



**PORTLAND**  
INVESTMENT COUNSEL®

PORTLAND MUTUAL FUNDS  
**INTERIM FINANCIAL REPORT**

MARCH 31, 2016

# PORTLAND MUTUAL FUNDS INTERIM FINANCIAL REPORT

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## Chairman's Message

"To invest successfully over a lifetime does not require a stratospheric IQ, unusual business insights, or inside information. What's needed is a sound intellectual framework for making decisions and the ability to keep emotions from corroding that framework."<sup>1</sup> Warren Buffett

Recent market volatility has, once again, tested the emotional control of investors. Consider the following data from September 30, 2015 to March 31, 2016:

	6 Month Low (% Change from Sept. 30, 2015)	6 Month High (% Change from Sept. 30, 2015)	As at Mar. 31, 2016 (% Change from Sept. 30, 2015)	As at Mar. 31, 2016 (% Change from low)	Swing between High and Low (relative to Sept. 30, 2015)	Swing between High and Low (relative to Low point)
S&P 500 Composite Price Index	-4.7%	9.9%	7.3%	12.6%	14.6%	15.3%
S&P/TSX Composite Price Index	-11.0%	5.0%	1.4%	13.9%	16.0%	18.0%
Canadian to USD Exchange Rate	-8.5%	3.7%	2.4%	12.0%	12.2%	13.4%
West Texas Intermediate (WTI)	-41.9%	9.6%	-15.0%	46.3%	51.5%	88.6%
Berkshire Hathaway Inc. 'A'	-4.2%	9.6%	9.3%	14.1%	13.8%	14.5%

Sourced from Thomson Reuters, over the 6 month period ending March 31, 2016, the S&P/TSX Composite Price Index barely changed finishing the period approximately 1% higher than it started. However, the swing from low to high during the same period was approximately 18%. The price of oil, as represented by the WTI price, had a swing of approximately 89% from low to high and finished the period down approximately 15%. The Canadian dollar depreciated against the US dollar by approximately 9% at its low during the period but finished the period up approximately 2% since September 30, 2015.

Most investors don't have a framework and succumb to the emotion during periods of volatility and sell at the lows and buy back the highs. In other words, they would have been prone to sell when the S&P/TSX Composite Price Index was down by 11%, only to miss most of the recovery before buying back in.

Borrowing once again from Mr. Buffett, to fully capitalize on volatility, one must be fearful when others are greedy and greedy when others are fearful. The investor who had the intelligence, emotional control and courage to do that optimally could have realized a gain on the swing between the low of the period and the high of the period. But, timing the market is difficult and most don't get it right. In other words, it is theoretically optimal but practically difficult.

In our experience, a framework of buying and holding quality businesses in enduring growth industries that one understands is easier to adhere to during times of volatility and, therefore, provides a practical framework for creating wealth. At Portland Investment Counsel, we remain committed to doing our very best to demonstrate the discipline of adherence to a framework of investing in a few quality businesses in enduring growth sectors that we understand and holding them for the long-term.

### *"Michael Lee-Chin"*

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

<sup>1</sup>Preface to the 4th Edition by Warren Buffett, *The Intelligent Investor*, Benjamin Graham

## Management's Responsibility for Financial Reporting

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

*"Michael Lee-Chin"*

**Michael Lee-Chin,  
Director  
May 16, 2016**

*"Robert Almeida"*

**Robert Almeida,  
Director  
May 16, 2016**

These financial statements have not been reviewed by an independent auditor.

## Statements of Financial Position (Unaudited)

	As at March 31, 2016	As at September 30, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 138,833	\$ 16,134
Subscriptions receivable	1,868	37,118
Dividends receivable	12,833	14,885
Receivable for investments sold	41,354	-
Investments (note 5)	5,945,573	5,076,016
	<u>6,140,461</u>	<u>5,144,153</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	7,659	7,028
Expenses payable	2,917	2,436
Redemptions payable	-	7,017
Payable for investments purchased	50,460	-
	<u>61,036</u>	<u>16,481</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 6,079,425</u>	<u>\$ 5,127,672</u>
Series A	2,923,984	2,617,354
Series F	3,153,204	2,504,363
Series G	2,237	5,955
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 6,079,425</u>	<u>\$ 5,127,672</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	249,566	244,347
Series F	262,700	227,399
Series G	206	600
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	11.72	10.71
Series F	12.00	11.01
Series G	10.84	9.92

Approved on behalf of the Trustee, 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 (Unaudited)

for the periods ended March 31	2016	2015
<b>Income</b>		
Net gains (losses) on investments		
Dividends	\$ 86,809	\$ 104,906
Interest for distribution purposes	4,893	701
Net realized gain (loss) on investments	(235,962)	23,229
Change in unrealized appreciation (depreciation) of investments	857,895	97,949
Net gains (losses) on investments	<u>713,635</u>	<u>226,785</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	(2,677)	3,546
<b>Total income (net)</b>	<u>710,958</u>	<u>230,331</u>
<b>Expenses</b>		
Management fees (note 8)	45,083	46,023
Unitholder reporting costs	50,973	45,076
Audit fees	9,621	6,590
Custodial fees	1,099	5,004
Legal fees	3,163	2,788
Independent review committee fees	2,071	2,297
Withholding tax expense	411	1,146
Transaction costs	1,386	2,818
Total operating expenses	<u>113,807</u>	<u>111,742</u>
Less: expenses absorbed by Manager	<u>(51,073)</u>	<u>(46,148)</u>
Net expenses	62,734	65,594
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 648,224</u>	<u>\$ 164,737</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	315,400	60,604
Series F	332,611	103,996
Series G	213	137
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	1.29	0.27
Series F	1.35	0.47
Series G	0.48	0.23

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

## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)

for the periods ended March 31	2016	2015
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Series A	\$ 2,617,354	\$ 2,658,899
Series F	2,504,363	2,022,327
Series G	5,955	6,808
	<u>5,127,672</u>	<u>4,688,034</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Series A	315,400	60,604
Series F	332,611	103,996
Series G	213	137
	<u>648,224</u>	<u>164,737</u>
<b>Distributions to Holders of Redeemable Units</b>		
From net investment income:		
Series A	(65,470)	-
Series F	(101,471)	(15,285)
Series G	(163)	-
	<u>(167,104)</u>	<u>(15,285)</u>
From capital gains:		
Series A	-	(838)
Series F	-	(892)
Series G	-	(2)
	<u>-</u>	<u>(1,732)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Series A	177,109	784,527
Series F	369,542	1,004,533
Series G	2,000	-
	<u>548,651</u>	<u>1,789,060</u>
Reinvestments of distributions to holders of redeemable units		
Series A	64,597	838
Series F	99,835	16,732
Series G	163	2
	<u>164,595</u>	<u>17,572</u>
Redemptions of redeemable units		
Series A	(185,006)	(441,019)
Series F	(51,676)	(137,390)
Series G	(5,931)	-
	<u>(242,613)</u>	<u>(578,409)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>470,633</u>	<u>1,228,223</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	2,923,984	3,063,011
Series F	3,153,204	2,994,021
Series G	2,237	6,945
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 6,079,425</u>	<u>\$ 6,063,977</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31	2016		2015	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	648,224	\$	164,737
Adjustments for:				
Net realized (gain) loss on investments		235,962		(23,229)
Change in unrealized (appreciation) depreciation of investments		(857,895)		(97,949)
Unrealized foreign exchange (gain) loss on cash		33		(3,546)
(Increase) decrease in interest receivable		-		339
(Increase) decrease in dividends receivable		2,052		(8,029)
Increase (decrease) in management fees payable and expenses payable		1,112		11,832
Purchase of investments		(719,138)		(2,446,529)
Proceeds from sale of investments		480,620		486,613
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>(209,030)</b>		<b>(1,915,761)</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(2,509)		1,037
Proceeds from redeemable units issued		583,901		1,849,022
Amount paid on redemption of redeemable units		(249,630)		(578,409)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>331,762</b>		<b>1,271,650</b>
Net increase (decrease) in cash and cash equivalents		122,732		(644,111)
Unrealized foreign exchange gain (loss) on cash		(33)		3,546
Cash and cash equivalents beginning of period		16,134		661,617
<b>Cash and Cash Equivalents End of Period</b>	<b>\$</b>	<b>138,833</b>	<b>\$</b>	<b>21,052</b>
Cash and cash equivalents comprise:				
Cash at bank		138,833		21,052
<b>From operating activities:</b>				
Interest received, net of withholding tax		4,893		1,040
Dividends received, net of withholding tax		88,450		68,475

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



## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2016

No. of Shares/ Units	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>BONDS</b>				
<b>Bermuda</b>				
200,000	Digicel Group Limited 8.250% September 30, 2020	\$ 239,607	\$ 222,736	3.7%
<b>EQUITIES</b>				
<b>Bermuda</b>				
5,730	Brookfield Infrastructure Partners LP	234,402	313,525	
7,325	Brookfield Property Partners LP	165,030	219,677	
9,628	Invesco, Ltd.	358,053	384,759	
		757,485	917,961	15.0%
<b>Canada</b>				
6,869	Bank of Nova Scotia	431,226	435,975	
62,500	Baytex Energy Corporation	514,543	320,625	
5,550	BCE Inc.	271,703	328,504	
12,990	Brookfield Asset Management Inc. Class A	465,872	586,758	
6,071	CI Financial Corporation	196,631	174,238	
29,257	Crescent Point Energy Corp.	727,409	526,041	
9,080	IGM Financial, Inc.	423,392	355,210	
19,382	Northland Power Inc.	326,548	415,162	
4,435	The Toronto-Dominion Bank	219,406	248,626	
		3,576,730	3,391,139	55.8%
<b>Panama</b>				
1,028	Copa Holdings SA Class A	138,064	90,454	1.5%
<b>United Kingdom</b>				
557,200	Cable & Wireless Communications PLC	491,778	800,825	13.2%
<b>United States</b>				
1,075	Berkshire Hathaway Inc. Class B	153,546	198,087	
3,262	Franklin Resources, Inc.	180,750	165,436	
8,000	Hertz Global Holdings, Inc.	230,848	109,407	
1,450	iShares MSCI Brazil Capped ETF	50,460	49,528	
		615,604	522,458	8.6%
	<b>Total equities</b>	5,579,661	5,722,837	94.1%
	Total investment portfolio	5,819,268	5,945,573	97.8%
	Transaction costs	(2,935)	-	-
		\$ 5,816,333	5,945,573	97.8%
	Other assets less liabilities		133,852	2.2%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 6,079,425	100.0%

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	138,833	138,833
Subscription receivable	-	-	1,868	1,868
Receivable for investments sold	-	-	41,354	41,354
Dividends receivable	-	-	12,833	12,833
Investments	-	5,945,573	-	5,945,573
<b>Total</b>	<b>-</b>	<b>5,945,573</b>	<b>194,888</b>	<b>6,140,461</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,659	7,659
Expenses payable	-	-	2,917	2,917
Payable for investments purchased	-	-	50,460	50,460
<b>Total</b>	<b>-</b>	<b>-</b>	<b>61,036</b>	<b>61,036</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2015:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	16,134	16,134
Subscription Receivable	-	-	37,118	37,118
Dividends receivable	-	-	14,885	14,885
Investments	-	5,076,016	-	5,076,016
<b>Total</b>	<b>-</b>	<b>5,076,016</b>	<b>68,137</b>	<b>5,144,153</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,028	7,028
Expenses payable	-	-	2,436	2,436
Redemptions payable	-	-	7,017	7,017
<b>Total</b>	<b>-</b>	<b>-</b>	<b>16,481</b>	<b>16,481</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month periods ended March 31, 2016 and March 31, 2015.

Category	Net gains (losses) (\$)	
	2016	2015
Financial assets at FVTPL		
Held for Trading	-	-
Designated at Inception	713,635	(550,803)
<b>Total financial assets at FVTPL</b>	<b>713,635</b>	<b>(550,803)</b>

**(b) RISK MANAGEMENT****Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2016 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$297,279 (September 30, 2015: \$253,801). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

## Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2016 and September 30, 2015.

By Geographic Region	March 31, 2016	September 30, 2015
Canada	55.8%	57.9%
Bermuda	18.7%	15.1%
United Kingdom	13.2%	12.2%
United States	8.6%	10.4%
Other Net Assets (Liabilities)	2.2%	1.0%
Panama	1.5%	1.1%
Cayman Islands	-	2.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2016	September 30, 2015
Integrated Telecommunication Services	18.6%	12.2%
Asset Management and Custody Banks	17.5%	17.8%
Oil and Gas Exploration and Production	14.0%	12.5%
Diversified Banks	11.3%	12.4%
Diversified Real Estate Activity	9.7%	10.6%
Independent Power Producers and Energy Traders	6.8%	-
Electric Utilities	5.2%	5.5%
Wireless Telecommunication Service	3.7%	-
Real Estate Operating Companies	3.6%	4.1%
Multi-Sector Holdings	3.3%	-
Other Net Assets (Liabilities)	2.2%	1.0%
Trucking	1.8%	3.5%
Airlines	1.5%	-
Exchange Traded Funds	0.8%	0.9%
Regulated Power Generation	-	6.7%
Telecom Carriers	-	5.3%
Property and Casual Insurance	-	2.9%
Real Estate Development	-	2.3%
Integrated Oil and Gas	-	1.2%
Air Freight Transportation	-	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2016 and September 30, 2015, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2016

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	6,499	1,533,931	1,540,430	325	76,697	77,021
British Pound	-	800,826	800,826	-	40,041	40,041
<b>Total</b>	<b>6,499</b>	<b>2,334,757</b>	<b>2,341,256</b>	<b>325</b>	<b>116,738</b>	<b>117,062</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.1%</b>	<b>38.4%</b>	<b>38.5%</b>	<b>0.0%</b>	<b>1.9%</b>	<b>1.9%</b>

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

September 30, 2015

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	8,758	1,273,594	1,282,352	438	63,680	64,118
British Pound	-	625,028	625,028	-	31,251	31,251
<b>Total</b>	<b>8,758</b>	<b>1,898,622</b>	<b>1,907,380</b>	<b>438</b>	<b>94,931</b>	<b>95,369</b>
% of net assets attributable to holders of redeemable units	0.2%	37.0%	37.2%	0.0%	1.9%	1.9%

### Interest Rate Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to credit risk.

### Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, written put options, accrued fees and expenses, payable for securities purchased, distributions payable and borrowings as applicable.

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

As at March 31, 2016 and September 30, 2015, the Fund did not have any borrowings.

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

### (c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2016 and September 30, 2015.

	Assets at fair value as at March 31, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,722,837	-	-	5,722,837
Bonds - Long	-	222,736	-	222,736
<b>Total</b>	<b>5,722,837</b>	<b>222,736</b>	<b>-</b>	<b>5,945,573</b>

	Assets at fair value as at September 30, 2015			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,076,016	-	-	5,076,016
<b>Total</b>	<b>5,076,016</b>	<b>-</b>	<b>-</b>	<b>5,076,016</b>

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

### (d) STRUCTURED ENTITIES

The Fund's investments are summarized below.

