the right of offset. For the years ended September 30, 2021 and September 30, 2020, there was no borrowing in the Fund.

(b) RISK MANAGEMENT

Please see note 5 for a description of the various financial risks detailed below.

Price Risk

The Manager moderates price risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

If the price of investments held by the Fund on September 30, 2021 had been higher or lower by 10%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$1,589,937 (September 30, 2020: \$553,088). 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, 2021 and September 30, 2020:

By Geographic Region	September 30, 2021	September 30, 2020
Australia	24.5%	6.1%
Canada	24.4%	22.3%
United States	24.2%	31.3%
Cash & Other Net Assets (Liabilities)	20.0%	28.5%
Japan	3.8%	3.5%
Guernsey	1.0%	2.0%
South Korea	1.0%	-
British Virgin Islands	0.9%	2.1%
India	0.2%	1.9%
Spain	-	2.3%
Total	100.0%	100.0%

By Industry Sector	September 30, 2021	September 30, 2020
Health Care	27.8%	12.8%
Exchange Traded Funds	22.7%	19.4%
Cash & Other Net Assets (Liabilities)	20.0%	28.5%
Financials	15.4%	20.7%
Communication Services	10.1%	7.6%
Information Technology	2.7%	3.1%
Consumer Staples	0.9%	2.2%
Consumer Discretionary	0.2%	3.8%
Industrials	0.2%	1.9%
Total	100.0%	100.0%

Currency Risk

The tables below indicate the foreign currencies to which the Fund had significant exposure as at September 30, 2021 and September 30, 2020 in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

September 30, 2021	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	-	4,874,983	4,874,983	-	487,498	487,498
British Pound	1	-	1	-	-	-
Euro	5	-	5	1	-	1
Swiss Franc	1	-	1	-	-	-
United States Dollar	7,883	6,513,389	6,521,272	788	651,339	652,127
Total	7,890	11,388,372	11,396,262	789	1,138,837	1,139,626
% of net assets attributable to holders of redeemable units	0.0%	57.3%	57.3%	0.0%	5.7%	5.7%

September 30, 2020	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	-	475,698	475,698	-	47,570	47,570
British Pound	1	-	1	-	-	-
Euro	184	177,607	177,791	18	17,761	17,779
Swiss Franc	1	-	1	-	-	-
United States Dollar	6,305	3,376,573	3,382,878	631	337,657	338,288
Total	6,491	4,029,878	4,036,369	649	402,988	403,637
% of net assets attributable to holders of redeemable units	0.1%	52.1%	52.2%	-	5.2%	5.2%

Interest Rate Risk

As at September 30, 2021 and September 30, 2020, 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 ETFs.

Credit Risk

As at September 30, 2021 and September 30, 2020, the Fund had exposure to credit risk due to its holding of cash and cash equivalents, such as bankers acceptances. The Fund's cash accounts and bankers acceptances are maintained at financial institutions with a Standard & Poor's credit rating of A+ and AA-and therefore credit risk is deemed minimal.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations associated with financial liabilities.

The liquidity risk associated with issued redeemable units is managed by investing in a portfolio of highly liquid equity securities. Redeemable units are redeemed on demand at the holder's option. All other obligations were due within three months from the financial reporting date.

Leverage Risk

As at September 30, 2021 and September 30, 2020, the Fund did not have significant direct exposure to leverage risk as borrowing was nil.

(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, 2021 and September 30, 2020:

September 30, 2021	Assets (Liabilities)			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	15,899,372	-	-	15,899,372
Total	15,899,372	-	-	15,899,372

September 30, 2020	Assets (Liabilities)			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,530,882	-	-	5,530,882
Total	5,530,882	-	-	5,530,882

(d) 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 its due diligence on the strategy and overall quality of the ETF's manager.

The Fund's investments in ETFs as at September 30, 2021 and September 30, 2020 is summarized below:

September 30, 2021	Investment at Fair Value (\$)	Net Asset Value (\$)	% of Net Asset Value
Horizons Cash Maximizer ETF	2,511,000	1,252,970,000	0.2%
Purpose High Interest Savings ETF	2,000,000	1,797,590,000	0.1%

September 30, 2020	Investment at Fair Value (\$)	Net Asset Value (\$)	% of Net Asset Value
Horizons Cash Maximizer ETF	1,501,004	623,720,000	0.2%

Statements of Financial Position

As at September 30,			2021	2020
Assets				
Current Assets				
Cash and cash equivalents	\$	15,482	\$	907,296
Receivable for investments sold		4,114		-
Dividends receivable		4,677		4,518
Investments (note 5)		1,822,245		1,511,209
Investments - pledged as collateral (note 5 and 11)		471,113		59,675
Derivative assets		-		213
		2,317,631		2,482,911
Liabilities				
Current Liabilities				
Borrowing (note 11)		334,265		-
Management fees payable		3,174		3,728
Performance fees payable		-		1,594
Expenses payable		1,149		1,096
Redemptions payable		63		-
Payable for investments purchased		4,110		-
Derivative liabilities		-		19,875
		342,761		26,293
Net Assets Attributable to Holders of Redeemable Units	\$	1,974,870	\$	2,456,618
Net Assets Attributable to Holders of Redeemable Units Per Series				
Series A		1,900,821		2,335,368
Series F		74,049		121,250
	\$	1,974,870	\$	2,456,618
Number of Redeemable Units Outstanding (note 6)				
Series A		219,329		301,470
Series F		7,762		14,363
Net Assets Attributable to Holders of Redeemable Units Per Unit				
Series A	\$	8.67	\$	7.75
Series F	\$	9.54	\$	8.44

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 years ended September 30,	2021	2020
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 51,151	\$ 37,338
Interest for distribution purposes	-	8,469
Net realized gain (loss) on investments and options	118,874	(320,944)
Net realized gain (loss) on forward currency contracts	-	(92,448)
Change in unrealized appreciation (depreciation) on investments and derivatives	186,837	(27,435)
	<u>356,862</u>	<u>(395,020)</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(16,415)	(4,263)
Total income (net)	<u>340,447</u>	<u>(399,283)</u>
Expenses		
Unitholder reporting costs	146,363	144,699
Performance fees (note 8)	39,918	3,905
Management fees (note 8)	39,878	58,744
Audit fees	17,662	17,256
Legal fees	13,571	220
Withholding tax expense	6,608	4,376
Custodial fees	4,604	3,770
Interest expense and bank charges (note 11)	3,470	506
Independent review committee fees	3,287	2,919
Transaction costs	1,631	3,203
Total operating expenses	<u>276,992</u>	<u>239,598</u>
Less: expenses absorbed by Manager	(173,716)	(151,750)
Net operating expenses	<u>103,276</u>	<u>87,848</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 237,171</u>	<u>\$ (487,131)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	\$ 227,100	\$ (9,400)
Series A2 (note 1(c))	\$ -	\$ (454,150)
Series F	\$ 10,071	\$ (23,581)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	\$ 0.91	\$ (0.06)
Series A2 (note 1(c))	\$ -	\$ (1.41)
Series F	\$ 1.00	\$ (1.43)

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 years ended September 30,	2021	2020
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period		
Series A	\$ 2,335,368	\$ 252,589
Series A2 (note 1(c))	-	3,369,570
Series F	121,250	195,549
	<u>2,456,618</u>	<u>3,817,708</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	227,100	(9,400)
Series A2 (note 1(c))	-	(454,150)
Series F	10,071	(23,581)
	<u>237,171</u>	<u>(487,131)</u>
Distributions to Holders of Redeemable Units		
From return of capital		
Series A	-	(7,568)
Series A2 (note 1(c))	-	(94,216)
Series F	-	(5,256)
Net Decrease from Distributions to Holders of Redeemable Units	<u>-</u>	<u>(107,040)</u>
Redeemable Unit Transactions		
Proceeds from redeemable units issued		
Series A	-	2,369,929
Series A2 (note 1(c))	-	1,652
Series F	-	7,415
	<u>-</u>	<u>2,378,996</u>
Reinvestments of distributions		
Series A	-	6,410
Series A2 (note 1(c))	-	90,070
Series F	-	3,850
	<u>-</u>	<u>100,330</u>
Redemptions of redeemable units		
Series A	(661,647)	(276,592)
Series A2 (note 1(c))	-	(2,912,926)
Series F	(57,272)	(56,727)
	<u>(718,919)</u>	<u>(3,246,245)</u>
Net Increase (Decrease) from Redeemable Unit Transactions	<u>(718,919)</u>	<u>(766,919)</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period		
Series A	1,900,821	2,335,368
Series A2 (note 1(c))	-	-
Series F	74,049	121,250
	<u>\$ 1,974,870</u>	<u>\$ 2,456,618</u>

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

Statements of Cash Flows

For the years ended September 30,	2021		2020	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	237,171	\$	(487,131)
Adjustments for:				
Net realized (gain) loss on investments and options		(118,874)		320,944
Change in unrealized (appreciation) depreciation on investments and derivatives		(186,837)		27,435
Unrealized foreign exchange (gain) loss on cash		24		9,743
(Increase) decrease in interest receivable		-		4
(Increase) decrease in dividends receivable		(159)		4,394
Increase (decrease) in management fees, performance fees, and expenses payable		(2,095)		(1,430)
Purchase of investments		(1,263,650)		(1,422,372)
Proceeds from sale of investments		827,221		2,879,694
Net Cash Generated (Used) by Operating Activities		(507,199)		1,331,281
Cash Flows from Financing Activities				
Increase (decrease) in borrowing		334,265		-
Change in margin cash		-		5,307
Distributions to holders of redeemable units, net of reinvested distributions		-		(7,807)
Proceeds from redeemable units issued (note 3)		-		2,352
Amount paid on redemption of redeemable units (note 3)		(718,856)		(869,694)
Net Cash Generated (Used) by Financing Activities		(384,591)		(869,842)
Net increase (decrease) in cash and cash equivalents		(891,790)		461,439
Unrealized foreign exchange gain (loss) on cash		(24)		(9,743)
Cash and cash equivalents - beginning of period		907,296		455,600
Cash and cash equivalents - end of period		15,482		907,296
Cash and cash equivalents comprise:				
Cash at bank	\$	15,482	\$	907,296
From Operating Activities:				
Interest received, net of withholding tax	\$	-	\$	8,473
Dividends received, net of withholding tax	\$	44,384	\$	37,356
From Financing Activities:				
Interest paid	\$	(2,855)	\$	(506)

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

Schedule of Investment Portfolio

As at September 30, 2021

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Bermuda				
190	Groupe Bruxelles Lambert S.A.	\$ 24,190	\$ 26,505	1.3%
Canada				
430	Canadian National Railway Company	49,510	63,115	
403	Fortis, Inc.	21,661	22,645	
160	Metro Inc.	9,509	9,902	
400	Royal Bank of Canada	34,300	50,412	
		114,980	146,074	7.4%
Cayman Islands				
3,600	CK Hutchison Holdings Limited	31,771	30,429	1.5%
Denmark				
350	Coloplast A/S	66,198	69,500	3.5%
France				
250	Sanofi	33,902	30,473	1.6%
Germany				
330	Fresenius Medical Care AG & Co. KGaA	36,224	29,466	
450	Fresenius SE & Co KGaA	29,951	27,422	
		66,175	56,888	2.9%
Japan				
450	Hitachi, Ltd.	22,954	34,005	
333	ITOCHU Corporation	12,051	12,419	
1,500	Marubeni Corporation	11,765	15,931	
900	Mitsubishi Corporation	28,020	36,217	
490	MITSUI & CO., LTD.	11,404	13,740	
600	SoftBank Group Corp.	51,389	44,248	
2,100	Sumitomo Corporation	34,724	37,797	
		172,307	194,357	9.8%
Spain				
1,300	Red Electrica Corporacion S.A.	29,770	33,016	1.7%
Switzerland				
200	Nestle S.A.	29,910	30,634	
280	Novartis AG	35,230	29,237	
70	Roche Holding AG	31,668	32,532	
		96,808	92,403	4.7%
United Kingdom				
1,050	Bunzl PLC	29,736	43,992	
2,000	Compass Group PLC	44,471	52,018	
1,050	Diageo PLC	47,486	64,618	
600	Halma PLC	24,072	29,101	
6,100	Legal & General Group PLC	28,411	29,264	
1,500	SSE PLC	35,870	40,216	
28,500	Vodafone Group PLC	62,691	55,107	
		272,737	314,316	15.9%
United States				
16	Alphabet Inc., Class A	26,350	54,180	
17	Alphabet Inc., Class C	30,457	57,390	
33	Amazon.com, Inc.	117,422	137,308	
150	American Tower Corporation	49,899	50,425	
310	Berkshire Hathaway Inc., Class B	81,238	107,169	
220	Cincinnati Financial Corporation	19,337	31,828	
300	Colgate-Palmolive Company	30,743	28,719	
820	Consolidated Edison, Inc.	89,501	75,393	
100	Costco Wholesale Corporation	43,518	56,915	
800	Hormel Foods Corporation	52,994	41,544	
240	Johnson & Johnson	48,647	49,093	
400	JPMorgan Chase & Co.	15,741	82,932	
150	Kimberly-Clark Corporation	29,699	25,162	
180	McDonald's Corporation	47,075	54,970	
360	Microsoft Corporation	85,907	128,549	

Schedule of Investment Portfolio (continued)

As at September 30, 2021

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
140	Target Corporation	25,018	40,566	
110	The Clorox Company	30,528	23,074	
675	The Coca-Cola Company	44,801	44,860	
360	The Procter & Gamble Company	60,022	63,745	
210	The Walt Disney Company	30,563	44,997	
150	Visa Inc., Class A	39,398	42,320	
330	Walmart Inc.	58,007	58,258	
		<hr/>	<hr/>	
	Total investment portfolio	1,056,865	1,299,397	65.8%
	Transaction costs	1,965,703	2,293,358	116.1%
		(2,192)	-	-
		<hr/>	<hr/>	
		\$ 1,963,511	2,293,358	116.1%
	Other assets less liabilities		(318,488)	(16.1%)
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<hr/>	<hr/>
			\$ 1,974,870	100.0%

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund may borrow on margin for the purposes of making investments. Collateral in the form of securities is required to secure the borrowing. Securities pledged as collateral have not been offset against the borrowing but are presented separately on the statements of financial position as investments that are pledged as collateral. The broker holding the collateral has the right to sell or re-pledge such securities in order to pay back the loan. However, the Fund does not have the right of offset. As at September 30, 2021, the amount borrowed was \$334,265 (September 30, 2020: \$nil).