	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
<b>March 31, 2016</b>			
iShares MSCI Brazil Capped ETF	49,528	3,701	-
<b>September 30, 2015</b>			
iShares India 50 ETF	44,109	1,109	-

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2016	As at September 30, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 986,606	\$ 363,671
Subscriptions receivable	350	300
Interest receivable	-	48
Dividends receivable	8,867	9,863
Investments (note 5)	3,225,826	3,303,117
	<u>4,221,649</u>	<u>3,676,999</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	6,173	5,847
Expenses payable	1,893	1,670
Redemptions payable	401	401
	<u>8,467</u>	<u>7,918</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 4,213,182</u>	<u>\$ 3,669,081</u>
Series A	2,734,603	2,738,271
Series F	1,477,542	822,922
Series G	1,037	107,888
	<u>\$ 4,213,182</u>	<u>\$ 3,669,081</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	218,477	215,918
Series F	115,405	62,993
Series G	91	9,313
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	12.52	12.68
Series F	12.80	13.06
Series G	11.40	11.58

Approved on behalf of the Trustee, 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 (Unaudited)

for the periods ended March 31	2016	2015
<b>Income</b>		
Net gains (losses) on investments		
Dividends	\$ 65,075	\$ 64,462
Interest for distribution purposes	297	3,821
Net realized gain (loss) on investments	(2,742)	(71,692)
Net realized gain (loss) on forward currency contracts	(6,414)	-
Change in unrealized appreciation (depreciation) of investments	83,631	121,222
Net gains (losses) on investments	<u>139,847</u>	<u>117,813</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	2,487	(1,214)
<b>Total income (net)</b>	<u>142,334</u>	<u>116,599</u>
<b>Expenses</b>		
Management fees (note 8)	35,737	39,246
Unitholder reporting costs	48,290	44,325
Audit fees	9,605	6,590
Custodial fees	310	1,529
Legal fees	2,305	2,788
Independent review committee fees	2,068	2,297
Withholding tax expense	1,446	1,635
Transaction costs	811	1,206
Total operating expenses	<u>100,572</u>	<u>99,616</u>
Less: expenses absorbed by Manager	(52,151)	(45,562)
Net expenses	<u>48,421</u>	<u>54,054</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 93,913</u>	<u>\$ 62,545</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	66,014	37,175
Series F	30,990	23,928
Series G	(3,091)	1,442
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.31	0.17
Series F	0.42	0.22
Series G	(0.41)	0.16

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

## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)

for the periods ended March 31	2016		2015	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	2,738,271	\$	2,419,511
Series F		822,922		1,275,406
Series G		107,888		106,902
		<u>3,669,081</u>		<u>3,801,819</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		66,014		37,175
Series F		30,990		23,928
Series G		(3,091)		1,442
		<u>93,913</u>		<u>62,545</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income:				
Series A		-		-
Series F		(7,303)		-
Series G		-		-
		<u>(7,303)</u>		<u>-</u>
From capital gains:				
Series A		(93,731)		(7,772)
Series F		(38,127)		(4,097)
Series G		(3,552)		(328)
		<u>(135,410)</u>		<u>(12,197)</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		190,977		853,070
Series F		678,639		528,470
Series G		1,001		-
		<u>870,617</u>		<u>1,381,540</u>
Reinvestments of distributions to holders of redeemable units				
Series A		86,726		7,478
Series F		44,820		4,131
Series G		3,552		328
		<u>135,098</u>		<u>11,937</u>
Redemptions of redeemable units				
Series A		(253,654)		(309,267)
Series F		(54,399)		(56,549)
Series G		(104,761)		-
		<u>(412,814)</u>		<u>(365,816)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>592,901</u>		<u>1,027,661</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>				
Series A		2,734,603		3,000,195
Series F		1,477,542		1,771,289
Series G		1,037		108,344
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	\$	<u>4,213,182</u>	\$	<u>4,879,828</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31	2016		2015	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	93,913	\$	62,545
Adjustments for:				
Net realized (gain) loss on investments		2,742		71,692
Change in unrealized (appreciation) depreciation of investments		(83,631)		(121,222)
Unrealized foreign exchange (gain) loss on cash		28		1,214
(Increase) decrease in interest receivable		48		867
(Increase) decrease in dividends receivable		996		(8,790)
Increase (decrease) in management fees payable and expenses payable		549		10,085
Purchase of investments		(1,134,102)		(3,758,172)
Proceeds from sale of investments		1,292,282		1,045,546
<b>Net Cash Generated (Used) by Operating Activities</b>		<u>172,825</u>		<u>(2,696,235)</u>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(7,615)		(224)
Proceeds from redeemable units issued		870,567		1,373,790
Amount paid on redemption of redeemable units		(412,814)		(365,816)
<b>Net Cash Generated (Used) by Financing Activities</b>		<u>450,138</u>		<u>1,007,750</u>
Net increase (decrease) in cash and cash equivalents		622,963		(1,688,485)
Unrealized foreign exchange gain (loss) on cash		(28)		(1,214)
Cash and cash equivalents beginning of period		363,671		1,930,400
<b>Cash and Cash Equivalents End of Period</b>	\$	<u>986,606</u>	\$	<u>240,701</u>
Cash and cash equivalents comprise:				
Cash at bank		586,633		240,701
Short-term investments		399,973		-
	\$	<u>986,606</u>	\$	<u>240,701</u>
<b>From operating activities:</b>				
Interest received, net of withholding tax		345		4,688
Dividends received, net of withholding tax		64,625		54,037

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



## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2016

No. of Shares/Units	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Canada</b>				
3,000	Bank of Montreal	\$ 226,160	\$ 236,610	
5,400	Bank of Nova Scotia	344,403	342,738	
11,000	BMO Short Corporate Bond Index ETF	159,940	160,380	
3,700	Canadian Imperial Bank of Commerce	357,000	358,974	
4,700	Fortis, Inc.	169,153	191,337	
8,500	iShares 1-5 Year Laddered Corporate Bond Index ETF	165,144	162,860	
7,500	National Bank of Canada	335,708	318,675	
4,500	Royal Bank of Canada	353,561	336,735	
5,800	The Toronto-Dominion Bank	301,441	325,148	
6,500	Vanguard Canadian Short-Term Corporate Bond Index ETF	160,550	161,330	
		<u>2,573,060</u>	<u>2,594,787</u>	61.6%
<b>United States</b>				
4,100	Aflac Incorporated	312,259	336,212	
1,600	Berkshire Hathaway Inc. Class B	277,320	294,827	
		<u>589,579</u>	<u>631,039</u>	15.0%
	Total investment portfolio	<u>3,162,639</u>	<u>3,225,826</u>	76.6%
	Transaction costs	(902)	-	-
		<u>\$ 3,161,737</u>	<u>3,225,826</u>	76.6%
	Other assets less liabilities		<u>987,356</u>	23.4%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 4,213,182</u>	100.0%

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	986,606	986,606
Subscription receivable	-	-	350	350
Dividends receivable	-	-	8,867	8,867
Investments	-	3,225,826	-	3,225,826
<b>Total</b>	<b>-</b>	<b>3,225,826</b>	<b>995,823</b>	<b>4,221,649</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	6,173	6,173
Expenses payable	-	-	1,893	1,893
Redemptions payable	-	-	401	401
<b>Total</b>	<b>-</b>	<b>-</b>	<b>8,467</b>	<b>8,467</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2015:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	363,671	363,671
Subscription Receivable	-	-	300	300
Interest receivable	-	-	48	48
Dividends receivable	-	-	9,863	9,863
Investments	-	3,303,117	-	3,303,117
<b>Total</b>	<b>-</b>	<b>3,303,117</b>	<b>373,882</b>	<b>3,676,999</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	5,847	5,847
Expenses payable	-	-	1,670	1,670
Redemptions payable	-	-	401	401
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,918</b>	<b>7,918</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six months ended March 31, 2016 and March 31, 2015.

Category	Net gains (losses) (\$)	
	2016	2015
Financial assets at FVTPL		
Held for Trading	(6,414)	-
Designated at Inception	146,261	117,813
<b>Total</b>	<b>139,847</b>	<b>117,813</b>

**(b) RISK MANAGEMENT****Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2016 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$161,291 (September 30, 2015: \$165,156). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

## Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by industry sector as at March 31, 2016 and September 30, 2015.

By Geographic Region	March 31, 2016	September 30, 2015
Canadian Equity	50.1%	71.0%
Other Net Assets (Liabilities)	23.4%	10.0%
US Equity	15.0%	8.7%
Canadian Fixed Income	11.5%	10.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2016	September 30, 2015
Financials	60.6%	68.1%
Other Net Assets (Liabilities)	23.4%	10.0%
Exchange Traded Funds	11.5%	10.3%
Utilities	4.5%	11.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Currency Risk

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

The Fund has indirect exposure to foreign currencies through its investments in ETFs which may themselves invest in securities that trade in foreign currencies.

The tables below indicate the foreign currencies to which the Fund had significant direct exposure at March 31, 2016 and September 30, 2015, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2016

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	717	631,039	631,756	36	31,552	31,588
<b>Total</b>	<b>717</b>	<b>631,039</b>	<b>631,756</b>	<b>36</b>	<b>31,552</b>	<b>31,588</b>
% of net assets attributable to holders of redeemable units	0.0%	15.0%	15.0%	0.0%	0.7%	0.7%

September 30, 2015

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	319,319	319,319	-	15,966	15,966
<b>Total</b>	<b>-</b>	<b>319,319</b>	<b>319,319</b>	<b>-</b>	<b>15,966</b>	<b>15,966</b>
% of net assets attributable to holders of redeemable units	0.0%	8.7%	8.7%	0.0%	0.4%	0.4%

## Interest Rate Risk

As at March 31, 2016 and September 30, 2015, 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 bond ETFs.

## Credit Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to credit risk. The Fund has indirect exposure to credit risk through its investments in bond ETFs.

## Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, management fee payable, expenses payable, payable for securities purchased, redemptions payable and distributions payable.

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

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

As at March 31, 2016 and September 30, 2015, the Fund did not have any borrowings.

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

### (c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2016 and September 30, 2015.

Assets at fair value as at March 31, 2016				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	3,225,826	-	-	3,225,826
<b>Total</b>	<b>3,225,826</b>	<b>-</b>	<b>-</b>	<b>3,225,826</b>

Assets at fair value as at September 30, 2015				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	3,303,117	-	-	3,303,117
<b>Total</b>	<b>3,303,117</b>	<b>-</b>	<b>-</b>	<b>3,303,117</b>

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

### (d) STRUCTURED ENTITIES

The Fund's investments in ETFs are summarized below.

March 31, 2016	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
BMO Short Corporate Bond Index ETF	160,380	943	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	162,860	2,106	-
Vanguard Canadian Short-Term Corporate Bond Index ETF	161,330	768	-

September 30, 2015	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
BMO Ultra Short-Term Bond ETF	87,504	44	0.2
iShares Core Canadian Short Term Corporate Maple Bond Index ETF	145,706	414	-
iShares Core High Quality Canadian Bond Index ETF	20,880	272	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	96,250	2,293	-
iShares Canadian Corporate Bond Index ETF	21,200	1,581	-
iShares Canadian Universe Bond Index ETF	6,302	1,865	-

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2016	As at September 30, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,517,545	\$ 447,770
Subscriptions receivable	43,942	1,405
Interest receivable	-	48
Dividends receivable	20,502	22,839
Investments (note 5)	6,442,637	6,933,745
	<u>8,024,626</u>	<u>7,405,807</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	7,622	8,032
Expenses payable	3,734	3,418
Redemptions payable	16,925	61,882
	<u>28,281</u>	<u>73,332</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 7,996,345</u>	<u>\$ 7,332,475</u>
Series A	1,626,826	1,652,985
Series F	6,356,219	5,559,835
Series G	13,300	119,655
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 7,996,345</u>	<u>\$ 7,332,475</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	132,575	133,150
Series F	495,147	434,414
Series G	1,110	10,053
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	12.27	12.41
Series F	12.84	12.80
Series G	11.99	11.90

Approved on behalf of the Trustee, 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 (Unaudited)

for the periods ended March 31	2016	2015
<b>Income</b>		
Net gains (losses) on investments		
Dividends	\$ 132,485	\$ 115,316
Interest for distribution purposes	488	8,074
Net realized gain (loss) on investments	99,105	(148,739)
Net realized gain (loss) on forward currency contracts	(2,417)	-
Change in unrealized appreciation (depreciation) of investments	188,067	188,996
Net gains (losses) on investments	<u>417,728</u>	<u>163,647</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	(2,496)	(416)
<b>Total income (net)</b>	<u>415,232</u>	<u>163,231</u>
<b>Expenses</b>		
Management fees (note 8)	47,175	58,751
Unitholder reporting costs	53,339	38,297
Audit fees	9,605	6,590
Custodial fees	1,090	1,456
Legal fees	2,305	2,788
Independent review committee fees	2,068	2,297
Withholding tax expense	1,742	3,053
Transaction costs	795	1,979
Total operating expenses	<u>118,119</u>	<u>115,211</u>
Less: expenses absorbed by Manager	(47,859)	(30,293)
Net expenses	<u>70,260</u>	<u>84,918</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 344,972</u>	<u>\$ 78,313</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	66,796	22,416
Series F	279,962	54,986
Series G	(1,786)	911
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.50	0.10
Series F	0.63	0.15
Series G	(0.22)	0.09

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

## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)

for the periods ended March 31	2016		2015	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	1,652,985	\$	2,626,736
Series F		5,559,835		2,979,696
Series G		119,655		118,641
		<u>7,332,475</u>		<u>5,725,073</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		66,796		22,416
Series F		279,962		54,986
Series G		(1,786)		911
		<u>344,972</u>		<u>78,313</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income:				
Series A		-		-
Series F		(56,594)		(14,414)
Series G		-		(326)
		<u>(56,594)</u>		<u>(14,740)</u>
From capital gains:				
Series A		(80,877)		(11,963)
Series F		(194,611)		(19,064)
Series G		(4,183)		(495)
		<u>(279,671)</u>		<u>(31,522)</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		156,911		501,871
Series F		953,359		2,716,798
Series G		1,000		-
		<u>1,111,270</u>		<u>3,218,669</u>
Reinvestments of distributions to holders of redeemable units				
Series A		80,877		11,963
Series F		249,625		34,352
Series G		4,183		820
		<u>334,685</u>		<u>47,135</u>
Redemptions of redeemable units				
Series A		(249,866)		(509,438)
Series F		(435,357)		(99,834)
Series G		(105,569)		-
		<u>(790,792)</u>		<u>(609,272)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>655,163</u>		<u>2,656,532</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>				
Series A		1,626,826		2,641,585
Series F		6,356,219		5,652,520
Series G		13,300		119,551
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	\$	<u>7,996,345</u>	\$	<u>8,413,656</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31	2016		2015	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	344,972	\$	78,313
Adjustments for:				
Net realized (gain) loss on investments		(99,105)		148,739
Change in unrealized (appreciation) depreciation of investments		(188,067)		(188,996)
Unrealized foreign exchange (gain) loss on cash		9		416
(Increase) decrease in interest receivable		48		1,804
(Increase) decrease in dividends receivable		2,337		(14,250)
Increase (decrease) in management fees payable and expenses payable		(94)		15,243
Purchase of investments		(1,103,974)		(6,166,451)
Proceeds from sale of investments		1,882,254		2,026,460
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>838,380</b>		<b>(4,098,722)</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(1,580)		1,583
Proceeds from redeemable units issued		1,068,733		3,228,619
Amount paid on redemption of redeemable units		(835,749)		(595,586)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>231,404</b>		<b>2,634,616</b>
Net increase (decrease) in cash and cash equivalents		1,069,784		(1,464,106)
Unrealized foreign exchange gain (loss) on cash		(9)		(416)
Cash and cash equivalents beginning of period		447,770		2,223,802
<b>Cash and Cash Equivalents End of Period</b>	<b>\$</b>	<b>1,517,545</b>	<b>\$</b>	<b>759,280</b>
Cash and cash equivalents comprise:				
Cash at bank		617,605		759,280
Short-term investments		899,940		-
	<b>\$</b>	<b>1,517,545</b>	<b>\$</b>	<b>759,280</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax		536		9,878
Dividends received, net of withholding tax		133,080		98,013

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



## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2016

No. of Shares/Units	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Canada</b>				
9,110	Bank of Montreal	\$ 702,281	\$ 718,506	
13,100	Bank of Nova Scotia	835,141	831,457	
9,000	Canadian Imperial Bank of Commerce	875,157	873,180	
9,000	Fortis, Inc.	323,910	366,390	
18,300	National Bank of Canada	809,042	777,567	
10,900	Royal Bank of Canada	851,303	815,647	
13,500	The Toronto-Dominion Bank	703,540	756,810	
		<u>5,100,374</u>	<u>5,139,557</u>	<u>64.3%</u>
<b>United States</b>				
8,700	Aflac Incorporated	662,598	713,427	
3,200	Berkshire Hathaway Inc. Class B	554,639	589,653	
		<u>1,217,237</u>	<u>1,303,080</u>	<u>16.3%</u>
	Total investment portfolio	6,317,611	6,442,637	80.6%
	Transaction costs	(1,366)	-	-
		<u>\$ 6,316,245</u>	<u>6,442,637</u>	<u>80.6%</u>
	Other assets less liabilities		1,553,708	19.4%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 7,996,345</u>	<u>100.0%</u>

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	1,517,545	1,517,545
Subscription receivable	-	-	43,942	43,942
Dividends receivable	-	-	20,502	20,502
Investments	-	6,442,637	-	6,442,637
<b>Total</b>	<b>-</b>	<b>6,442,637</b>	<b>1,581,989</b>	<b>8,024,626</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,622	7,622
Expenses payable	-	-	3,734	3,734
Redemptions payable	-	-	16,925	16,925
<b>Total</b>	<b>-</b>	<b>-</b>	<b>28,281</b>	<b>28,281</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2015:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	447,770	447,770
Subscription Receivable	-	-	1,405	1,405
Interest receivable	-	-	48	48
Dividends receivable	-	-	22,839	22,839
Investments	-	6,933,745	-	6,933,745
<b>Total</b>	<b>-</b>	<b>6,933,745</b>	<b>472,062</b>	<b>7,405,807</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	8,032	8,032
Expenses payable	-	-	3,418	3,418
Redemptions payable	-	-	61,882	61,882
<b>Total</b>	<b>-</b>	<b>-</b>	<b>73,332</b>	<b>73,332</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month periods ended March 31, 2016 and March 31, 2015.