(b) RISK MANAGEMENT

Please see note 5 for a description of the various financial risks detailed below.

Price Risk

The Manager moderates price risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

If the price of investments held by the Fund on September 30, 2021 had been higher or lower by 10%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$229,336 (September 30, 2020: \$155,122). 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, 2021 and September 30, 2020:

By Geographic Region	September 30, 2021	September 30, 2020
United States	65.8%	41.5%
United Kingdom	15.9%	6.2%
Japan	9.8%	-
Canada	7.4%	7.9%
Switzerland	4.7%	3.9%
Denmark	3.5%	-
Germany	2.9%	-
Spain	1.7%	1.3%
Cayman Islands	1.5%	-
France	1.5%	1.4%
Belgium	1.3%	-
Cash & Other Net Assets (Liabilities)	(16.0%)	36.9%
Bermuda	-	0.9%
Total	100.0%	100.0%

By Industry Sector	September 30, 2021	September 30, 2020
Consumer Staples	26.3%	14.6%
Financials	16.6%	15.0%
Consumer Discretionary	14.4%	7.7%
Communication Services	12.9%	4.1%
Industrials	12.8%	4.5%
Information Technology	11.8%	4.1%
Health Care	10.0%	5.1%
Utilities	8.6%	6.4%
Real Estate	2.6%	2.4%
Cash & Other Net Assets (Liabilities)	(16.0%)	36.9%
Short positions-Derivatives	-	(0.8%)
Total	100.0%	100.0%

Currency Risk

The tables below indicate the foreign currencies to which the Fund had significant exposure as at September 30, 2021 and September 30, 2020 in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

September 30, 2021	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
British Pound	948	314,316	315,264	95	31,431	31,526
Danish Krone	-	69,500	69,500	-	6,950	6,950
Euro	1	146,882	146,883	-	14,688	14,688
Hong Kong Dollar	469	30,429	30,898	47	3,043	3,090
Japanese Yen	2,251	194,357	196,608	225	19,436	19,661
Norwegian Krone	777	-	777	78	-	78
Swiss Franc	-	92,403	92,403	-	9,240	9,240
United States Dollar	(144,681)	1,299,397	1,154,716	(14,468)	129,940	115,472
Total	(140,235)	2,147,284	2,007,049	(14,023)	214,728	200,705
% of net assets attributable to holders of redeemable units	(7.1%)	108.7%	101.6%	(0.7%)	10.9%	10.2%

September 30, 2020	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
British Pound	887	152,596	153,483	89	15,260	15,349
Euro	180,256	65,807	246,063	18,026	6,581	24,607
Hong Kong Dollar	1,518	22,360	23,878	152	2,236	2,388
Japanese Yen	197,210	-	197,210	19,721	-	19,721
Norwegian Krone	1,178	-	1,178	118	-	118
Swiss Franc	663	95,854	96,517	66	9,585	9,651
United States Dollar	522,365	1,019,474	1,541,839	52,237	101,947	154,184
Total	904,077	1,356,091	2,260,168	90,409	135,609	226,018
% of net assets attributable to holders of redeemable units	36.8%	55.2%	92.0%	3.7%	5.5%	9.2%

Interest Rate Risk

As at September 30, 2021, the Fund had significant direct exposure to interest rate risk from its use of borrowing. The amount borrowed as at September 30, 2021 was \$334,265 (September 30, 2020: \$nil) and was repayable on demand.

If interest rates had doubled during the year, interest expense would have been higher and ending net assets attributable to holders of redeemable units would have been lower by \$3,076.

Credit Risk

As at September 30, 2021 and September 30, 2020, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations associated with financial liabilities.

The liquidity risk associated with issued redeemable units is managed by investing in a portfolio of highly liquid equity securities. Redeemable units are redeemed on demand at the holder's option. All other obligations were due within three months from the financial reporting date.

The main concentration of liquidity risk arises from the Fund's borrowing activities. Borrowings are repayable upon demand and are partially covered by collateral held on account at the broker with whom the borrowings are made.

The Fund may write cash secured put options in accordance with its investment objectives and strategies. There were no put option contracts held as at September 30, 2021. The value of the securities and/or cash required to satisfy the options if they were exercised, is presented in the table below for September 30, 2020.

Value of securities or cash required to satisfy put options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
September 30, 2020	(306,257)	(168,441)	-	(474,698)

Leverage Risk

As at September 30, 2021, the amount borrowed was \$334,265 (September 30, 2020: \$nil). The lender nets the amount borrowed with any cash balances held by the Fund and includes the impact of any securities bought or sold that are not yet paid by or to the Fund. When calculated this way, the borrowing percentage as at September 30, 2021 was 16.9%. Interest expense for the year ended was \$3,076.

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classifications of the Fund's financial instruments within the fair value hierarchy as at September 30, 2021 and September 30, 2020:

September 30, 2021	Assets (Liabilities)			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities – Long	2,293,358	-	-	2,293,258
Total	2,293,358	-	-	2,293,258

September 30, 2020	Assets (Liabilities)			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Derivative Assets		213		213
Derivative Liabilities	-	(19,875)	-	(19,875)
Equities – Long	1,570,884	-	-	1,570,884
Total	1,570,884	(19,662)	-	1,551,222

(d) STRUCTURED ENTITIES

As at September 30, 2021 and September 30, 2020, the Fund did not have any investments in structured entities.

Statement of Financial Position

As at September 30,

2021

Assets

Current Assets

Cash and cash equivalents	\$	426,454
Subscriptions receivable		26,446
Investments (note 5)		118,431
		<u>571,331</u>

Liabilities

Current Liabilities

Management fees payable		531
Expenses payable		186
		<u>717</u>

Net Assets Attributable to Holders of Redeemable Units

\$	<u>570,614</u>
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Net Assets Attributable to Holders of Redeemable Units Per Series

Series A		419,889
Series F		150,725
		<u>\$ 570,614</u>

Number of Redeemable Units Outstanding (note 6)

Series A	41,830
Series F	14,942

Net Assets Attributable to Holders of Redeemable Units Per Unit

Series A	\$	10.04
Series F	\$	10.09

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,	2021 *
Income	
Net gain (loss) on investments	
Change in unrealized appreciation (depreciation) on investments	\$ (3,840)
	<u>(3,840)</u>
Other income	
Foreign exchange gain (loss) on cash and other net assets	(138)
Total income (net)	<u>(3,978)</u>
Expenses	
Unitholder reporting costs	38,805
Audit fees	14,508
Legal fees	1,923
Independent review committee fees	1,394
Management fees (note 8)	1,148
Performance fees (note 8)	756
Custodial fees	406
Transaction costs	83
Total operating expenses	<u>59,023</u>
Less: expenses absorbed by Manager	(56,518)
Net operating expenses	<u>2,505</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ (6,483)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series	
Series A	\$ (7,742)
Series F	\$ 1,259
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit	
Series A	\$ (1.06)
Series F	\$ 0.10

* From April 15, 2021 (commencement of operations) to September 30, 2021

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

For the period ended September 30,	2021 *
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	(7,742)
Series F	1,259
	<u>(6,483)</u>
Redeemable Unit Transactions	
Proceeds from redeemable units issued	
Series A	427,631
Series F	149,466
Net Increase (Decrease) from Redeemable Unit Transactions	<u>577,097</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period	
Series A	419,889
Series F	150,725
	<u>\$ 570,614</u>

* From April 15, 2021 (commencement of operations) to September 30, 2021

Statement of Cash Flows

For the period ended September 30,	2021*
Cash Flows from Operating Activities	
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ (6,483)
Adjustments for:	
Change in unrealized (appreciation) depreciation on investments	3,840
Increase (decrease) in management fees and expenses payable	717
Purchase of investments	(122,271)
Net Cash Generated (Used) by Operating Activities	<u>(124,197)</u>
Cash Flows from Financing Activities	
Proceeds from redeemable units issued (note 3)	550,651
Net Cash Generated (Used) by Financing Activities	<u>550,651</u>
Net increase (decrease) in cash and cash equivalents	426,454
Cash and cash equivalents - end of period	<u>426,454</u>
Cash and cash equivalents comprise:	
Cash at bank	\$ 426,454

* From April 15, 2021 (commencement of operations) to September 30, 2021

Schedule of Investment Portfolio

As at September 30, 2021

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Australia				
13,000	Telix Pharmaceuticals Limited	\$ 74,274	\$ 71,781	12.6%
United States				
20	Amgen Inc.	5,392	5,388	
85	Bridgebio Pharma, Inc.	5,433	5,046	
70	Fate Therapeutics, Inc.	5,436	5,255	
35	Guardant Health, Inc.	5,368	5,542	
150	Lantheus Holdings, Inc.	5,032	4,879	
550	POINT Biopharma Global Inc.	5,228	5,357	
140	RadNet, Inc.	5,221	5,197	
120	Relay Therapeutics, Inc.	5,629	4,792	
75	Schrodinger, Inc.	5,341	5,194	
		48,080	46,650	8.2%
	Total investment portfolio	122,354	118,431	20.8%
	Transaction costs	(83)	-	-
		\$ 122,271	118,431	20.8%
	Other assets less liabilities		452,183	79.2%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 570,614	100.0%

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund may borrow on margin for the purposes of making investments. Collateral in the form of securities is required to secure the borrowing. Securities pledged as collateral have not been offset against the borrowing but are presented separately on the statements of financial position as investments that are pledged as collateral. The broker holding the collateral has the right to sell or re-pledge such securities in order to pay back the loan. However, the Fund does not have the right of offset. For the period ending September 30, 2021, there was no borrowing in the Fund.

(b) RISK MANAGEMENT

Please see note 5 for a description of the various financial risks detailed below.

Price Risk

The Manager moderates price risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

If the price of investments held by the Fund on September 30, 2021 had been higher or lower by 10%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$11,843. 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, 2021:

By Geographic Region	September 30, 2021
Cash & Other Net Assets (Liabilities)	79.2%
Australia	12.6%
United States	8.2%
Total	100.0%

By Industry Sector	September 30, 2021
Cash & Other Net Assets (Liabilities)	79.2%
Health Care	20.8%
Total	100%

Currency Risk

The table below indicates the foreign currencies to which the Fund had significant exposure as at September 30, 2021 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 10% in relation to each of the other currencies, with all other variables held constant.

September 30, 2021	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	16	71,781	71,797	2	7,178	7,180
United States Dollar	85	46,650	46,735	9	4,665	4,674
Total	101	118,431	118,532	11	11,843	11,854
% of net assets attributable to holders of redeemable units	-	20.8%	20.8%	-	2.1%	2.1%

Interest Rate Risk

As at September 30, 2021, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at September 30, 2021, the Fund had exposure to credit risk due to its holding of cash. The Fund's cash accounts are maintained at a financial institution with a Standard & Poor's credit rating of A+ and therefore credit risk is deemed minimal.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations associated with financial liabilities.

The liquidity risk associated with issued redeemable units is managed by investing in a portfolio of highly liquid equity securities. Redeemable units are redeemed on demand at the holder's option. All other obligations were due within three months from the financial reporting date.

Leverage Risk

As at September 30 2021, the Fund did not have significant direct exposure to leverage risk as borrowing was nil.

(c) FAIR VALUE MEASUREMENTS

The following table illustrates the classifications of the Fund's financial instruments within the fair value hierarchy as at September 30, 2021:

September 30, 2021	Assets (Liabilities)			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	118,431	-	-	118,431
Total	118,431	-	-	118,431

(d) STRUCTURED ENTITIES

As at September 30, 2021, the Fund did not have any investments in structured entities.

Statements of Financial Position

As at September 30,	2021	2020
Assets		
Current Assets		
Cash and cash equivalents	\$ 549,881	\$ 258,933
Margin accounts (note 11)	3,724	-
Subscriptions receivable	48,019	-
Receivable for investments sold	133,617	-
Dividends receivable	5,996	702
Investments (note 5)	2,574,182	211,436
	<u>3,315,419</u>	<u>471,071</u>
Liabilities		
Current Liabilities		
Management fees payable	3,247	458
Expenses payable	1,479	211
Redemptions payable	770	-
Payable for investments purchased	133,573	-
	<u>139,069</u>	<u>669</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 3,176,350</u>	<u>\$ 470,402</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	1,092,600	159,807
Series F	2,083,750	310,595
	<u>\$ 3,176,350</u>	<u>\$ 470,402</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	89,743	16,296
Series F	168,435	31,519
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	\$ 12.17	\$ 9.81
Series F	\$ 12.37	\$ 9.85

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 years ended September 30,	2021	2020*
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 50,737	\$ 1,400
Interest for distribution purposes	4,694	-
Net realized gain (loss) on investments	159,837	-
Change in unrealized appreciation (depreciation) on investments	89,113	(7,485)
	<u>304,381</u>	<u>(6,085)</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(881)	(371)
Total income (net)	<u>303,500</u>	<u>(6,456)</u>
Expenses		
Unitholder reporting costs	86,126	32,929
Performance fees (note 8)	39,086	491
Management fees (note 8)	26,116	1,624
Audit fees	18,253	16,720
Legal fees	12,960	98
Independent review committee fees	3,396	1,403
Withholding tax expense	2,658	105
Transaction costs	1,780	106
Custodial fees	1,412	109
Minimum Tax	1,236	-
Interest expense and bank charges (note 11)	182	-
Total operating expenses	<u>193,205</u>	<u>53,585</u>
Less: expenses absorbed by Manager	<u>(110,408)</u>	<u>(50,476)</u>
Net operating expenses	<u>82,797</u>	<u>3,109</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 220,703</u>	<u>\$ (9,565)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	\$ 72,106	\$ (3,728)
Series F	\$ 148,597	\$ (5,837)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	\$ 1.15	\$ (0.42)
Series F	\$ 1.36	\$ (0.27)

* From April 17, 2020 (commencement of operations) to September 30, 2020

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

For the years ended September 30,	2021	2020 *
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period		
Series A	\$ 159,807	\$ -
Series F	310,595	-
	<u>470,402</u>	<u>-</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	72,106	(3,728)
Series F	148,597	(5,837)
	<u>220,703</u>	<u>(9,565)</u>
Distributions to Holders of Redeemable Units		
From net realized gains on investments		
Series A	(2,558)	-
Series F	(5,020)	-
Net Decrease from Distributions to Holders of Redeemable Units	<u>(7,578)</u>	<u>-</u>
Redeemable Unit Transactions		
Proceeds from redeemable units issued		
Series A	1,061,974	163,535
Series F	2,151,758	316,432
	<u>3,213,732</u>	<u>479,967</u>
Reinvestments of distributions		
Series A	2,558	-
Series F	4,873	-
	<u>7,431</u>	<u>-</u>
Redemptions of redeemable units		
Series A	(201,287)	-
Series F	(527,053)	-
	<u>(728,340)</u>	<u>-</u>
Net Increase (Decrease) from Redeemable Unit Transactions	<u>2,492,823</u>	<u>479,967</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period		
Series A	1,092,600	159,807
Series F	2,083,750	310,595
	<u>\$ 3,176,350</u>	<u>\$ 470,402</u>