Category	Net gains (losses) (\$)	
	2016	2015
Financial assets at FVTPL		
Held for Trading	(2,417)	-
Designated at Inception	420,145	271,112
<b>Total</b>	<b>417,728</b>	<b>271,112</b>

**(b) RISK MANAGEMENT****Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2016 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$322,132 (September 30, 2015: \$346,687). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

### Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2016 and September 30, 2015.

By Geographic Region	March 31, 2016	September 30, 2015
Canada	64.3%	85.3%
Other Net Assets (Liabilities)	19.4%	5.4%
United States	16.3%	9.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2016	September 30, 2015
Financials	76.0%	81.4%
Other Net Assets (Liabilities)	19.4%	5.4%
Utilities	4.6%	13.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2016 and September 30, 2015, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2016

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	269	1,303,080	1,303,349	13	65,154	65,167
<b>Total</b>	<b>269</b>	<b>1,303,080</b>	<b>1,303,349</b>	<b>13</b>	<b>65,154</b>	<b>65,167</b>
% of net assets attributable to holders of redeemable units	0.0%	16.3%	16.3%	0.0%	0.8%	0.8%

September 30, 2015

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	677,578	677,578	-	33,879	33,879
<b>Total</b>	<b>-</b>	<b>677,578</b>	<b>677,578</b>	<b>-</b>	<b>33,879</b>	<b>33,879</b>
% of net assets attributable to holders of redeemable units	0.0%	9.3%	9.3%	0.0%	0.5%	0.5%

### Interest Rate Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to credit risk.

### Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, accrued fees and expenses, payable for securities purchased, distributions payable and borrowings.

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

As at March 31, 2016 and September 30, 2015, the Fund did not have any borrowings.

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

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

**(c) FAIR VALUE MEASUREMENTS**

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2016 and September 30, 2015.

	Assets at fair value as at March 31, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,442,637	-	-	6,442,637
<b>Total</b>	<b>6,442,637</b>	<b>-</b>	<b>-</b>	<b>6,442,637</b>

	Assets at fair value as at September 30, 2015			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,933,745	-	-	6,933,745
<b>Total</b>	<b>6,933,745</b>	<b>-</b>	<b>-</b>	<b>6,933,745</b>

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

**(d) STRUCTURED ENTITIES**

The Fund does not have any investments in ETFs or underlying funds.

## Statements of Financial Position (Unaudited)

	As at March 31, 2016	As at September 30, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 78,187	\$ 18,469
Margin accounts (note 11)	38,070	4,052
Subscription receivable	-	35,000
Receivable for investments sold	15,222	64,532
Dividends receivable	19,024	3,632
Harmonized sales tax recoverable	-	1,325
Investments (note 5)	5,732,152	8,211,294
Investments - pledged as collateral (note 5 and 11)	595,747	823,481
Derivative assets	35,211	-
	<u>6,513,613</u>	<u>9,161,785</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	10,867	14,639
Expenses payable	3,096	4,215
Redemptions payable	20,224	12,504
Distributions payable	1,736	1,628
Derivative liabilities	6,578	33,454
	<u>42,501</u>	<u>66,440</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 6,471,112</u>	<u>\$ 9,095,345</u>
<b>Net Assets Attributable to Holders of Redeemable Units per Series (note 6)</b>		
Series A	279,648	150,723
Series A2	5,969,416	8,712,264
Series F	222,048	232,358
	<u>\$ 6,471,112</u>	<u>\$ 9,095,345</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	33,432	13,981
Series A2	709,227	804,849
Series F	25,899	21,156
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	8.36	10.78
Series A2	8.42	10.82
Series F	8.57	10.98

Approved on behalf of the Trustee, 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 (Unaudited)

for the periods ended March 31	2016	2015
<b>Income</b>		
Net gains (losses) on investments and derivatives		
Interest for distribution purposes	\$ -	\$ 686
Dividends	73,829	89,744
Net realized gain (loss) on investments and options	10,777	(391,599)
Net realized gain (loss) on forward currency contracts	(12,732)	12,798
Change in unrealized appreciation (depreciation) of investments and derivatives	(1,613,936)	1,331,143
Net gains (losses) on investments and derivatives	<u>(1,542,062)</u>	<u>1,042,772</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	(22,486)	1,255
<b>Total Income (net)</b>	<u>(1,564,548)</u>	<u>1,044,027</u>
<b>Expenses</b>		
Management fees (note 8)	78,121	99,947
Unitholder reporting costs	83,867	80,940
Audit fees	9,350	6,428
Custodial fees	3,362	3,991
Legal fees	2,244	2,853
Independent review committee fees	2,013	2,241
Interest expense	3	237
Withholding tax expense	8,466	9,339
Transaction costs	5,800	5,112
Total operating expenses	<u>193,226</u>	<u>211,088</u>
Less: expenses absorbed by Manager	<u>(80,081)</u>	<u>(67,764)</u>
Net expenses	<u>113,145</u>	<u>143,324</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ (1,677,693)</u>	<u>\$ 900,703</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	(75,526)	1,080
Series A2	(1,546,639)	887,473
Series F	(55,528)	12,150
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	(2.90)	0.75
Series A2	(2.07)	0.92
Series F	(2.32)	1.13

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

## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)

for the periods ended March 31	2016	2015
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Series A	150,723	3,209
Series A2	8,712,264	10,945,714
Series F	232,358	84,278
	<u>9,095,345</u>	<u>11,033,201</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Series A	(75,526)	1,080
Series A2	(1,546,639)	887,473
Series F	(55,528)	12,150
	<u>(1,677,693)</u>	<u>900,703</u>
<b>Distributions to Holders of Redeemable Units</b>		
From return of capital:		
Series A	(7,013)	(477)
Series A2	(191,638)	(238,513)
Series F	(6,308)	(2,815)
	<u>(204,959)</u>	<u>(241,805)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Series A	204,600	53,050
Series A2	35,991	18,141
Series F	45,084	41,249
	<u>285,675</u>	<u>112,440</u>
Reinvestments of distributions to holders of redeemable units		
Series A	6,864	477
Series A2	182,937	230,137
Series F	6,442	2,727
	<u>196,243</u>	<u>233,341</u>
Redemptions of redeemable units		
Series A	-	-
Series A2	(1,223,499)	(1,864,622)
Series F	-	(14,816)
	<u>(1,223,499)</u>	<u>(1,879,438)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(741,581)</u>	<u>(1,533,657)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	279,648	57,339
Series A2	5,969,416	9,978,330
Series F	222,048	122,773
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 6,471,112</u>	<u>\$ 10,158,442</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31	2016		2015	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(1,677,693)	\$	900,703
Adjustments for:				
Net realized (gain) loss on investments and options		(10,777)		391,599
Net realized (gain) loss on forward currency contracts		12,732		(12,798)
Change in unrealized (appreciation) depreciation on investments and derivatives		1,613,936		(1,331,143)
Unrealized foreign exchange (gain) loss on cash		(10,986)		(1,255)
(Increase) decrease in interest receivable		-		970
(Increase) decrease dividends receivable		(15,392)		(22,994)
Increase (decrease) in management fees payable and expenses payable		(4,891)		22,460
Purchase of investments		(1,053,449)		(735,576)
Proceeds from sale of investments		2,131,657		2,642,348
(Increase) decrease in other receivables		1,325		-
<b>Net Cash Generated (Used) by Operating Activities</b>		<u>986,462</u>		<u>1,854,314</u>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(8,608)		(8,122)
Change in margin cash		(34,018)		27,065
Proceeds from redeemable units issued		320,675		120,840
Amount paid on redemption of redeemable units		(1,215,779)		(1,907,863)
<b>Net Cash Generated (Used) by Financing Activities</b>		<u>(937,730)</u>		<u>(1,768,080)</u>
Increase (decrease) in cash and cash equivalents		48,732		86,234
Unrealized foreign exchange gain (loss) on cash		10,986		1,255
Cash and cash equivalents beginning of period		18,469		430
<b>Cash and Cash Equivalents End of Period</b>	\$	<u>78,187</u>	\$	<u>87,919</u>
Cash and cash equivalents comprise:				
Cash at bank	\$	78,187	\$	87,919
<b>From operating activities:</b>				
Interest received, net of withholding tax		-		1,656
Dividends received, net of withholding tax		49,971		57,411
Interest paid		(3)		(237)

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



## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2016

No. of Shares/Units/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>France</b>				
600	BNP Paribas S.A.	\$ 42,044	\$ 39,219	
2,000	BNP Paribas S.A. ADR	70,694	65,353	
		112,738	104,572	1.6%
<b>Japan</b>				
18,000	Sumitomo Mitsui Financial Group, Inc.	153,192	140,499	2.2%
<b>Netherlands</b>				
21,000	ING Groep N.V.	310,345	325,376	5.0%
<b>Switzerland</b>				
2,000	UBS Group AG	52,892	41,612	0.7%
<b>United Kingdom</b>				
60,000	Barclays PLC	647,592	167,879	
50,000	Barclays PLC ADR	1,300,827	559,761	
1,000	HSBC Holdings PLC ADR	72,991	40,417	
45,000	Royal Bank of Scotland Group PLC ADR	571,385	372,871	
25,000	Standard Chartered PLC	287,671	220,365	
		2,880,466	1,361,293	21.0%
<b>United States</b>				
27,000	Bank of America Corporation	486,710	474,096	
25,000	Citigroup Inc.	1,295,330	1,355,570	
6,000	Citizens Financial Group Inc.	187,032	163,253	
5,000	Fifth Third Bancorp	128,072	108,381	
18,500	JPMorgan Chase & Co.	730,172	1,422,872	
2,500	Morgan Stanley	80,630	81,204	
2,800	State Street Corporation	207,538	212,808	
2,600	The Goldman Sachs Group, Inc.	473,165	530,082	
100	Wells Fargo & Company	3,070	6,281	
		3,591,719	4,354,547	67.3%
	<b>Total investment portfolio</b>	\$ 7,101,352	\$ 6,327,899	97.8%
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Put Options</b>				
<b>Netherlands</b>				
USD (10)	ING Groep NV ADR, Put 10, 15/07/2016	(594)	(357)	
USD (10)	ING Groep NV ADR, Put 11, 15/04/2016	(392)	(390)	
USD (10)	ING Groep NV ADR, Put 11, 15/07/2016	(782)	(649)	
		(1,768)	(1,396)	-
<b>United Kingdom</b>				
USD (60)	Royal Bank of Scotland Group PLC ADR, Put 5, 19/08/2016	(1,535)	(1,169)	
		(1,535)	(1,169)	-
<b>United States</b>				
USD (30)	Bank of America Corporation, Put 10, 15/04/2016	(325)	(39)	
USD (20)	Fifth Third Bancorp, Put 17, 20/05/2016	(1,663)	(2,052)	
USD (10)	Fifth Third Bancorp, Put 18, 20/05/2016	(909)	(1,922)	
		(2,897)	(4,013)	(0.1%)
	<b>Total written put options</b>	(6,200)	(6,578)	(0.1%)
	<b>Total written options</b>	(6,200)	(6,578)	(0.1%)
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
	Total unrealized gain on forward currency contracts	-	35,211	0.5%
	Net investments	7,095,152	6,356,532	98.2%
	Transaction costs	(8,391)	-	-
		\$ 7,086,761	6,356,532	98.2%
	Other assets less liabilities		114,580	1.8%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 6,471,112	100.0%

## Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at March 31, 2016 (\$)	Currency	Amount (\$)	Value as at March 31, 2016 (\$)	
0.52916	Jun-27-16	Canadian Dollar	79,372	79,372	British Pound	42,000	78,361	1,011
0.66542	Jun-15-16	Canadian Dollar	751,400	751,400	Euro	500,000	740,571	10,829
83.85000	Jun-15-16	Canadian Dollar	149,076	149,076	Japanese Yen	12,500,000	144,548	4,527
0.74305	Jun-3-16	Canadian Dollar	538,320	538,320	United States Dollar	400,000	519,476	18,844
							<b>Unrealized gain</b>	<b>35,211</b>

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	78,187	78,187
Margin accounts	-	-	38,070	38,070
Receivable for investments sold	-	-	15,222	15,222
Dividends receivable	-	-	19,024	19,024
Investments	-	5,732,152	-	5,732,152
Investments - pledged as collateral	-	595,747	-	595,747
Derivative assets	35,211	-	-	35,211
<b>Total</b>	<b>35,211</b>	<b>6,327,899</b>	<b>150,503</b>	<b>6,513,613</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	10,867	10,867
Expenses payable	-	-	3,096	3,096
Redemptions payable	-	-	20,224	20,224
Distributions payable	-	-	1,736	1,736
Derivative liabilities	6,578	-	-	6,578
<b>Total</b>	<b>6,578</b>	<b>-</b>	<b>35,923</b>	<b>42,501</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2015:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	18,469	18,469
Margin accounts	-	-	4,052	4,052
Subscriptions receivable	-	-	35,000	35,000
Receivable for investments sold	-	-	64,532	64,532
Dividends receivable	-	-	3,632	3,632
Taxes recoverable	-	-	1,325	1,325
Investments	-	8,211,294	-	8,211,294
Investments - pledged as collateral	-	823,481	-	823,481
<b>Total</b>	<b>-</b>	<b>9,034,775</b>	<b>127,010</b>	<b>9,161,785</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	14,639	14,639
Expenses payable	-	-	4,215	4,215
Redemptions payable	-	-	12,504	12,504
Distributions payable	-	-	1,628	1,628
Derivative liabilities	33,454	-	-	33,454
<b>Total</b>	<b>33,454</b>	<b>-</b>	<b>32,986</b>	<b>66,440</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six months periods ended March 31, 2016 and March 31, 2015.

Category	Net gains (losses) (\$)	
	2016	2015
Financial assets at FVTPL		
Held for Trading	\$ 49,236	\$ 65,093
Designated at Inception	(1,591,298)	956,718
<b>Total</b>	<b>(1,542,062)</b>	<b>1,021,811</b>
Financial liabilities at FVTPL:		
Held for Trading	-	20,961
<b>Total</b>	<b>\$ (1,542,062)</b>	<b>\$ 1,042,772</b>

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

**(b) RISK MANAGEMENT****Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2016 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$317,827 (September 30, 2015: \$450,861). 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 March 31, 2016 and September 30, 2015.

By Geographic Region	March 31, 2016	September 30, 2015
United States	67.2%	54.3%
United Kingdom	21.0%	22.3%
Netherlands	5.0%	9.3%
Japan	2.2%	2.0%
Other Net Assets (Liabilities)	1.8%	1.0%
France	1.6%	1.2%
Switzerland	0.7%	2.5%
Currency Forwards	0.5%	(0.2%)
Canada	-	4.3%
Germany	-	3.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2016	September 30, 2015
Diversified Banks	80.2%	39.4%
Investment Banking & Brokerage	9.5%	1.2%
Regional Banks	4.2%	1.9%
Asset Management and Custody Banks	3.3%	4.3%
Other Net Assets (Liabilities)	1.8%	1.0%
Diversified Capital Markets	0.6%	2.5%
Currency Forwards	0.5%	(0.2%)
Short Positions – Derivatives	(0.1%)	(0.2%)
Other Diversified Financial Services	-	41.0%
Institutional Brokerage	-	6.1%
Institutional Financial Services	-	3.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

**Currency Risk**

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

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

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

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2016 and September 30, 2015, in Canadian dollar terms, net of the notional amounts of foreign exchange forward contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2016

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	33,768	5,374,381	5,408,150	1,688	268,719	270,407
British Pound	3,918	309,882	313,800	196	15,494	15,690
Japanese Yen	-	(144,549)	(144,549)	-	(7,227)	(7,227)
Euro	-	(701,352)	(701,352)	-	(35,068)	(35,068)
<b>Total</b>	<b>37,686</b>	<b>4,838,362</b>	<b>4,876,049</b>	<b>1,884</b>	<b>241,918</b>	<b>243,802</b>
% of net assets attributable to holders of redeemable units	0.6%	74.9%	75.4%	0.0%	3.8%	3.8%

September 30, 2015

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	1,256	7,917,421	7,918,677	63	395,871	395,934
British Pound	1,130	303,098	304,228	57	15,155	15,212
Japanese Yen	(112,033)	-	(112,033)	(5,602)	-	(5,602)
Euro	(897,030)	405,697	(491,333)	(44,852)	20,285	(24,567)
<b>Total</b>	<b>(1,006,677)</b>	<b>8,626,216</b>	<b>7,619,539</b>	<b>(50,334)</b>	<b>431,311</b>	<b>380,977</b>
% of net assets attributable to holders of redeemable units	(11.1%)	94.8%	83.8%	(0.6%)	4.7%	4.2%

### Interest Rate Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

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

As at March 31, 2016 the Fund had forward currency contracts with a counterparty in a net unrealized gain position of \$35,211. The counterparty had a long term Standard & Poor's credit rating of AA-, which exceeds the minimum requirement outlined in securities legislation. As at September 30, 2015 currency forward contracts were in a net unrealized loss position; therefore, there was no credit risk associated with these contracts.

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

The Fund's cash and margin cash balances are maintained at financial institutions whose parent companies have credit ratings of AA- and A+; and therefore credit risk is deemed minimal.

### Liquidity Risk

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

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

As at March 31, 2016 and September 30, 2015, the Fund did not have any borrowings.

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

Value of securities or cash required to satisfy written options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
March 31, 2016	53,249	67,536	66,237	187,022
September 30, 2015	290,737	125,941	-	416,678

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

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

### (c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2016 and September 30, 2015.

Assets at fair value as at March 31, 2016				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,327,899	-	-	6,327,899
Forward contracts	-	35,211	-	35,211
<b>Total</b>	<b>6,327,899</b>	<b>35,211</b>	<b>-</b>	<b>6,363,110</b>

Liabilities at fair value as at March 31, 2016				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - short	(6,578)	-	-	(6,578)
<b>Total</b>	<b>(6,578)</b>	<b>-</b>	<b>-</b>	<b>(6,578)</b>

Assets at fair value as at September 30, 2015				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	9,034,775	-	-	9,034,775
<b>Total</b>	<b>9,034,775</b>	<b>-</b>	<b>-</b>	<b>9,034,775</b>

Liabilities at fair value as at September 30, 2015				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - short	(17,558)	-	-	(17,558)
Forward contracts	-	(15,896)	-	(15,896)
<b>Total</b>	<b>(17,558)</b>	<b>(15,896)</b>	<b>-</b>	<b>(33,454)</b>

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

As at March 31, 2016 the fund did not hold any investments which were classified as Level 3.

### Reconciliation of Level 3 Fair Value Measurement of Financial Instruments

The following table reconciles the Fund's Level 3 fair value measurement of financial instruments for the period ended September 30, 2015:

September 30, 2015	Investment Funds \$	Total \$
Balance at Beginning of Period	131,941	131,941
Investment purchases during the period	-	-
Proceeds from sales during the period	(144,532)	(144,532)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	20,606	20,606
Change in unrealized appreciation (depreciation) in value of investments	(8,015)	(8,015)
<b>Balance at End of Period</b>	<b>-</b>	<b>-</b>
<b>Change in unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>-</b>	<b>-</b>

During the period ended September 30, 2015, the Fund disposed of its Level 3 investment in units of Portland Global Energy Efficiency and Renewable Energy Fund LP, a closed-end investment fund that has the same Manager as the Fund, for \$144,532, realizing a gain on disposal of \$20,606.

### (d) STRUCTURED ENTITIES

The Fund does not have any investments in ETFs or underlying funds.

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2016	As at September 30, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 147,665	\$ 58,435
Margin accounts (note 11)	18,428	30,574
Receivable for investments sold	-	66,181
Interest receivable	2,380	2,850
Dividends receivable	14,367	16,831
Harmonized sales tax recoverable	-	116
Investments (note 5)	4,827,720	5,439,015
Investments - pledged as collateral (note 5 and 11)	478,227	544,709
Derivative assets	23,832	-
	<u>5,512,619</u>	<u>6,158,711</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	7,675	8,438
Expenses payable	2,606	2,864
Redemptions payable	290	15,318
Payable for investments purchased	-	58,508
Distributions payable	1,705	1,628
Derivative liabilities	1,177	15,589
	<u>13,453</u>	<u>102,345</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 5,499,166</u>	<u>\$ 6,056,366</u>
Series A	764,247	776,845
Series A2	3,640,656	4,102,793
Series F	1,094,263	1,176,728
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 5,499,166</u>	<u>\$ 6,056,366</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	85,490	84,293
Series A2	404,955	443,266
Series F	119,101	125,023
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	8.94	9.22
Series A2	8.99	9.26
Series F	9.19	9.41

Approved on behalf of the Trustee, 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 (Unaudited)

for the periods ended March 31	2016	2015
<b>Income</b>		
Net gains (losses) on investments and derivatives		
Interest for distribution purposes	\$ 4,587	\$ 3,303
Dividends	123,835	138,151
Net realized gain (loss) on investments and options	64,936	54,482
Net realized gain (loss) on forward currency contracts	(29,380)	6,609
Change in unrealized appreciation (depreciation) of investments and derivatives	(89,351)	325,290
Net gains (losses) on investments and derivatives	<u>74,627</u>	<u>527,835</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	(2,507)	1,213
<b>Total income (net)</b>	<u>72,120</u>	<u>529,048</u>
<b>Expenses</b>		
Management fees (note 8)	47,883	59,983
Unitholder reporting costs	91,368	62,923
Audit fees	9,576	6,557
Custodial fees	3,151	5,147
Legal fees	3,148	2,910
Independent review committee fees	2,061	2,286
Interest expense	43	149
Transaction costs	2,271	3,355
Withholding tax expense	9,994	10,995
Total operating expenses	<u>169,495</u>	<u>154,305</u>
Less: expenses absorbed by Manager	(92,981)	(59,027)
Total operating expenses	<u>76,514</u>	<u>95,278</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ (4,394)</u>	<u>\$ 433,770</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	(2,345)	32,868
Series A2	(4,461)	296,231
Series F	2,412	104,671
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	(0.04)	0.60
Series A2	(0.02)	0.58
Series F	0.02	0.71

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

## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)

for the periods ended March 31	2016	2015
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Series A	776,845	496,434
Series A2	4,102,794	5,750,867
Series F	1,176,728	1,335,750
	<u>6,056,367</u>	<u>7,583,051</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Series A	(2,345)	32,868
Series A2	(4,461)	296,231
Series F	2,412	104,671
	<u>(4,394)</u>	<u>433,770</u>
<b>Distributions to Holders of Redeemable Units</b>		
From return of capital:		
Series A	(21,132)	(14,052)
Series A2	(104,421)	(126,196)
Series F	(30,599)	(37,316)
	<u>(156,152)</u>	<u>(177,564)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Series A	5,347	356,830
Series A2	20,204	27,937
Series F	15,635	229,726
	<u>41,186</u>	<u>614,493</u>
Reinvestments of distributions to holders of redeemable units		
Series A	17,144	12,389
Series A2	98,391	119,766
Series F	30,573	37,330
	<u>146,108</u>	<u>169,485</u>
Redemptions of redeemable units		
Series A	(11,612)	(37,288)
Series A2	(471,851)	(908,975)
Series F	(100,486)	(35,855)
	<u>(583,949)</u>	<u>(982,118)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(396,655)</u>	<u>(198,140)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	764,247	847,181
Series A2	3,640,656	5,159,630
Series F	1,094,263	1,634,306
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 5,499,166</u>	<u>\$ 7,641,117</u>

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



## Statements of Cash Flows (Unaudited)

for the periods ended March 31	2016		2015	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(4,394)	\$	433,770
Adjustments for:				
Net realized (gain) loss on investments and options		(64,936)		(54,482)
Net realized (gain) loss on forward currency contracts		29,380		(6,609)
Change in unrealized (appreciation) depreciation of investments and derivatives		89,351		(325,290)
Unrealized foreign exchange (gain) loss on cash		(145)		(1,213)
(Increase) decrease in interest receivable		470		578
(Increase) decrease in dividends receivable		2,464		(7,060)
Increase (decrease) in management fees payable and expenses payable		(1,021)		14,436
Purchase of investments		(745,630)		(1,598,437)
Proceeds from the sale of investments		1,339,042		1,971,251
(Increase) decrease in other receivables		116		-
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>644,697</b>		<b>426,944</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(9,967)		(8,147)
Change in margin cash		12,146		7,084
Proceeds from redeemable units issued		41,186		539,493
Amount paid on redemption of redeemable units		(598,977)		(1,004,931)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>(555,612)</b>		<b>(466,501)</b>
Net increase (decrease) in cash and cash equivalents		89,085		(39,557)
Unrealized foreign exchange gain (loss) on cash		145		1,213
Cash and cash equivalents beginning of period		58,435		414,484
<b>Cash and Cash Equivalents End of Period</b>	<b>\$</b>	<b>147,665</b>	<b>\$</b>	<b>376,140</b>
Cash and cash equivalents comprise:				
Cash at bank		147,665		76,486
Short-term investments		-		299,654
	<b>\$</b>	<b>147,665</b>	<b>\$</b>	<b>376,140</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax		5,057		3,881
Dividends received, net of withholding tax		116,305		114,170
Interest paid		(43)		(149)

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2016

No. of Shares/Units/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>BONDS</b>				
<b>Canada</b>				
100,000	Northland Power Inc. 5.000% Convertible June 30, 2019	\$ 100,000	\$ 106,800	
125,000	Pacific Exploration and Production Corporation 5.375% January 26, 2019	117,970	27,598	
100,000	Valeant Pharmaceuticals International Inc. 6.750% August 15, 2018	126,307	117,862	
		<u>344,277</u>	<u>252,260</u>	4.6%
<b>EQUITIES</b>				
<b>Australia</b>				
6,000	Amcor Limited	63,380	85,717	
40,000	AusNet Services	46,061	59,335	
9,000	GrainCorp Limited	72,157	67,558	
8,000	Super Retail Group Ltd.	67,080	68,176	
		<u>248,678</u>	<u>280,786</u>	5.1%
<b>Bermuda</b>				
6,500	Brookfield Property Partners LP	146,760	194,935	
7,000	Cheung Kong Infrastructure Holdings Limited	49,175	88,893	
1,000	Jardine Matheson Holdings Limited	58,122	74,133	
		<u>254,057</u>	<u>357,961</u>	6.5%
<b>Canada</b>				
6,000	Bank of Nova Scotia, Preferred, Series 19, Floating Rate	154,455	139,500	
7,000	Barrick Gold Corporation	130,407	123,459	
15,000	BCE Inc., Preferred, Series AE, Floating Rate	307,274	211,200	
3,000	Brookfield Asset Management Inc., Preferred, Series 8, Floating Rate	69,418	40,560	
13,500	Brookfield Office Properties Inc., Preferred, Series V, Floating Rate	178,825	123,458	
5,000	Brookfield Renewable Power Inc., Preferred, Series 2, Floating Rate	92,541	63,000	
1,000	Crescent Point Energy Corp.	24,220	17,980	
3,000	Enbridge Inc., Preferred, Series 11, Fixed-Reset	73,730	52,320	
10,000	First National Financial Corporation, Preferred, Series 1, Fixed-Reset	157,781	117,400	
7,000	iShares 1-5 Year Laddered Corporate Bond Index ETF	137,967	134,120	
500	iShares S&P/TSX Canadian Preferred Share Index ETF	8,087	6,080	
6,000	Northland Power Inc., Preferred, Series 1, Fixed-Reset	137,354	81,000	
5,000	Power Financial Corporation, Preferred, Series A, Floating Rate	81,760	56,250	
12,500	Thomson Reuters Corporation, Preferred, Series B, Floating Rate	225,533	126,250	
7,000	Transalta Corporation, Preferred, Series E, Fixed-Reset	168,439	92,540	
5,650	TransAlta Renewables Inc.	55,708	71,472	
4,800	TransCanada Corporation, Preferred, Series 2, Floating Rate	86,332	60,624	
		<u>2,089,831</u>	<u>1,517,213</u>	27.6%
<b>France</b>				
2,017	Total SA	126,056	118,981	2.2%
<b>Sweden</b>				
5,000	Nordea Bank AB	41,852	62,392	1.1%
<b>Switzerland</b>				
2,200	ABB Limited	57,783	55,488	
1,000	Nestle SA	77,132	97,047	
300	Roche Holding AG	85,694	95,912	
800	Syngenta AG	60,156	86,050	
		<u>280,765</u>	<u>334,497</u>	6.1%
<b>United Kingdom</b>				
3,000	Aggreko PLC	82,445	60,269	
6,000	Barclays PLC	120,507	67,171	
3,500	BHP Billiton PLC	192,748	103,322	
1,200	Bunzl PLC	28,038	45,283	
3,000	Compass Group PLC	64,338	68,719	
700	Diageo PLC ADR	88,753	98,067	
1,133	Johnson Matthey PLC	66,981	57,992	
3,500	Pearson PLC	76,430	57,126	
2,800	Royal Dutch Shell PLC Class A ADR	195,924	176,188	
		<u>916,164</u>	<u>734,137</u>	13.3%