* From April 17, 2020 (commencement of operations) to September 30, 2020

Statements of Cash Flows

For the years ended September 30,	2021	2020*
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 220,703	\$ (9,565)
Adjustments for:		
Net realized (gain) loss on investments	(159,837)	-
Change in unrealized (appreciation) depreciation on investments	(89,113)	7,485
Unrealized foreign exchange (gain) loss on cash	(44)	-
(Increase) decrease in dividends receivable	(5,294)	(702)
Increase (decrease) in management fees and expenses payable	4,057	669
Purchase of investments	(2,618,637)	(218,921)
Proceeds from sale of investments	504,797	-
Net Cash Generated (Used) by Operating Activities	(2,143,368)	(221,034)
Cash Flows from Financing Activities		
Change in margin cash	(3,724)	-
Distributions to holders of redeemable units, net of reinvested distributions	(147)	-
Proceeds from redeemable units issued (note 3)	3,053,489	479,967
Amount paid on redemption of redeemable units (note 3)	(615,346)	-
Net Cash Generated (Used) by Financing Activities	2,434,272	479,967
Net increase (decrease) in cash and cash equivalents	290,904	258,933
Unrealized foreign exchange gain (loss) on cash	44	-
Cash and cash equivalents - beginning of period	258,933	-
Cash and cash equivalents - end of period	549,881	258,933
Cash and cash equivalents comprise:		
Cash at bank	\$ 549,881	\$ 258,933
From Operating Activities:		
Interest received, net of withholding tax	\$ 4,694	\$ -
Dividends received, net of withholding tax	\$ 42,785	\$ 593
From Financing Activities:		
Interest paid	\$ (135)	\$ -

* From April 17, 2020 (commencement of operations) to September 30, 2020

Schedule of Investment Portfolio

As at September 30, 2021

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Canada				
11,300	Shaw Communications Inc., Class B	\$ 391,807	\$ 416,066	
6,700	TC Energy Corp	357,649	408,432	
		<u>749,456</u>	<u>824,498</u>	<u>26.0%</u>
Japan				
10,300	SoftBank Group Corp.	438,293	378,855	11.9%
United Kingdom				
20,000	Vodafone Group PLC	421,284	391,380	12.3%
United States				
13,000	Altice USA, Inc.	316,803	341,172	
3,480	Citigroup Inc.	264,004	309,337	
1,937	General Electric Company	250,246	252,774	
1,160	The Bank of New York Mellon Corporation	53,787	76,166	
		<u>884,840</u>	<u>979,449</u>	<u>30.8%</u>
	Total investment portfolio	2,493,873	2,574,182	81.0%
	Transaction costs	(1,319)	-	-
		<u>\$ 2,492,554</u>	<u>2,574,182</u>	<u>81.0%</u>
	Other assets less liabilities		602,168	19.0%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 3,176,350</u>	<u>100.0%</u>

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Fund may borrow on margin for the purposes of making investments. Collateral in the form of securities is required to secure the borrowing. Securities pledged as collateral have not been offset against the borrowing but are presented separately on the statements of financial position as investments that are pledged as collateral. The broker holding the collateral has the right to sell or re-pledge such securities in order to pay back the loan. However, the Fund does not have the right of offset. For the year ended September 30, 2021, the maximum borrowing in the Fund was \$20,010 and there was no borrowing as at September 30, 2021. For the period ending September 30, 2020, there was no borrowing in the Fund.

(b) RISK MANAGEMENT

Please see note 5 for a description of the various financial risks detailed below.

Price Risk

The Manager moderates price risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

If the price of investments held by the Fund on September 30, 2021 had been higher or lower by 10%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$257,418 (September 30, 2020: \$21,144). 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, 2021 and September 30, 2020.

By Geographic Region	September 30, 2021	September 30, 2020
United States	30.8%	22.2%
Canada	26.0%	17.5%
Cash & Other Net Assets (Liabilities)	19.0%	55.1%
United Kingdom	12.3%	-
Japan	11.9%	5.2%
Total	100.0%	100.0%

By Industry Sector	September 30, 2021	September 30, 2020
Communication Services	48.0%	9.1%
Cash & Other Net Assets (Liabilities)	19.0%	55.1%
Energy	12.9%	-
Financials	12.1%	18.3%
Industrials	8.0%	-
Real Estate	-	17.5%
Total	100.0%	100%

Currency Risk

The tables below indicate the foreign currencies to which the Fund had significant exposure as at September 30, 2021 and September 30, 2020 in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

September 30, 2021	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Unites States Dollar	3,842	1,749,684	1,753,526	384	174,968	175,352
Total	3,842	1,749,684	1,753,526	384	174,968	175,352
% of net assets attributable to holders of redeemable units	0.1%	55.1%	55.2%	-	5.5%	5.5%

September 30, 2020	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Unites States Dollar	692	129,213	129,905	69	12,921	12,990
Total	692	129,213	129,905	69	12,921	12,990
% of net assets attributable to holders of redeemable units	0.1%	27.5%	27.6%	-	2.7%	2.7%

Interest Rate Risk

As at September 30, 2021 and September 30, 2020, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at September 30, 2021 and September 30, 2020, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

The Fund is exposed to liquidity risk on its obligations associated with financial liabilities.

The liquidity risk associated with issued redeemable units is managed by investing in a portfolio of highly liquid equity securities. Redeemable units are redeemed on demand at the holder's option. All other obligations were due within three months from the financial reporting date.

Leverage Risk

As at September 30, 2021 and September 30, 2020, the Fund did not have significant direct exposure to leverage risk as borrowing was nil.

(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, 2021 and September 30, 2020:

September 30, 2021	Assets (Liabilities)			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	2,574,182	-	-	2,574,182
Total	2,574,182	-	-	2,574,182

September 30, 2020	Assets (Liabilities)			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	211,436	-	-	211,436
Total	211,436	-	-	211,436

(d) STRUCTURED ENTITIES

As at September 30, 2021 and September 30, 2020, the Fund did not have any investments in structured entities.

1. GENERAL INFORMATION

(a) Portland 15 of 15 Alternative Fund, Portland Global Alternative Fund, Portland Life Sciences Alternative Fund and Portland North American Alternative Fund (each a Fund and collectively referred to as the Funds) are open-ended alternative 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 14, 2021, as may be amended from time to time (the Prospectus). The formation date of the Funds and commencement of operations dates of each series of the Funds are as follows:

Name of Fund	Formation Date of Fund	Commencement of Operations	
		Series A	Series F
Portland 15 of 15 Alternative Fund (note 1(b))	April 27, 2007	May 29, 2014	May 29, 2014
Portland Global Alternative Fund (note 1 (c))	June 25, 2007	December 17, 2013	December 17, 2013
Portland Life Sciences Alternative Fund	March 4, 2021	April 15, 2021	April 15, 2021
Portland North American Alternative Fund	April 17, 2020	April 17, 2020	April 17, 2020

Portland Investment Counsel Inc. (the Manager) is the Investment Fund Manager, Portfolio Manager and Trustee of the Funds. The head office of the Funds is 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7. These financial statements are presented in Canadian dollars and were authorized for issue by the board of directors of the Manager on December 16, 2021. The Funds are authorized to issue an unlimited number of units in an unlimited number of series.