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

## Schedule of Investment Portfolio (Unaudited) (continued)

as at March 31, 2016

No. of Shares/Units/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>United States</b>				
10,000	Ares Capital Corporation	185,493	192,734	
7,000	BlackRock Capital Investment Corporation	68,777	85,549	
750	Chevron Corporation	99,577	92,926	
1,200	Energy Select Sector SPDR Fund	110,404	96,502	
15,116	Fifth Street Senior Floating Rate Corp.	198,583	155,681	
7,000	iShares International Select Dividend ETF	274,125	263,555	
1,200	iShares iBoxx \$ Investment Grade Corporate Bond ETF	171,069	185,181	
5,000	iShares MSCI Japan ETF	66,945	74,094	
1,500	JPMorgan Chase & Co.	68,498	115,368	
2,500	PowerShares Fundamental High Yield Corporate Bond Portfolio	51,990	57,794	
600	SPDR S&P 500 ETF Trust	156,069	160,183	
1,500	Technology Select Sector SPDR Fund ETF	69,638	86,419	
500	Wal-Mart Stores, Inc.	40,684	44,476	
500	Wells Fargo & Company	15,577	31,404	
100	WisdomTree Asia Local Debt Fund ETF	5,196	5,856	
		1,582,625	1,647,722	30.0%
	<b>Total equities</b>	5,540,028	5,053,689	91.9%
	<b>Total investment portfolio</b>	5,884,305	5,305,949	96.5%
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Call Options</b>				
<b>Canada</b>				
USD (10)	Barrick Gold Corporation, Call 17, 20/05/2016	(703)	(246)	
USD (15)	Barrick Gold Corporation, Call 18, 20/05/2016	(893)	(185)	
USD (10)	Barrick Gold Corporation, Call 20, 15/07/2016	(587)	(208)	
	<b>Total Written Call Options</b>	(2,183)	(639)	-
<b>Written Put Options</b>				
<b>Bermuda</b>				
CAD (10)	Brookfield Property Partners LP, Put 27, 15/04/2016	(440)	(80)	-
<b>United Kingdom</b>				
USD (25)	Barclays PLC ADR, Put 7, 17/06/2016	(972)	(406)	-
<b>United States</b>				
USD (10)	JPMorgan Chase & Co., Put 47.5, 15/04/2016	(514)	(52)	-
	<b>Total written put options</b>	(1,926)	(538)	-
	<b>Total written options</b>	(4,109)	(1,177)	-
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
	Total unrealized gain on forward currency contracts		23,848	0.4%
	Total unrealized loss on forward currency contracts		(16)	-
			23,832	0.4%
	Net investments	5,880,196	5,328,604	96.9%
	Transaction costs	(4,543)	-	-
		\$ 5,875,653	5,328,604	96.9%
	Other assets less liabilities		170,562	3.1%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 5,499,166	100.0%

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

## Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount	Value as at March 31, 2016 (\$)	Currency	Amount	Value as at March 31, 2016 (\$)	
0.52916	Jun-27-16	Canadian Dollar	56,693	56,693	British Pound	30,000	55,972	721
0.66542	Jun-15-16	Canadian Dollar	150,280	150,280	Euro	100,000	148,114	2,166
83.85000	Jun-15-16	Canadian Dollar	75,134	75,134	Japanese Yen	6,300,000	72,852	2,282
0.74305	Jun-3-16	Canadian Dollar	269,160	269,160	United States Dollar	200,000	259,738	9,422
1.00281	Apr-5-16	Canadian Dollar	274,230	274,230	Australian Dollar	275,000	273,765	465
0.71642	Apr-5-16	Canadian Dollar	272,187	272,187	Swiss Franc	195,000	263,395	8,792
							<b>Unrealized gain</b>	<b>23,848</b>
6.23650	Jun-15-16	Canadian Dollar	48,104	48,104	Swedish Krona	300,000	48,120	(16)
							<b>Unrealized loss</b>	<b>(16)</b>

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

**(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

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

The following table presents the gross amount of recognized financial assets and liabilities of the Fund that are offset under master netting or similar arrangements as at March 31, 2016 and September 30, 2015.

	Counterparty 1 (\$)	Counterparty 2 (\$)
<b>March 31, 2016</b>		
Gross derivative assets	14,591	9,257
Gross derivative liabilities	(16)	-
<b>Net exposure</b>	<b>14,575</b>	<b>9,257</b>
<b>September 30, 2015</b>		
Gross derivative assets	-	236
Gross derivative liabilities	(1,380)	(1,763)
<b>Net exposure</b>	<b>(1,380)</b>	<b>(1,527)</b>

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	147,665	147,665
Margin accounts	-	-	18,428	18,428
Interest receivable	-	-	2,380	2,380
Dividends receivable	-	-	14,367	14,367
Derivative assets	23,832	-	-	23,832
Investments	-	4,827,720	-	4,827,720
Investments - pledged as collateral	-	478,227	-	478,227
<b>Total</b>	<b>23,832</b>	<b>5,305,947</b>	<b>182,840</b>	<b>5,512,619</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,675	7,675
Expenses payable	-	-	2,606	2,606
Redemptions payable	-	-	290	290
Distributions payable	-	-	1,705	1,705
Derivative liabilities	-	-	1,177	1,177
<b>Total</b>	<b>-</b>	<b>-</b>	<b>13,453</b>	<b>13,453</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2015:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	58,435	58,435
Margin accounts	-	-	30,574	30,574
Receivable for investments sold	-	-	66,181	66,181
Interest receivable	-	-	2,850	2,850
Dividends receivable	-	-	16,831	16,831
Taxes recoverable	-	-	116	116
Investments	-	5,439,015	-	5,439,015
Investments - pledged as collateral	-	544,709	-	544,709
<b>Total</b>	<b>-</b>	<b>5,983,724</b>	<b>174,987</b>	<b>6,158,711</b>

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

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	8,438	8,438
Expenses payable	-	-	2,864	2,864
Redemptions payable	-	-	15,318	15,318
Payable for investments purchased	-	-	58,508	58,508
Distributions payable	-	-	1,628	1,628
Derivative liabilities	15,589	-	-	15,589
<b>Total</b>	<b>15,589</b>	<b>-</b>	<b>86,756</b>	<b>102,345</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six months period ended March 31, 2016 and March 31, 2015.

Category	Net gains (losses) (\$)	
	2016	2015
Financial assets at FVTPL		
Held for Trading	5,015	(10,786)
Designated at Inception	69,612	508,876
<b>Total</b>	<b>74,627</b>	<b>498,090</b>
Financial liabilities at FVTPL:		
Held for Trading	-	29,745
<b>Total</b>	<b>74,627</b>	<b>527,835</b>

### (c) RISK MANAGEMENT

#### Price Risk

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

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

If the price of investments held by the Fund on March 31, 2016 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$266,430 (September 30, 2015: \$298,552). 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 March 31, 2016 and September 30, 2015.

By Geographic Region	March 31, 2016	September 30, 2015
Canada	32.2%	34.0%
United States	30.0%	25.5%
United Kingdom	13.3%	17.2%
Bermuda	6.5%	5.5%
Switzerland	6.1%	8.5%
Australia	5.1%	5.1%
Other Net Assets (Liabilities)	3.1%	1.5%
France	2.2%	1.6%
Sweden	1.1%	1.2%
Currency Forwards	0.4%	(0.1%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

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

By Industry Sector	March 31, 2016	September 30, 2015
Financials	25.3%	34.1%
Exchange Traded Funds	19.5%	14.1%
Energy	9.5%	10.5%
Materials	8.4%	7.9%
Utilities	8.3%	8.0%
Consumer Discretionary	5.7%	4.9%
Consumer Staples	5.6%	5.6%
Corporate Bonds	4.5%	-
Industrials	4.2%	7.6%
Telecommunication Services	3.8%	4.3%
Other Net Assets (Liabilities)	3.1%	1.5%
Health Care	1.7%	1.8%
Currency Forwards	0.4%	(0.1%)
Short Positions - Derivatives	-	(0.2%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

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

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

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

The tables below indicate the foreign currencies to which the Fund had significant direct exposure at March 31, 2016 and September 30, 2015, in Canadian dollar terms, net of the notional amounts of foreign exchange forward contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2016

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	24,357	2,435,206	2,459,563	1,218	121,760	122,978
British Pound		233,415	233,415	-	11,671	11,671
Euro	4,020	(148,114)	(144,094)	201	(7,406)	(7,205)
Swiss Franc		(70,436)	(70,436)	-	(3,522)	(3,522)
Hong Kong Dollar		88,893	88,893	-	4,445	4,445
Australian Dollar	3,531	7,022	10,553	177	351	528
Swedish Krona		14,272	14,272	-	714	714
Japanese Yen		(72,852)	(72,852)	-	(3,643)	(3,643)
<b>Total</b>	<b>31,908</b>	<b>2,487,406</b>	<b>2,519,314</b>	<b>1,596</b>	<b>124,370</b>	<b>125,966</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.6%</b>	<b>45.2%</b>	<b>45.8%</b>	<b>0.0%</b>	<b>2.3%</b>	<b>2.3%</b>

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

September 30, 2015

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	90,307	2,550,638	2,640,945	4,515	127,532	132,047
British Pound	3,513	499,142	502,655	176	24,957	25,133
Swiss Franc	(149,046)	289,171	140,125	(7,452)	14,459	7,007
Hong Kong Dollar	-	83,797	83,797	-	4,190	4,190
Australian Dollar	(235,004)	307,771	72,768	(11,750)	15,389	3,639
Swedish Krona	(39,990)	74,378	34,388	(2,000)	3,719	1,719
Japanese Yen	(44,813)	-	(44,813)	(2,241)	-	(2,241)
<b>Total</b>	<b>(375,033)</b>	<b>3,804,897</b>	<b>3,429,865</b>	<b>(18,752)</b>	<b>190,246</b>	<b>171,494</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>(6.2%)</b>	<b>62.8%</b>	<b>56.6%</b>	<b>(0.3%)</b>	<b>3.1%</b>	<b>2.8%</b>

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

### Interest Rate Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to interest rate risk. The Fund is also exposed to indirect interest rate risk as it holds units of exchange traded funds and other investment funds that invest in debt securities.

### Credit Risk

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

As at March 31, 2016, the Fund had forward currency contracts with two counterparties – the first having a long term Standard & Poor's credit rating of AA- and in a net unrealized gain position of \$14,575 (September 30, 2015: \$nil), and the second having a long term Standard & Poor's credit rating of A and in a net unrealized gain position of \$9,257. (September 30, 2015: \$nil). The counterparties both have credit ratings which exceed the minimum requirement outlined in securities legislation.

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

The Fund's cash and margin cash balances are maintained at financial institutions whose parent companies have credit ratings of AA- and A+; and therefore credit risk is deemed minimal.

### Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, written put options, accrued fees and expenses, payable for securities purchased and distributions payable.

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

As at March 31, 2016 and September 30, 2015, the Fund did not have any borrowings.

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

Value of securities or cash required to satisfy written options	Greater than 3 months and less than one year			Total
	Less than 1 month (\$)	1 to 3 months (\$)	(\$)	
March 31, 2016	88,691	22,728	-	111,419
September 30, 2015	49,116	99,815	26,000	174,931

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

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

**(d) FAIR VALUE MEASUREMENTS**

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2016 and September 30, 2015.

Assets at fair value as at March 31, 2016				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	4,930,231	123,458	-	5,053,689
Bonds - Long	-	252,260	-	252,260
Forward contracts	-	23,848	-	23,848
<b>Total</b>	<b>4,930,231</b>	<b>399,566</b>	<b>-</b>	<b>5,329,797</b>

Liabilities at fair value as at March 31, 2016				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(1,177)	-	-	(1,177)
Forward contracts	-	(16)	-	(16)
<b>Total</b>	<b>(1,177)</b>	<b>(16)</b>	<b>-</b>	<b>(1,193)</b>

Assets at fair value as at September 30, 2015				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Investment Funds - Long	-	-	146,208	146,208
Equities - Long	5,527,653	143,437	-	5,671,090
Bonds - Long	-	166,426	-	166,426
<b>Total</b>	<b>5,527,653</b>	<b>309,863</b>	<b>146,208</b>	<b>5,983,724</b>

Liabilities at fair value as at September 30, 2015				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(12,682)	-	-	(12,682)
Forward contracts	-	(2,907)	-	(2,907)
<b>Total</b>	<b>(12,682)</b>	<b>(2,907)</b>	<b>-</b>	<b>(15,589)</b>

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

As at March 31, 2016, the Fund did not hold any investments which were classified as Level 3. During the period ended March 31, 2016, the Fund sold its only Level 3 position – units of Portland Global Energy Efficiency and Renewable Energy Fund LP, a closed-end investment fund that has the same Manager as the Fund. Units were redeemed at NAV per unit for a gain of \$27,565.

**Reconciliation of Level 3 Fair Value Measurement of Financial Instruments**

The following tables reconcile the Fund's Level 3 fair value measurement of financial instruments for the periods ended March 31, 2016 and September 30, 2015:

March 31, 2016	Investment Funds (\$)	Total (\$)
Balance at Beginning of Period	146,208	146,208
Investment purchases during the period	-	-
Proceeds from sales during the period	(151,765)	(151,765)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	27,565	27,565
Change in unrealized appreciation (depreciation) in value of investments	(22,008)	(22,008)
<b>Balance at End of Period</b>	<b>-</b>	<b>-</b>
<b>Change in unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>(22,008)</b>	<b>(22,008)</b>

September 30, 2015	Investment Funds (\$)	Total (\$)
Balance at beginning of Period	132,227	132,227
Investment purchases during the period	-	-
Proceeds from sales during the period	-	-
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	-	-
Change in unrealized appreciation (depreciation) in value of investments	13,981	13,981
<b>Balance at End of Period</b>	<b>146,208</b>	<b>146,208</b>
<b>Change in unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>13,981</b>	<b>13,981</b>

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



**(e) STRUCTURED ENTITIES**

The Fund's investments in Investee Funds or ETFs are subject to the terms and conditions of their respective offering documentation and are susceptible to market price risk arising from uncertainties about the future values. The investment manager makes investment decisions after extensive due diligence on the strategy and overall quality of the underlying fund's manager. All of the investee Funds in the investment portfolio are managed by the same Manager as the Fund.

The right of the Fund to request redemption of its investments in Investee Funds ranges in frequency from monthly to on termination.

As at March 31, 2016, the Fund did not have exposure to any Investee Funds.

The exposure to investments in Investee Funds at fair value by type of fund as at September 30, 2015 is disclosed in the following table. These investments are included at their carrying value in financial assets at fair value through profit or loss in the statement of financial position. The Manager's best estimate of the maximum exposure to loss from the Fund's investment in Investee Funds is the carrying value below.