Each Fund is considered an “alternative mutual fund” according to National Instrument 81-102, meaning it is permitted to use strategies generally prohibited by conventional mutual funds, such as the ability to invest up to 20% of its net asset value (NAV) in securities of a single issuer (rather than 10% for conventional mutual funds); the ability to invest up to 100% or more of its NAV in physical commodities either directly or through the use of specified derivatives; borrow, up to 50% of its NAV, cash to use for investment purposes; sell, up to 50% of its NAV, securities short (the combined level of cash borrowing and short selling is limited to 50% in aggregate); and aggregate exposure up to 300% of its NAV. The following table presents the investment objective of each Fund.

Name of Fund	Investment Objective
Portland 15 of 15 Alternative Fund	Provide positive long-term total returns by investing primarily in a portfolio of global equities and debt-like securities. In selecting its investment, the Fund considers 15 principles/attributes, which the Manager believes, will result in successful wealth creation.
Portland Global Alternative Fund	Provide positive long-term total returns consisting of both income and capital gains by investing primarily in a portfolio of global equities and debt-like securities.
Portland Life Sciences Alternative Fund	Provide positive long-term total returns by investing primarily in a portfolio of securities focused on companies active in the healthcare sector.
Portland North American Alternative Fund	Achieve, over the long-term, preservation of capital and a satisfactory return through focused investing in long security positions.

The statements of financial position of the Funds are as at September 30, 2021 and September 30, 2020, as applicable. 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, 2021 and September 30, 2020, as applicable, 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 schedule of investment portfolio is as at September 30, 2021.

(b) On April 20, 2020, the Series A2 Units of Portland Global Dividend Fund were merged into Series A Units of Portland Global Dividend Fund and Portland Advantage Fund, Portland Value Fund and Portland 15 of 15 Fund (collectively the Terminated Funds) were merged into Portland Global Dividend Fund, which was then converted to an alternative mutual fund, and renamed Portland 15 of 15 Alternative Fund (the Continuing Fund). The Continuing Fund acquired all of the assets and assumed all of the liabilities of the Terminated Funds in exchange for units of the Continuing Fund. The financial statements of the Continuing Fund include the results of operations of the Terminated Funds from the date of the merger. In addition, effective April 20, 2020, the management fees decreased from 2.00% and 1.00% to 1.75% and 0.75% on Series A and Series F, respectively. The exchange ratios, total number of units issued by the Continuing Fund and the NAV acquired are summarized below:

Merging Fund	Exchange Ratio	Continuing Fund	Number of Units Issued	Net Asset Value Acquired (\$)
Portland Advantage Fund		Portland 15 of 15 Alternative Fund		1,593,513
Series A	0.9968	Series A	164,321	
Series F	0.9835	Series F	75,513	
Portland Value Fund		Portland 15 of 15 Alternative Fund		352,879
Series A	0.7892	Series A	15,259	
Series F	0.7481	Series F	36,615	
Portland 15 of 15 Fund		Portland 15 of 15 Alternative Fund		999,855
Series A	1.4494	Series A	139,032	
Series F	1.3999	Series F	13,555	

(c) On April 20, 2020, the Series A2 Units of Portland Global Banks Funds were merged into Series A Units of Portland Global Bank Fund. In addition, effective April 20, 2020, the management fees decreased from 2.00% and 1.00% to 1.75% and 0.75% on Series A and Series F, respectively and the Fund was converted to an alternative mutual fund and been renamed Portland Global Alternative Fund.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(a) Classification

The Funds classify financial assets based on the business model used for managing such financial assets and the contractual cash flow characteristics of those financial assets. Each Fund may be divided into sub-portfolios that have different business models. Where contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI test), the financial asset will be classified as a financial asset at amortized cost.

The Funds classify their investment in equities, fixed income securities and derivatives as financial assets or financial liabilities at FVTPL. The Funds' obligation for net assets attributable to holders of redeemable units does not meet the criteria for equity treatment and therefore is presented as a liability on the statement of financial position. The Funds have elected to classify their obligations for net assets attributable to holders of redeemable units as financial liabilities at FVTPL.

All remaining assets and liabilities of the Funds are classified as amortized cost and are reflected at the amount required to be paid, discounted to reflect the time value of money when appropriate.

The Funds accounting policies for measuring the fair value of its investments and derivatives are similar to those used in measuring its 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 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 are initially recognized at fair value. Transaction costs incurred to acquire financial assets at FVTPL are expensed as incurred in the statements of comprehensive income. Subsequent to initial recognition, all financial assets and liabilities at FVTPL are measured at fair value. Unrealized gains and losses arising from changes in fair value of the FVTPL category are presented in the statements of comprehensive income within 'Change in unrealized appreciation (depreciation) on investments' or if the Fund holds investments including options, forward currency contracts or other derivatives, under 'Change in unrealized appreciation (depreciation) on investments and derivatives' in the period in which they arise. Financial assets at amortized cost are subsequently measured at amortized cost, less any impairment losses. Transaction costs incurred on financial assets or liabilities at amortized cost are amortized over the life of the asset or liability.

Financial assets are de-recognized when the rights to receive cash flows 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 (for financial assets at FVTPL) or the amortized cost (for financial assets at amortized cost) is included within 'Net realized gain (loss) on investments' or 'Net realized gain (loss) on investments and options' in the statements of comprehensive income.

Amounts receivable or payable with respect to derivative transactions, including premiums or discounts received or paid, are included in the statements of financial position under 'Derivative assets' or 'Derivative liabilities'.

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.

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 provided by independent security pricing services.

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 statements of comprehensive income in 'Change in unrealized appreciation (depreciation) of the investments' or 'Change in unrealized appreciation (depreciation) on investments and derivatives'.

Revenue recognition

'Interest for distribution purposes' shown on the statements of comprehensive income represents the stated rate of interest earned by the Funds on fixed income securities accounted for on an accrual basis, as applicable. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities other than zero coupon debt securities. Interest receivable is shown separately in the statements 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 statements 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 statements of comprehensive income within 'Net realized gain (loss) on forward 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) on 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. Where cash and cash equivalents are in net bank overdraft positions, these are presented as current liabilities in the statements of financial position.

Cost of investments

The cost of investments represents the cost for each security 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. 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 the Fund's NAV per unit at the time of issue or redemption. The NAV per unit is 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, performance fees and other operating expenses, are recorded on an accrual basis. Interest charged on margin borrowing is 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.

Distributions 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 taxes. 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.

Management fee distributions are accounted for as distributions for financial reporting purposes and reinvested in additional units of the same series of a Fund. Management fee distributions are paid first out of net income or net realized capital gains and, thereafter, out of capital.

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 as collateral' if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral.

Allocation of non-cash items on the statement of cash flows

The Funds include only the net cash flow impact and do not include non-cash switches between series of a Fund that occurred during the period in 'Proceeds from redeemable units issued' or 'Amount paid on redemption of redeemable units'. The below non-cash switches have been excluded from each Fund's operation and financing activities on the statements of cash flows for the years ended September 30, 2021 and September 30, 2020. There are no non-cash switches excluded from Portland Life Sciences Alternative Fund's operation and financing activities on the statements of cash flows for the years ended September 30, 2021 and September 30, 2020.

	September 30, 2021 (\$)	September 30, 2020 (\$)
Portland 15 of 15 Alternative Fund	95,947	1,599,055
Portland Global Alternative Fund	-	2,376,644
Portland North American Alternative Fund	112,224	-

Future accounting changes

New standards, amendments and interpretations effective after January 1, 2021 and that have not been early adopted

There are no new accounting standards effective after January 1, 2021, which affect the accounting policies of the Funds.

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.

Fair value of securities not quoted in an active market

The fair value of such securities not quoted in an active market may be determined by the Funds using reputable pricing sources (such as pricing agencies) or indicative prices. Such values may be indicative and not executable or binding. The Funds would exercise judgement and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Funds may value positions using their own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The inputs into these models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The determination of what constitutes 'observable' requires significant judgment by the Funds. The Funds consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

COVID-19

While the precise impact of the recent novel coronavirus COVID-19 outbreak remains unknown, it has introduced uncertainty and volatility in global markets and economies, resulting in an economic slowdown. This is a continuing situation and might impact the Fund's ability to generate income and charge related parties for reimbursement of expenses. Currently, it is unknown as to the impact on the Fund's receivables and investments if COVID-19 persists for an extended period. The Fund may incur reductions in revenue relating to such events outside of their control, which could have a material adverse impact on the Fund's business, operating results, revenues and financial condition. The Manager continues to assess the impact of COVID-19 on its investments. No adjustments have been reflected in the financial statements at this time.

5. FINANCIAL INSTRUMENTS

(a) Risk Management

The Funds' investment activities may be exposed to various financial risks, including market risk (which includes price risk, currency risk and interest rate risk), concentration 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.

Leverage risk

When a Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed-income securities or other portfolio assets, leverage may be introduced into each Fund. Leverage occurs when a Fund borrows to invest or when a Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently, any adverse change in the value or level of the Fund's investments, or of the underlying assets, rate or index to which the Fund's investments relate, may amplify losses compared to those that would have been incurred if the Fund had not borrowed to invest or if the underlying asset had been directly held by a Fund. This may result in losses greater than if the Fund had not borrowed to invest, or, in the case of derivatives, losses greater than the amount invested in the derivative itself. The Funds may borrow, up to 50% of their NAV, cash to use for investment purposes and are subject to an aggregate exposure limit of 300% of their net asset values. The Fund pledges securities as collateral and is able to borrow up to limits imposed by the broker it has pledged the collateral to. The amount of borrowing allowed by the broker depends on the nature of the securities pledged. The Fund pays interest on the amounts borrowed. Interest is accrued daily and paid monthly.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, asset type or industry sector. The Funds are subject to increased concentration risk as they are permitted to invest up to 20% of their NAV in the securities of a single issuer.

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 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 non-Canadian dollar currency exposure or the non-Canadian currency exposure of the issuers whose securities comprise the 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.

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 will fluctuate due to changes in market interest rates.

Credit risk

Credit risk is the risk that the issuer of a debt security (including preferred shares) or counterparty to a financial instrument will fail to pay the interest or to repay the principal or discharge an obligation of a commitment that it has entered into with the Fund.

All transactions in listed securities are executed with approved brokers. The risk of default is considered minimal, as delivery of all securities sold is only made once the broker has received payment.

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, the Funds may borrow, up to 50% of their NAV, cash to use for investment purposes and are subject to an aggregate exposure limit of 300% of their net asset values. The Funds may not invest more than 20% of its net assets at the time of purchase in securities of a single issuer nor invest in more than 10% of any issuer's outstanding voting securities at the time of purchase.

(b) 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. 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. 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.

6. REDEEMABLE UNITS

The Funds are permitted to issue an unlimited number of series of units, having such terms and conditions as the Manager may determine. Additional series may be offered in the future on different terms. Each unit of a series represents an undivided ownership interest in the net assets of the 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.

NOTES TO THE FINANCIAL STATEMENTS

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 are available to all investors.

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.

Series O Units are available to certain institutional investors. The Funds have not yet issued any Series O Units.

The number of units issued and outstanding for the years ended September 30, 2021 and September 30, 2020 were as follows:

September 30, 2021	Beginning Balance	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches from Other Series	Ending Balance	Weighted Average Number of Units
Portland 15 of 15 Alternative Fund						
Series A Units	851,881	787,696	-	81,006	1,558,571	1,232,896
Series F Units	236,257	541,962	-	38,520	739,699	548,487
Portland Global Alternative Fund						
Series A Units	301,470	-	-	82,141	219,329	250,696
Series F Units	14,363	-	-	6,601	7,762	10,077
Portland Life Sciences Alternative Fund						
Series A Units	-	41,830	-	-	41,830	7,271
Series F Units	-	14,942	-	-	14,942	12,514
Portland North American Alternative Fund						
Series A Units	16,296	89,852	229	16,634	89,743	62,694
Series F Units	31,519	178,845	433	42,362	168,435	109,212

September 30, 2020	Beginning Balance	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches from Other Series	Ending Balance	Weighted Average Number of Units
Portland 15 of 15 Alternative Fund						
Series A Units	11,979	880,302	262	40,662	851,881	351,146
Series A2 Units (note 1 (b))	289,783	-	8,936	298,719	-	268,294
Series F Units	30,526	223,063	557	17,889	236,257	109,088
Portland Global Alternative Fund						
Series A Units	26,623	310,038	690	35,881	301,470	156,953
Series A2 Units (note 1 (c))	347,473	164	9,415	357,052	-	322,595
Series F Units	19,155	747	379	5,918	14,363	16,496
Portland North American Alternative Fund						
Series A Units	-	16,296	-	-	16,296	8,897
Series F Units	-	31,519	-	-	31,519	21,799

7. TAXATION

Portland 15 of 15 Alternative Fund, Portland Global Alternative Fund, and Portland North American Alternative Fund qualify as mutual fund trusts within the meaning of the Income Tax Act (Canada) (the Tax Act).

Portland Life Sciences Alternative Fund (the Unit Trust) has registered investment status and will qualify as a mutual fund trust once it has 150 qualifying unitholders. The Unit Trust could be subject to a 40% tax under Part XII.2 of the Tax Act and may incur Minimum Tax as defined in the Tax Act. 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 Unit Trust will be liable for tax under Part X.2 of the Tax Act if, at the end of any month, the Unit Trust holds property that is not a "qualified investment" for an RRSP, RRIF or DPSP.

The Funds calculate taxable and net capital gains/(losses) in accordance with the Tax Act and intend to distribute sufficient net income and net realized capital gains, if any, to ensure they do not pay ordinary income tax. 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, if any, has not been reflected in the statements of financial position as a deferred income tax asset.

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 for the Unit Trust, which has taxation year-end of December 31.

The following chart presents the amount of non-capital loss carry forwards available to the Funds by year of expiry. There is no non-capital loss carry forwards for Portland Life Sciences Alternative Fund and Portland North American Alternative Fund.