September 30, 2015

Type	Number of Investee Funds	Net asset value of Investee Fund (\$)	Investment at carrying value (\$)	% of net assets attributable to holders of units
Alternative – fund of funds	1	6,318,286	146,208	2.3%

The Fund's investments in ETFs are summarized below:

March 31, 2016	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Energy Select Sector SPDR Fund	96,502	12,850	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	185,181	27,139	-
iShares International Select Dividend ETF	263,555	2,612	-
iShares MSCI Japan ETF	74,094	17,040	-
iShares S&P/TSX Canadian Preferred Share Index ETF	6,080	1,259	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	134,120	2,106	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	57,794	721	-
SPDR S&P 500 ETF Trust	160,183	184,368	-
Technology Select Sector SPDR Fund ETF	86,419	13,344	-
WisdomTree Asia Local Debt Fund ETF	5,856	32	-

September 30, 2015	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
WisdomTree Asia Local Debt Fund	5,682	51	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	59,655	820	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	134,750	2,293	-
iShares International Select Dividend ETF	226,131	3,924	-
iShares S&P/TSX Canadian Preferred Share Index ETF	25,000	1,217	-
iShares JP Morgan USD Emerging Markets Bond ETF	71,277	5,955	-
Energy Select Sector SPDR Fund	98,395	14,831	-
Technology Select Sector SPDR Fund	79,383	15,258	-
iShares MSCI Japan ETF	76,570	24,934	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	77,769	29,648	-

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2016	As at September 30, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 55,343	\$ 130,824
Margin accounts (note 11)	37,799	46,344
Subscriptions receivable	500	430
Receivable for investments sold	31,642	192,450
Interest receivable	-	1,600
Dividends receivable	28,582	13,359
Harmonized sales tax recoverable	-	932
Investments (note 5)	6,970,902	8,354,014
Investments - pledged as collateral (note 5 and 11)	700,312	819,424
Derivative assets	55,448	11,891
	<u>7,880,528</u>	<u>9,571,268</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	11,445	14,099
Expenses payable	3,690	4,305
Redemptions payable	10,128	34,304
Payable for investments purchased	-	212,102
Distributions payable	5,272	6,293
Derivative liabilities	1,922	29,765
	<u>32,457</u>	<u>300,868</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 7,848,071</u>	<u>\$ 9,270,400</u>
Series A	112,690	111,996
Series A2	5,731,237	6,886,194
Series F	2,004,144	2,272,210
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 7,848,071</u>	<u>\$ 9,270,400</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	13,220	12,464
Series A2	672,156	763,877
Series F	233,588	248,627
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	8.52	8.99
Series A2	8.53	9.01
Series F	8.58	9.14

Approved on behalf of the Trustee, 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 (Unaudited)

for the periods ended March 31	2016	2015
<b>Income</b>		
Net gains (losses) on investments and derivatives		
Dividends	\$ 156,343	\$ 178,923
Interest for distribution purposes	-	1,148
Net realized gain (loss) on investments and options	(234,002)	(236,552)
Net realized gain (loss) on forward currency contracts	(59,791)	53,944
Change in unrealized appreciation (depreciation) of investments and derivatives	106,798	1,080,898
Net gains (losses) on investments and derivatives	<u>(30,652)</u>	<u>1,078,361</u>
Other Income		
Foreign currency gain (loss) on cash and other net assets	(2,340)	3,964
<b>Total income (net)</b>	<u>(32,992)</u>	<u>1,082,325</u>
<b>Expenses</b>		
Management fees (note 8)	77,042	106,059
Securityholder reporting costs	76,023	35,297
Audit fees	9,344	6,948
Custodial fees	3,907	7,007
Legal fees	3,071	2,845
Independent review committee fees	2,011	2,234
Interest expense	-	288
Withholding tax expense	19,007	16,671
Transaction costs	6,362	8,693
Total operating expenses	<u>196,767</u>	<u>186,042</u>
Less: expenses absorbed by Manager	(70,906)	(21,890)
Net expenses	<u>125,861</u>	<u>164,152</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ (158,853)</u>	<u>\$ 918,173</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	(2,846)	8,388
Series A2	(118,588)	628,689
Series F	(37,419)	281,096
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	(0.22)	0.71
Series A2	(0.17)	0.69
Series F	(0.14)	0.94

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

## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)

for the periods ended March 31	2016	2015
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Series A	111,996	113,676
Series A2	6,886,194	9,454,714
Series F	2,272,210	1,903,812
	<u>9,270,400</u>	<u>11,472,202</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Series A	(2,846)	8,388
Series A2	(118,588)	628,689
Series F	(37,419)	281,096
	<u>(158,853)</u>	<u>918,173</u>
<b>Distributions to Holders of Redeemable Units</b>		
From investment income:		
Series A	(3,148)	-
Series A2	(198,137)	-
Series F	(99,928)	-
	<u>(301,213)</u>	<u>-</u>
From return of capital:		
Series A	(543)	(2,943)
Series A2	(31,335)	(225,662)
Series F	(10,368)	(77,122)
	<u>(42,246)</u>	<u>(305,727)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Series A	10,001	-
Series A2	3,989	66,162
Series F	77,430	1,300,130
	<u>91,420</u>	<u>1,366,292</u>
Reinvestments of distributions to holders of redeemable units		
Series A	1,737	1,208
Series A2	185,199	180,205
Series F	109,523	77,658
	<u>296,459</u>	<u>259,071</u>
Redemptions of redeemable units		
Series A	(4,507)	-
Series A2	(996,085)	(1,320,558)
Series F	(307,304)	(139,701)
	<u>(1,307,896)</u>	<u>(1,460,259)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(920,017)</u>	<u>165,104</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	112,690	120,329
Series A2	5,731,237	8,783,550
Series F	2,004,144	3,345,873
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 7,848,071</u>	<u>\$ 12,249,752</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31	2016	2015
<b>Cash Flows from Operating Activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (158,853)	\$ 918,173
Adjustments for:		
Net realized (gain) loss on investments and options	234,002	236,552
Net realized (gain) loss on forward currency contracts	59,791	(53,944)
Change in unrealized (appreciation) depreciation of investments and derivatives	(106,798)	(1,080,898)
Unrealized foreign exchange (gain) loss on cash	(1,498)	(3,964)
(Increase) decrease in interest receivable	1,600	792
(Increase) decrease in dividends receivable	(15,223)	(29,465)
Increase (decrease) in management fees payable and expenses payable	(3,269)	25,106
Purchase of investments	(1,156,652)	(2,866,949)
Proceeds from sale of investments	2,349,187	2,881,837
(Increase) decrease in other receivables	932	-
<b>Net Cash Generated (Used) by Operating Activities</b>	<b>1,203,219</b>	<b>27,240</b>
<b>Cash Flows from Financing Activities</b>		
Distributions to holders of redeemable units, net of reinvested distributions	(48,021)	(39,942)
Change in margin cash	8,545	(72,580)
Proceeds from redeemable units issued	91,350	1,396,792
Amount paid on redemption of redeemable units	(1,332,072)	(1,507,531)
<b>Net Cash Generated (Used) by Financing Activities</b>	<b>(1,280,198)</b>	<b>(223,261)</b>
Net increase (decrease) in cash and cash equivalents	(76,979)	(196,021)
Unrealized foreign exchange gain (loss) on cash	1,498	3,964
Cash and cash equivalents beginning of period	130,824	556,722
<b>Cash and Cash Equivalents End of Period</b>	<b>\$ 55,343</b>	<b>\$ 364,665</b>
Cash and cash equivalents comprise:		
Cash at bank	55,343	164,724
Short-term investments	-	199,941
	<b>55,343</b>	<b>364,665</b>
<b>From operating activities:</b>		
Interest received, net of withholding tax	1,600	1,904
Dividends received, net of withholding tax	122,113	118,371
Interest paid	-	(288)

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2016

No. of Shares/Units (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>BONDS</b>				
<b>Canada</b>				
125,000	Pacific Exploration and Production Corporation 5.375% January 26, 2019	\$ 117,970	\$ 27,598	0.4%
<b>EQUITIES</b>				
<b>Australia</b>				
16,500	Amcor Limited	180,481	235,722	
150,000	AusNet Services	142,394	222,506	
14,200	South32 Limited	125,982	101,064	
		448,857	559,292	7.1%
<b>Bermuda</b>				
2,000	Jardine Matheson Holdings Limited	131,688	148,265	1.9%
<b>Canada</b>				
14,500	Canfor Corporation	333,035	258,825	
1,000	Crescent Point Energy Corp.	24,220	17,980	
7,528	Northland Power Inc.	121,898	161,250	
		479,153	438,055	5.6%
<b>Cayman Islands</b>				
11,000	CK Hutchison Holdings Limited	136,222	185,453	2.4%
<b>France</b>				
800	LVMH Moet Hennessy Louis Vuitton SE	174,479	177,933	
5,354	Total SA ADR	314,164	315,828	
		488,643	493,761	6.3%
<b>Germany</b>				
7,000	GEA Group AG	186,588	444,833	5.7%
<b>Japan</b>				
500	Toyota Motor Corporation	43,629	69,042	0.9%
<b>Switzerland</b>				
8,000	ABB Limited	147,604	201,774	
100	Barry Callebaut AG	145,847	141,146	
2,000	Dufry AG	344,922	319,572	
3,000	Nestle SA	177,665	291,140	
2,000	Novartis AG	175,704	188,163	
600	Roche Holding AG	111,938	191,824	
4,000	Syngenta AG	237,538	430,250	
		1,341,218	1,763,869	22.4%
<b>United Kingdom</b>				
18,000	Barclays PLC ADR	478,843	201,514	
8,500	BHP Billiton PLC	469,259	250,925	
9,000	Compass Group PLC	191,803	206,156	
1,600	Diageo PLC ADR	213,810	224,154	
5,194	Johnson Matthey PLC	205,835	265,852	
14,000	Pearson PLC	286,772	228,502	
12,000	Prudential PLC	149,457	291,214	
70,000	Rentokil Initial PLC	159,796	230,852	
1,273	Royal Dutch Shell PLC Class A	39,032	39,988	
6,200	Royal Dutch Shell PLC Class A ADR	434,346	390,132	
		2,628,953	2,329,289	29.6%
<b>United States</b>				
18,000	Ares Capital Corporation	334,108	346,923	
1,500	Deere & Company	144,632	149,986	
17,274	Fifth Street Senior Floating Rate Corp.	224,696	177,906	
3,000	JPMorgan Chase & Co.	186,484	230,736	
4,000	Mondelez International Inc. Class A	171,168	208,423	
1,500	Technology Select Sector SPDR Fund ETF	69,638	86,419	
		1,130,726	1,200,393	15.3%
	<b>Total equities</b>	<b>7,015,677</b>	<b>7,632,252</b>	<b>97.2%</b>
	<b>Total investment portfolio</b>	<b>7,133,647</b>	<b>7,659,850</b>	<b>97.6%</b>

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

## Schedule of Investment Portfolio (Unaudited) (continued)

as at March 31, 2016

No. of Shares/Units/ (Contract Size)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>DERIVATIVES - PURCHASED OPTIONS<sup>1</sup></b>				
<b>Purchased Call Options</b>				
<b>United States</b>				
USD 25	iShares MSCI Japan ETF, Call 8, 20/01/2017	10,607	11,364	0.1%
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Put Options</b>				
<b>Canada</b>				
CAD (15)	Canfor Corporation, Put 12, 15/04/2016	(635)	(75)	
CAD (15)	Northland Power Inc., Put 17, 15/07/2016	(585)	(225)	
		(1,220)	(300)	-
<b>United Kingdom</b>				
USD (45)	Barclays PLC ADR, Put 7, 17/06/2016	(1,750)	(731)	
USD (15)	BHP Billiton PLC ADR, Put 15, 15/04/2016	(588)	(633)	
USD (4)	Diageo PLC, Put 95, 15/04/2016	(625)	(31)	
		(2,963)	(1,395)	-
<b>United States</b>				
USD (10)	JPMorgan Chase & Co., Put 47.5, 15/04/2016	(514)	(52)	
USD (5)	Mondelez International Inc., Put 32, 17/06/2016	(751)	(175)	
		(1,265)	(227)	-
	<b>Total Written Put Options</b>	(5,448)	(1,922)	-
	<b>Total written options</b>	5,159	9,442	0.1%
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
	Total unrealized gain on forward currency contracts		55,448	0.7%
	Net investments	7,138,806	7,724,740	98.4%
	Transaction costs	(10,412)	-	-
		\$ 7,128,394	7,724,740	98.4%
	Other assets less liabilities		123,331	1.6%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 7,848,071	100.0%

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

## Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			
		Currency	Amount (\$)	Value as at March 31, 2016 (\$)	Currency	Amount (\$)	Value as at March 31, 2016 (\$)	Unrealized gain (loss) (\$)
0.52916	Jun-27-16	Canadian Dollar	264,572	264,572	British Pound	140,000	261,205	3,367
0.66542	Jun-15-16	Canadian Dollar	525,980	525,980	Euro	350,000	518,400	7,580
83.85000	Jun-15-16	Canadian Dollar	83,482	83,482	Japanese Yen	7,000,000	80,947	2,535
0.74305	Jun-3-16	Canadian Dollar	376,824	376,824	United States Dollar	280,000	363,633	13,191
0.71642	Apr-5-16	Canadian Dollar	865,414	865,414	Swiss Franc	620,000	837,460	27,954
1.00281	Apr-5-16	Canadian Dollar	483,642	483,642	Australian Dollar	485,000	482,821	821
							<b>Unrealized gain</b>	<b>55,448</b>

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

**(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

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

As at March 31, 2016, there was no offsetting since all currency forward contracts were in an unrealized gain position.

The following table presents the gross amount of recognized financial assets and liabilities of the Fund that are offset under master netting or similar arrangements collateral as at September 30, 2015.

	Counterparty 1 (\$)	Counterparty 2 (\$)
September 30, 2015		
Gross derivative assets	-	518
Gross derivative liabilities	(5,290)	(7,210)
<b>Net exposure</b>	<b>(5,290)</b>	<b>(6,692)</b>

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	55,343	55,343
Margin accounts	-	-	37,799	37,799
Subscriptions receivable	-	-	500	500
Receivable for investments sold	-	-	31,642	31,642
Dividends receivable	-	-	28,582	28,582
Taxes recoverable	-	-	-	-
Investments	-	6,970,902	-	6,970,902
Investments - pledged as collateral	-	700,312	-	700,312
Derivative assets	55,448	-	-	55,448
<b>Total</b>	<b>55,448</b>	<b>7,671,214</b>	<b>153,866</b>	<b>7,880,528</b>

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	11,445	11,445
Expenses payable	-	-	3,690	3,690
Redemptions payable	-	-	10,128	10,128
Distributions payable	-	-	5,272	5,272
Derivative liabilities	1,922	-	-	1,922
<b>Total</b>	<b>1,922</b>	<b>-</b>	<b>30,535</b>	<b>32,457</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2015:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	130,824	130,824
Margin accounts	-	-	46,344	46,344
Subscriptions receivable	-	-	430	430
Receivable for investments sold	-	-	192,450	192,450
Interest receivable	-	-	1,600	1,600
Dividends receivable	-	-	13,359	13,359
Taxes recoverable	-	-	932	932
Investments	-	8,354,014	-	8,354,014
Investments - pledged as collateral	-	819,424	-	819,424
Derivative assets	11,891	-	-	11,891
<b>Total</b>	<b>11,891</b>	<b>9,173,438</b>	<b>385,939</b>	<b>9,571,268</b>

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



Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	14,099	14,099
Expenses payable	-	-	4,305	4,305
Redemptions payable	-	-	34,304	34,304
Payable for investments purchased	-	-	212,102	212,102
Distributions payable	-	-	6,293	6,293
Derivative liabilities	29,765	-	-	29,765
<b>Total</b>	<b>29,765</b>	<b>-</b>	<b>271,103</b>	<b>300,868</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month periods ended March 31, 2016 and March 31, 2015.

Category	Net gains (losses) (\$)	
	2016	2015
Financial assets at FVTPL		
Held for Trading	28,294	1,049
Designated at Inception	(58,946)	1,035,170
<b>Total</b>	<b>(30,652)</b>	<b>1,036,219</b>
Financial liabilities at FVTPL:		
Held for Trading	-	42,142
<b>Total</b>	<b>(30,652)</b>	<b>1,078,361</b>

### (c) RISK MANAGEMENT

#### Price Risk

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

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

If the price of investments held by the Fund on March 31, 2016 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$386,237 (September 30, 2015: \$458,377). 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 March 31, 2016 and September 30, 2015.