	2030 (\$)	2032 (\$)	2033 (\$)	2035 (\$)	2038 (\$)	2039 (\$)	2040 (\$)	Total (\$)
Portland 15 of 15 Alternative Fund	-	-	-	-	-	-	224,947	224,947
Portland Global Alternative Fund	56,541	1,913	336,358	56,124	15,344	-	31,351	497,631

The following chart presents the amount of unused gross capital losses which can be carried forward indefinitely by the Funds. There is no unused gross capital losses for Portland Life Sciences Alternative Fund and Portland North American Alternative Fund.

	Total (\$)
Portland 15 of 15 Alternative Fund	26,620,208
Portland Global Alternative Fund	160,415,312

8. MANAGEMENT FEES, PERFORMANCE 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 average daily 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 F Units
Portland 15 of 15 Alternative Fund	1.75%	0.75%
Portland Global Alternative Fund	1.75%	0.75%
Portland Life Sciences Alternative Fund	1.75%	0.75%
Portland North American Alternative Fund	1.75%	0.75%

Management fees on Series O Units are negotiated with the Manager. Such fees are paid directly to the Manager and are not deducted from the NAV of Series O.

Prior to April 20, 2020, the Manager offered a reduced management fee to selected unitholders who invest significant assets in the Funds or who have a certain account type such as a managed account. The reduced management fee is achieved by reducing the management fee charged by the Manager to a Fund based on the NAV of the units held by such unitholder and the Fund distributing the amount of the reduction as a special distribution to the particular unitholder (a management fee distribution), which is reinvested in additional units of the same series of a Fund.

The Manager is entitled to receive a performance fee (Performance Fee), calculated and accrued on each business day for each series of units and paid monthly. The Performance Fee is equal to: (a) 10% of the amount by which the NAV of the series of units on that business day (including the effect of any declared distributions on said business day and adjusted to exclude the accrual of the Performance Fee) exceeds the High Water Mark (as defined below); multiplied by (b) the number of units of that series outstanding on such business day, prior to giving effect to subscriptions, redemptions and distributions re-invested on such date. For each series of units that is subject to a Performance Fee, a high water mark (High Water Mark) will be calculated for use in the determination of the Performance Fee. The highest NAV on the last business day of the month (minus the effect of any declared distributions since the business day at which the last Performance Fee became payable) for each series of units, upon which a Performance Fee was paid, establishes a High Water Mark for each series of units which must be exceeded subsequently for the Performance Fee applicable to each series of units to be payable. At the inception of each series of a Fund to which a Performance Fee may be applicable, the High Water Mark will be the initial NAV of the series of units. Performance Fees will be accrued daily such that the NAV reflects such accrual. A separate Performance Fee is calculated for each series of units offered by a Fund.

Certain Funds may invest in mutual funds, investment funds and ETFs (collectively referred to as an Underlying Fund), and the Underlying Fund may pay a management fee and other expenses in addition to the expenses payable by the Fund. The Fund will not pay a management fee on the portion of its assets that it invests in the Underlying Fund that, to a reasonable person, would duplicate a management fee payable by the Underlying Fund for the same service.

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 costs of financial reporting, and all related sales taxes. 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 operating expenses of the Funds at its discretion but is under no obligation to do so.

All management fees, Performance Fees and operating expenses payable by the Funds to the Manager are subject to GST and/or HST as applicable and will be deducted as an expense of the applicable series of units in the calculation of the NAV of such series of units.

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 execute 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).

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 years ended September 30, 2021 and September 30, 2020 are presented in the table below. There was no ascertainable value of the third party soft dollar arrangements in connection with portfolio transactions for Portland North American Alternative Fund for the years ended September 30, 2021 and September 30, 2020.

	September 30, 2021 (\$)	September 30, 2020 (\$)
Portland 15 of 15 Alternative Fund	267	485
Portland Global Alternative Fund	69	565
Portland Life Sciences Alternative Fund	8	-

10. RELATED PARTY TRANSACTIONS

The following tables outline the management fees, Performance Fees and operating expense reimbursements that were paid to the Manager by the Funds during the years ended September 30, 2021 and September 30, 2020. 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.

September 30, 2021	Management Fees (\$)	Performance Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland 15 of 15 Alternative Fund	206,423	357,294	72,887	37,636	775
Portland Global Alternative Fund	36,482	36,519	10,768	158,923	775
Portland Life Sciences Alternative Fund	1,016	669	457	50,022	-
Portland North American Alternative Fund	23,118	34,599	10,391	97,734	775

September 30, 2020	Management Fees (\$)	Performance Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland 15 of 15 Alternative Fund	68,346	57,216	21,481	81,665	707
Portland Global Alternative Fund	53,675	3,569	15,642	138,700	708
Portland North American Alternative Fund	1,438	436	692	44,686	-

The Funds owed the following amounts to the Manager excluding applicable GST or HST:

As at September 30, 2021	Management Fees (\$)	Performance Fees (\$)	Operating Expense Reimbursement (\$)
Portland 15 of 15 Alternative Fund	23,089	-	8,286
Portland Global Alternative Fund	2,906	-	848
Portland Life Sciences Alternative Fund	470	-	164
Portland North American Alternative Fund	2,873	-	1,305

As at September 30, 2020	Management Fees (\$)	Performance Fees (\$)	Operating Expense Reimbursement (\$)
Portland 15 of 15 Alternative Fund	9,439	4,685	3,139
Portland Global Alternative Fund	3,410	1,456	1,003
Portland North American Alternative Fund	406	-	186

The Manager and/or its affiliates and key management personnel of the Manager and their family (collectively referred to as Related Parties) may invest in units of the Funds from time to time in the normal course of business. The following table presents the number of shares of each of the Funds held by the Related Parties on each reporting date.

	September 30, 2021	September 30, 2020
Portland 15 of 15 Alternative Fund	98,249	96,034
Portland Global Alternative Fund	2,132	2,132
Portland Life Sciences Alternative Fund	15,000	-
Portland North American Alternative Fund	325	15,000

11. BROKERAGE FACILITY

The Funds have a Settlement Services Agreement with RBC Dominion Securities Inc. (RBCDS), and have placed securities and cash on account with RBCDS as collateral for their option writing strategy and/or borrowing. Such 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'. 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.

During the year, Portland Global Alternative Fund and Portland North American Alternative Fund made use of borrowings denominated in Canadian and/or U.S. dollars. The rate of interest payable on borrowed money in Canadian dollars is the 3-month Canadian Dealer Offered Rate + 50bps and in U.S. dollars is the OBFR (Overnight Bank Funding Rate) + 60bps. The facility is repayable upon demand.

The amount borrowed as at September 30, 2021, the minimum and maximum amounts borrowed and the amount of interest paid during the year ended September 30, 2021 are presented below. There was no borrowing for the Funds as at September 30, 2020.

September 30, 2021	Amount Borrowed (\$)	Minimum Amount Borrowed (\$)	Maximum Amount Borrowed (\$)	Interest Incurred (\$)
Portland Global Alternative Fund	334,265	-	632,635	3,076
Portland North American Alternative Fund	-	-	20,010	139

12. RECONCILIATION OF NAV PER UNIT AND NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT

The NAV per unit of the Funds may be higher than the net assets attributable to holders of redeemable units per unit because of the difference in the date of the month end NAV and financial statement date. As a result, the NAV per unit is higher than net assets attributable to holders of redeemable units per unit. As at September 30, 2021 and September 30, 2020, 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.



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