By Geographic Region	March 31, 2016	September 30, 2015
United Kingdom	29.6%	36.8%
Switzerland	22.4%	18.4%
United States	15.4%	14.6%
Australia	7.1%	6.5%
France	6.3%	3.3%
Canada	6.0%	9.3%
Germany	5.7%	3.8%
Cayman Islands	2.4%	3.1%
Bermuda	1.9%	1.4%
Other Net Assets (Liabilities)	1.6%	1.2%
Japan	0.9%	1.7%
Currency Forwards	0.7%	(0.1%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

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

By Industry Sector	March 31, 2016	September 30, 2015
Materials	19.5%	16.3%
Industrials	17.4%	14.2%
Financials	15.9%	21.9%
Consumer Discretionary	12.8%	15.0%
Consumer Staples	11.1%	7.5%
Energy	9.7%	10.4%
Utilities	4.9%	7.1%
Health Care	4.8%	3.3%
Other Net Assets (Liabilities)	1.6%	1.2%
Exchange Traded Fund	1.1%	0.9%
Currency Forwards	0.7%	(0.1%)
Corporate Bonds	0.4%	-
Long Positions - Derivatives	0.1%	0.1%
Telecommunication Services	-	2.4%
Short Positions - Derivatives	-	(0.2%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

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

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

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2016 and September 30, 2015, in Canadian dollar terms, net of the notional amounts of foreign exchange forward contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2016

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	73,538	3,383,846	3,457,384	3,677	169,192	172,869
British Pound	8,163	1,001,359	1,009,523	408	50,068	50,476
Swiss Franc	-	106,222	106,222	-	5,311	5,311
Hong Kong Dollar	-	185,453	185,453	-	9,273	9,273
Euro	675	104,367	105,042	34	5,218	5,252
Australian Dollar	4,790	(24,592)	(19,802)	240	(1,230)	(990)
Japanese Yen	-	(80,947)	(80,947)	-	(4,047)	(4,047)
<b>Total</b>	<b>87,166</b>	<b>4,675,708</b>	<b>4,762,875</b>	<b>4,359</b>	<b>233,785</b>	<b>238,144</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>1.1%</b>	<b>59.6%</b>	<b>60.7%</b>	<b>0.1%</b>	<b>2.9%</b>	<b>3.0%</b>

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

September 30, 2015

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	97,805	4,194,687	4,292,492	4,890	209,734	214,624
British Pound	11,510	1,972,242	1,983,752	576	98,612	99,188
Swiss Franc	(612,413)	979,859	367,446	(30,621)	48,993	18,372
Hong Kong Dollar	-	287,943	287,943	-	14,397	14,397
Euro	(221,174)	356,260	135,086	(11,059)	17,813	6,754
Australian Dollar	(517,010)	511,717	(5,293)	(25,851)	25,586	(265)
Japanese Yen	(112,033)	-	(112,033)	(5,602)	-	(5,602)
<b>Total</b>	<b>(1,353,315)</b>	<b>8,302,708</b>	<b>6,949,393</b>	<b>(67,667)</b>	<b>415,135</b>	<b>347,468</b>
% of net assets attributable to holders of redeemable units	(14.6%)	89.6%	75.0%	(0.7%)	4.4%	3.7%

### Interest Rate Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

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

As at March 31, 2016, the Fund had forward currency contracts with two counterparties – the first having a long term Standard & Poor's credit rating of AA- and in a net unrealized gain position of \$26,673 (September 30, 2015: \$nil), and the second having a long term Standard & Poor's credit rating of A and in a net unrealized gain position of \$28,775. (September 30, 2015: \$nil). The counterparties both have credit ratings which exceed the minimum requirement outlined in securities legislation.

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

The Fund's cash and margin cash balances are maintained at financial institutions whose parent companies have credit ratings of AA- and A+; and therefore credit risk is deemed minimal.

### Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, written put options, accrued fees and expenses, payable for securities purchased and distributions payable.

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

As at March 31, 2016 and September 30, 2015, the Fund did not have any borrowings.

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

Value of securities or cash required to satisfy written options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
March 31, 2016	158,266	61,691	25,500	245,457
September 30, 2015	207,550	271,752	-	479,302

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

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

**(d) FAIR VALUE MEASUREMENTS**

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2016 and September 30, 2015.

Assets at fair value as at March 31, 2016				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	7,632,252	-	-	7,632,252
Bonds - Long	-	27,598	-	27,598
Options - Long	11,364	-	-	11,364
Forward contracts	-	55,448	-	55,448
<b>Total</b>	<b>7,643,616</b>	<b>83,046</b>	<b>-</b>	<b>7,726,662</b>

Liabilities at fair value as at March 31, 2016				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - short	(1,922)	-	-	(1,922)
<b>Total</b>	<b>(1,922)</b>	<b>-</b>	<b>-</b>	<b>(1,922)</b>

Assets at fair value as at September 30, 2015				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	8,964,107	-	-	8,964,107
Investment Funds - Long	-	-	145,905	145,905
Bonds - long	-	63,426	-	63,426
Options - Long	11,891	-	-	11,891
<b>Total</b>	<b>8,975,998</b>	<b>63,426</b>	<b>145,905</b>	<b>9,185,329</b>

Liabilities at fair value as at September 30, 2015				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - short	(17,783)	-	-	(17,783)
Forward contracts	-	(11,982)	-	(11,982)
<b>Total</b>	<b>(17,783)</b>	<b>(11,982)</b>	<b>-</b>	<b>(29,765)</b>

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

As at March 31, 2016, the Fund did not hold any investments which were classified as Level 3. During the period ended March 31, 2016, the Fund sold its only Level 3 position – units of Portland Global Energy Efficiency and Renewable Energy Fund LP, a closed-end investment fund that has the same Manager as the Fund. Units were redeemed at NAV per unit for a gain of \$27,529.

**Reconciliation of Level 3 Fair Value Measurement of Financial Instruments**

The following tables reconcile the Fund's Level 3 fair value measurement of financial instruments for the periods ended March 31, 2016 and September 30, 2015:

March 31, 2016	Investment Funds (\$)	Total (\$)
Balance at Beginning of Period	145,905	145,905
Investment purchases during the period	-	-
Proceeds from sales during the period	(151,449)	(151,449)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	27,529	27,529
Change in unrealized appreciation (depreciation) in value of investments	(21,985)	(21,985)
<b>Balance at End of Period</b>	<b>-</b>	<b>-</b>
<b>Change in unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>(21,985)</b>	<b>(21,985)</b>

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

September 30, 2015	Investment Funds (\$)	Total (\$)
Balance at Beginning of Period	131,953	131,953
Investment purchases during the period	-	-
Proceeds from sales during the period	-	-
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	-	-
Change in unrealized appreciation (depreciation) in value of investments	13,952	13,952
<b>Balance at End of Period</b>	<b>145,905</b>	<b>145,905</b>
Change in unrealized appreciation (depreciation) in value of investments held at end of period	13,952	13,952

**(e) STRUCTURED ENTITIES**

The Fund's investments in Investee Funds or ETFs are subject to the terms and conditions of their respective offering documentation and are susceptible to market price risk arising from uncertainties about the future values. The investment manager makes investment decisions after extensive due diligence on the strategy and overall quality of the underlying fund's manager. All of the investee Funds in the investment portfolio are managed by the same Manager as the Fund.

The right of the Fund to request redemption of its investments in Investee Funds ranges in frequency from monthly to on termination.

As at March 31, 2016, the Fund did not have exposure to any Investee Funds.

The exposure to investments in Investee Funds at fair value by type of fund as at September 30, 2015 is disclosed in the following table. These investments are included at their carrying value in financial assets at fair value through profit or loss in the statement of financial position. The Manager's best estimate of the maximum exposure to loss from the Fund's investment in Investee Funds is the carrying value below.

September 30, 2015

Type	Number of Investee Funds/ ETFs	Net asset value of Investee Fund/ETFs (\$)	Investment at carrying value (\$)	% of net assets attributable to holders of units
Alternative – fund of funds	1	6,318,286	145,905	2.3%

The Fund's investments in ETFs as at March 31, 2016 and September 30, 2015 are summarized below.

March 31, 2016	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Technology Select Sector SPDR Fund ETF	86,419	13,344	-

September 30, 2015	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Technology Select Sector SPDR Fund ETF	79,383	15,258	-

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

## Statement of Financial Position (Unaudited)

	As at March 31, 2016	As at September 30, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 34,937	\$ 16,753
Subscriptions receivable	2,500	25,000
Interest receivable	-	-
Dividends receivable	315	359
Investments (note 5)	279,451	115,392
	<u>317,203</u>	<u>157,504</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	443	148
Expenses payable	147	63
	<u>590</u>	<u>211</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 316,613</u>	<u>\$ 157,293</u>
Series A	157,759	46,143
Series F	158,854	111,150
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 316,613</u>	<u>\$ 157,293</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	18,968	5,594
Series F	19,033	13,417
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	8.32	8.25
Series F	8.35	8.28

Approved on behalf of the Trustee, 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 (Unaudited)

for the period ended March 31	2016
<b>Income</b>	
Net gains (losses) on investments	
Dividends	\$ 2,475
Net realized gain (loss) on investments	20
Net realized gain (loss) on forward currency contracts	70
Change in unrealized appreciation (depreciation) of investments	3,117
Net gains (losses) on investments	<u>5,682</u>
Other Income	
Foreign currency gain (loss) on cash and other net assets	(714)
<b>Total income (net)</b>	<u>4,968</u>
<b>Expenses</b>	
Management fees (note 8)	1,972
Unitholder reporting costs	34,127
Audit fees	9,624
Custodial fees	710
Legal fees	3,164
Independent review committee fees	2,072
Withholding tax expense	25
Transaction costs	137
Total operating expenses	<u>51,831</u>
Less: expenses absorbed by Manager	<u>(49,034)</u>
Net expenses	2,797
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 2,171</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>	
Series A	(533)
Series F	2,704
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>	
Series A	(0.04)
Series F	0.18

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

## Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (Unaudited)

for the period ended March 31	2016
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>	
Series A	\$ 46,143
Series F	111,150
	<u>157,293</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	
Series A	(533)
Series F	2,704
	<u>2,171</u>
<b>Distributions to Holders of Redeemable Units</b>	
From net investment income:	
Series A	(131)
Series F	(848)
	<u>(979)</u>
<b>Redeemable Unit Transactions</b>	
Proceeds from redeemable units issued	
Series A	112,149
Series F	45,000
	<u>157,149</u>
Reinvestments of distributions to holders of redeemable units	
Series A	131
Series F	848
	<u>979</u>
Redemptions of redeemable units	
Series A	-
Series F	-
	<u>-</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>158,128</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	
Series A	157,759
Series F	158,854
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 316,613</u>

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



## Statement of Cash Flows (Unaudited)

for the period ended March 31	2016
<b>Cash Flows from Operating Activities</b>	
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 2,171
Adjustments for:	
Net realized (gain) loss on investments	(20)
Change in unrealized (appreciation) depreciation of investments	(3,117)
Unrealized foreign exchange (gain) loss on cash	-
(Increase) decrease in dividends receivable	44
Increase (decrease) in management fees payable and expenses payable	379
Purchase of investments	(161,144)
Proceeds from the sale of investments	222
<b>Net Cash Generated (Used) by Operating Activities</b>	<u>(161,465)</u>
<b>Cash Flows from Financing Activities</b>	
Distributions to holders of redeemable units, net of reinvested distributions	-
Proceeds from redeemable units issued	179,649
Amount paid on redemption of redeemable units	-
<b>Net Cash Generated (Used) by Financing Activities</b>	<u>179,649</u>
Net increase (decrease) in cash and cash equivalents	18,184
Unrealized foreign exchange gain (loss) on cash	-
Cash and cash equivalents beginning of period	16,753
<b>Cash and Cash Equivalents End of Period</b>	<u>\$ 34,937</u>
Cash and cash equivalents comprise:	
Cash at bank	34,937
<b>From operating activities:</b>	
Dividends received, net of withholding tax	2,494

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2016

No. of Shares/Units (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Bermuda</b>				
370	Brookfield Infrastructure Partners LP	\$ 19,302	\$ 20,245	
660	Brookfield Property Partners LP	18,368	19,869	
		<u>37,670</u>	<u>40,114</u>	12.7%
<b>Canada</b>				
5,510	Baytex Energy Corporation	36,538	28,266	
465	Brookfield Asset Management Inc. Class A	20,222	21,010	
1,573	Crescent Point Energy Corp.	32,080	28,283	
800	Northland Power Inc.	13,663	17,137	
400	Restaurant Brands International Inc.	19,449	20,172	
3,280	Whitecap Resources, Inc.	33,908	25,387	
		<u>155,860</u>	<u>140,255</u>	44.3%
<b>Guernsey</b>				
1,020	Pershing Square Holdings, Ltd.	26,122	18,427	5.8%
<b>United Kingdom</b>				
150	Liberty Global PLC LiLAC Class A	7,014	6,830	
15,630	Cable & Wireless Communications PLC	19,430	22,464	
		<u>26,444</u>	<u>29,294</u>	9.3%
<b>United States</b>				
110	Berkshire Hathaway Inc. Class B	19,858	20,269	
800	Hertz Global Holdings, Inc.	16,436	10,941	
350	Zoetis Inc. Class A	20,071	20,151	
		<u>56,365</u>	<u>51,361</u>	16.2%
	<b>Total investment portfolio</b>	<u>302,461</u>	<u>279,451</u>	88.3%
	<b>Transaction costs</b>	<u>(332)</u>	<u>-</u>	-
	<b>Other assets less liabilities</b>	\$ 302,129	279,451	88.3%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>37,162</u>	11.7%
			\$ 316,613	100.0%

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2016:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	34,937	34,937
Subscriptions receivable	-	-	2,500	2,500
Dividends receivable	-	-	315	315
Investments	-	279,451	-	279,451
<b>Total</b>	<b>-</b>	<b>279,451</b>	<b>37,752</b>	<b>317,203</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	443	443
Expenses payable	-	-	147	147
<b>Total</b>	<b>-</b>	<b>-</b>	<b>590</b>	<b>590</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2015:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	16,753	16,753
Subscription receivable	-	-	25,000	25,000
Dividends receivable	-	-	359	359
Investments	-	115,392	-	115,392
<b>Total</b>	<b>-</b>	<b>115,392</b>	<b>42,112</b>	<b>157,504</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	148	148
Expenses payable	-	-	63	63
<b>Total</b>	<b>-</b>	<b>-</b>	<b>211</b>	<b>211</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month period ended March 31, 2016.

Category	Net gains (losses) (\$)	
	2016	2015
Financial assets at FVTPL		
Held for Trading	70	-
Designated at Inception	5,612	(23,590)
<b>Total</b>	<b>5,682</b>	<b>(23,590)</b>

**(b) RISK MANAGEMENT****Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2016 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$13,973 (September 30, 2015: \$5,770). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

### Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2016 and September 30, 2015.

By Geographic Region	March 31, 2016	September 30, 2015
Canada	44.3%	35.8%
United States	16.2%	14.1%
Bermuda	12.7%	11.9%
Other Net Assets (Liabilities)	11.7%	26.6%
United Kingdom	9.3%	7.6%
Guernsey	5.8%	4.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2016	September 30, 2015
Energy	25.8%	17.9%
Financials	25.1%	21.8%
Utilities	11.8%	11.7%
Other Net Assets (Liabilities)	11.7%	26.6%
Consumer Discretionary	8.6%	5.8%
Telecommunication Services	7.1%	7.6%
Health Care	6.4%	4.6%
Industrials	3.5%	4.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2016 and September 30, 2015, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2016

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	603	157,915	158,518	30	7,896	7,926
British Pound	-	22,464	22,464	-	1,123	1,123
<b>Total</b>	<b>603</b>	<b>180,379</b>	<b>180,982</b>	<b>30</b>	<b>9,019</b>	<b>9,049</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.2%</b>	<b>57.0%</b>	<b>57.2%</b>	<b>0.0%</b>	<b>2.8%</b>	<b>2.9%</b>

September 30, 2015

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	282	65,240	65,522	14	3,262	3,276
British Pound	-	11,924	11,924	-	596	596
<b>Total</b>	<b>282</b>	<b>77,164</b>	<b>77,446</b>	<b>14</b>	<b>3,858</b>	<b>3,872</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.2%</b>	<b>49.1%</b>	<b>49.2%</b>	<b>0.0%</b>	<b>2.5%</b>	<b>2.5%</b>

### Interest Rate Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

As at March 31, 2016 and September 30, 2015, the Fund did not have significant direct exposure to credit risk.

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

### Liquidity Risk

The Fund is exposed to liquidity risk on its obligations, including its issued redeemable units, accrued fees and expenses, payable for securities purchased, distributions payable and borrowings.

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

As at March 31, 2016 and September 30, 2015, the Fund did not have any borrowings.

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

### (c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2016 and September 30, 2015

	Assets at fair value as at March 31, 2016			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	279,451	-	-	279,451
<b>Total</b>	<b>279,451</b>	<b>-</b>	<b>-</b>	<b>279,451</b>

	Assets at fair value as at September 30, 2015			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	115,392	-	-	115,392
<b>Total</b>	<b>115,392</b>	<b>-</b>	<b>-</b>	<b>115,392</b>

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

## Notes to Financial Statements

### 1. GENERAL INFORMATION

Portland Advantage Fund, Portland Canadian Balanced Fund, Portland Canadian Focused Fund, Portland Global Banks Fund, Portland Global Income Fund, Portland Global Dividend Fund and Portland Value Fund (collectively referred to as the Funds) are open-ended mutual funds created and governed by a master declaration of trust under the laws of Ontario in Canada. The Funds offer units to the public under a simplified prospectus dated April 29, 2016, as amended (Prospectus). The Funds were formed and related series commenced operations on the following dates:

Name of Fund	Formation Date of Fund	Commencement of Operations		
		Series A, Series F	Series A2 (note 1b)	Series G
Portland Advantage Fund	October 1, 2012	October 31, 2012	n/a	March 14, 2013
Portland Canadian Balanced Fund	October 1, 2012	October 31, 2012	n/a	March 14, 2013
Portland Canadian Focused Fund	October 1, 2012	October 31, 2012	n/a	January 24, 2013
Portland Global Banks Fund	January 25, 2007	December 17, 2013	December 17, 2013	n/a
Portland Global Income Fund	January 25, 2005	December 17, 2013	December 17, 2013	n/a
Portland Global Dividend Fund	April 27, 2007	May 29, 2014	May 29, 2014	n/a
Portland Value Fund	May 6, 2015	May 19, 2015	n/a	n/a

Portland Investment Counsel Inc. (Manager) is the Investment Fund Manager, Portfolio Manager and Trustee of each Fund. The head office of the Fund is 1375 Kerns Road, Burlington, Ontario L7R 4V7. Effective October 19, 2015, the Funds changed custodians from Citibank Canada to CIBC Mellon Trust Company. These financial statements are presented in Canadian dollars and were authorized for issue by the board of directors of the Manager on May 16, 2016. The Funds are authorized to issue an unlimited number of units in an unlimited number of series.

The statements of financial position for the Funds are as at March 31, 2016 and September 30, 2015. The statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows for the Funds are for the period ended March 31, 2016 and March 31, 2015, unless the Fund commenced operations during either period, 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 period end reporting date.

The following table presents the investment objective of each Fund.

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

### 2. BASIS OF PRESENTATION

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial instruments

##### (a) Classification

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

The Funds' obligation for net assets attributable to holders of redeemable units is presented at the redemption amount which approximates fair value due to its short term nature.

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

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

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

#### (b) Recognition, de-recognition and measurement

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

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

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

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

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

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

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

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

#### **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. If there has been no trade, the mid price (average bid and asking price) as of the close of the business on the reporting date is used to approximate fair value. The Funds' policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

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

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

The Funds' investments in units of investment funds (Investee Funds) are subject to the terms and conditions of the respective Investee Fund's offering documentation. The investments in Investee Funds are valued based on the latest available net asset value per unit for each Investee Fund. The Manager of the Funds reviews the details of the reported information obtained from the Investee Funds and considers:

- the liquidity of the Investee Fund or its underlying investments;
- the value date of the NAV provided;
- any restrictions on redemptions; and
- the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the Investee Funds' advisors.

If necessary, the Manager will make adjustments to the NAV per unit of various Investee Funds to obtain the best estimate of fair value.

In accordance with the Funds' fair value policy, an Investment Committee comprised of representatives from the fund reporting and oversight, compliance and portfolio management teams respond to fair value situations, including determination of the process for valuing private securities on a continuous basis whether or not they are considered Level 3 in the fair value hierarchy (refer note 5). The Investment Committee also determines when it is appropriate to deviate from the predetermined process, as required to ensure the periodic valuation of such private securities is fair, using inputs from various sources which may include the portfolio management team, the administrator and general news. Any deviations from the policy are reported to senior management and the Independent Review Committee and if deemed necessary, to the Board of Directors.

### **Structured Entities**

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities; (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors; (c) insufficient equity to permit the structured entity to finance its activities without subordinate financial support; and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Funds consider all of their investments in Investee Funds as well as their investments in Exchange Traded Funds (ETFs) to be investments in unconsolidated structured entities. The Funds invest in Investee Funds whose objectives range from achieving medium- to long-term capital growth. The Investee Funds are managed by the same asset manager as the Funds and apply various investment strategies to accomplish their respective investment objectives. The Investee Funds finance their operations by issuing units which may or may not be puttable to the Investee Fund at the holder's option and entitle the holder to a proportional stake in the respective Investee Fund's net assets. The Funds hold non-redeemable units in Investee Funds. 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 Investee Fund and ETF is included in the statement of comprehensive income in 'Change in unrealized appreciation (depreciation) of the investments'.

### **Revenue recognition**

'Interest for distribution purposes' shown on the statements of comprehensive income represents the interest earned by the Funds on debt securities accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities other than zero coupon debt securities which are amortized on a straight line basis. Interest receivable is shown separately in the statement of financial position based on the debt instruments' stated rates of interest. Dividends on equity investments and distributions on investments in other investment funds 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 currency gain (loss) on cash and other net assets' on the statements of comprehensive income. Realized foreign exchange gains and losses related to investments and options are recognized when incurred and are presented in the statement of comprehensive income within 'Net realized gain (loss) on investments and options'. Realized gains and losses on forward currency contracts are recognized when incurred and are presented in the statement of comprehensive income within 'Net realized gain (loss) on foreign currency contracts'.

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

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

### **Cash and cash equivalents**

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



## Cost of investments

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

## Redeemable units

The Funds issue multiple classes 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 class. Units are redeemable daily.

Redeemable units are issued and redeemed at the holder's option at prices based on each Fund's NAV per unit at the time of issue or redemption. The Funds' NAVs per unit are calculated by dividing the NAV of each series of redeemable units by the total number of outstanding redeemable units of each respective series. In accordance with the provisions of the Prospectus, investment positions are valued based on the last traded market price for the purposes of determining the NAV per unit for subscriptions and redemptions.

## Expenses

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

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

Interest expense associated with margin borrowing is recorded on an accrual basis.

## 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 (excluding management fee distributions), divided by the daily average units outstanding of that Series during the reporting period.

## Distribution to the Unitholders

Distributions will be made to Unitholders only at such times and in such amounts as may be determined at the discretion of the Manager. The Funds are required to distribute enough net income and net realized capital gains so that they do not have to pay ordinary income tax. All distributions by the Funds on Series A Units, Series A2 Units, Series F Units and Series G Units will be automatically reinvested in additional units of the same Series of the Fund held by the investor at the NAV per unit thereof, unless the investor notifies the Manager in writing that cash distributions are preferred.

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

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

## Collateral

Cash collateral provided by the Funds is identified in the statements of financial position as margin cash 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 pledged collateral if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral.

## Future accounting changes

IFRS 9, Financial Instruments

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Fund is in the process of assessing the impact of IFRS 9.

## 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 measurement of investments not quoted in an active market**

The Funds may hold investments in other investment funds that are not quoted in active markets. Fair values of such instruments are measured using the latest available published NAV per unit, which may be adjusted at the discretion of the Manager if it is determined not to be indicative of fair value. Refer to the Fund Specific Notes to the Financial Statements for further information about the fair value measurement of each Fund's financial instruments.

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

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

### **Functional and presentation currency**

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

## **5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS**

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

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

### **Price risk**

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

### **Interest rate risk**

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

### **Currency risk**

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

### **Liquidity risk**

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

### **Credit risk**

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

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

### **Fair value of financial instruments**

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

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; 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.

Refer to 'Fund Specific Notes to the Financial Statements' for fund specific fair value disclosures.

## 6. REDEEMABLE UNITS

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

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

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

Series A Units and Series A2 Units are available to all investors. Series G Units are available to investors who reside in non-HST provinces.

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

The number of units issued and outstanding for the period ended March 31, 2016 was as follows:

	Balance, Beginning of Period	Units Issued	Units Reinvested	Units Redeemed	Balance, End of Period	Weighted Average Number of Units
<b>Portland Advantage Fund</b>						
Series A Units	244,347	15,587	5,602	15,970	249,566	243,680
Series F Units	227,399	31,441	8,477	4,617	262,700	247,503
Series G Units	600	206	15	615	206	450
<b>Portland Canadian Balanced Fund</b>						
Series A Units	215,918	15,423	7,032	19,896	218,477	214,236
Series F Units	62,993	53,081	3,564	4,233	115,405	74,635
Series G Units	9,313	91	314	9,627	91	7,491
<b>Portland Canadian Focused Fund</b>						
Series A Units	133,150	13,032	6,842	20,449	132,575	130,329
Series F Units	434,414	75,796	20,243	35,306	495,147	446,875
Series G Units	10,053	88	363	9,394	1,110	8,302
<b>Portland Global Banks Fund</b>						
Series A Units	13,981	18,725	726	-	33,432	26,103
Series A2 Units	804,849	3,429	18,720	117,771	709,227	748,170
Series F Units	21,156	4,089	654	-	25,899	23,959
<b>Portland Global Income Fund</b>						
Series A Units	84,293	561	1,876	1,240	85,490	84,493
Series A2 Units	443,266	2,153	10,698	51,162	404,955	421,503
Series F Units	125,023	1,659	3,260	10,841	119,101	122,474
<b>Portland Global Dividend Fund</b>						
Series A Units	12,464	1,063	196	503	13,220	13,056
Series A2 Units	763,877	435	20,782	112,938	672,156	720,941
Series F Units	248,627	8,913	12,146	36,098	233,588	249,651
<b>Portland Value Fund</b>						
Series A Units	5,594	13,359	15	-	18,968	13,984
Series F Units	13,417	5,518	98	-	19,033	14,393

The number of units issued and outstanding for the period ended March 31, 2015 was as follows:

	Balance, Beginning of Period	Units Issued	Units Reinvested	Units Redeemed	Balance, End of Period	Weighted Average Number of Units
<b>Portland Advantage Fund</b>						
Series A Units	216,622	65,354	72	37,067	244,981	226,284
Series F Units	161,307	82,721	1,412	11,102	234,338	223,063
Series G Units	600	-	-	-	600	600
<b>Portland Canadian Balanced Fund</b>						
Series A Units	191,592	67,312	590	24,152	235,342	214,860
Series F Units	99,161	40,552	319	4,370	135,662	110,127
Series G Units	9,285	-	28	-	9,313	9,300
<b>Portland Canadian Focused Fund</b>						
Series A Units	212,070	40,645	961	40,924	212,752	227,370
Series F Units	235,462	213,953	2,702	7,842	444,275	362,106
Series G Units	9,984	-	69	-	10,053	10,022
<b>Portland Global Banks Fund</b>						
Series A Units	306	4,783	43	-	5,132	1,434
Series A2 Units	1,043,186	1,677	21,358	175,006	891,215	966,104
Series F Units	7,981	4,005	251	1,386	10,851	10,763
<b>Portland Global Income Fund</b>						
Series A Units	48,149	33,816	1,186	3,626	79,525	54,796
Series A2 Units	556,822	2,614	11,470	87,991	482,915	511,948
Series F Units	128,390	22,659	3,537	3,446	151,140	147,020
<b>Portland Global Dividend Fund</b>						
Series A Units	11,712	-	123	-	11,835	11,763
Series A2 Units	973,880	7,098	18,411	136,822	862,567	911,802
Series F Units	195,275	136,662	7,858	14,082	325,713	298,251

## 7. TAXATION

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

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

The taxation year-end for the Funds is December 15, except Portland Value Fund which has a tax 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.

	2029 (\$)	2030 (\$)	2032 (\$)	2033 (\$)	2035 (\$)	Total (\$)
Portland Global Banks Fund	-	279,354	1,913	336,358	56,124	673,749
Portland Global Income Fund	10,413	-	-	-	-	10,413

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

	Total (\$)
Portland Advantage Fund	147,531
Portland Canadian Balanced Fund	-
Portland Canadian Focused Fund	-
Portland Global Banks Fund	159,072,011
Portland Global Income Fund	23,339,597
Portland Global Dividend Fund	26,866,722
Portland Value Fund	1,571

## 8. MANAGEMENT FEES AND EXPENSES

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

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

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

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

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

## 9. SOFT DOLLARS

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

Effective January 1, 2016, the Manager may use third party research, which is generally also available on a subscription basis, the value of which will be used to approximate the value of research and other similar services received from third parties through commission sharing arrangements with executing brokers. The ascertainable value of the third party soft dollar arrangements in connection with portfolio transactions for the period of January 1, 2016 to March 31, 2016 are presented in the table below:

For the period ended	March 31, 2016 (\$)
Portland Advantage Fund	80
Portland Canadian Balanced Fund	-
Portland Canadian Focused Fund	-
Portland Global Banks Fund	147
Portland Global Income Fund	26
Portland Global Dividend Fund	45
Portland Value Fund	20

## 10. RELATED PARTY TRANSACTIONS

The following table outlines the management fees and operating expense reimbursements that were paid to the Manager by the Funds during the periods ended March 31, 2016 and March 31, 2015. The table includes 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 table below exclude applicable GST or HST.

Period ended March 31, 2016	Management Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	39,902	14,034	45,210	1,450
Portland Canadian Balanced Fund	31,681	9,246	46,240	1,450
Portland Canadian Focused Fund	41,817	18,220	42,435	1,450
Portland Global Banks Fund	70,456	18,905	72,940	1,450
Portland Global Income Fund	42,585	14,517	82,695	1,450
Portland Global Dividend Fund	69,867	21,377	64,635	1,450
Portland Value Fund	1,745	587	43,390	1,450

Period ended March 31, 2015	Management Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	39,696	13,648	40,840	2,182
Portland Canadian Balanced Fund	34,733	10,598	40,310	2,182
Portland Canadian Focused Fund	50,519	18,728	26,790	2,182
Portland Global Banks Fund	90,689	26,029	61,480	2,182
Portland Global Income Fund	53,357	18,497	52,500	2,182
Portland Global Dividend Fund	95,808	29,522	19,920	2,182

The Funds owed the following amounts to the Manager as at March 31, 2016 and September 30, 2015:

Period ended March 31, 2016	Management Fees (\$)	Operating Expense Reimbursement (\$)
Portland Advantage Fund	6,812	2,512
Portland Canadian Balanced Fund	5,473	1,664
Portland Canadian Focused Fund	6,758	3,230
Portland Global Banks Fund	9,898	2,853
Portland Global Income Fund	6,826	2,327
Portland Global Dividend Fund	10,433	3,386
Portland Value Fund	392	130

Period ended September 30, 2015	Management Fees (\$)	Operating Expense Reimbursement (\$)
Portland Advantage Fund	7,028	2,436
Portland Canadian Balanced Fund	5,847	1,670
Portland Canadian Focused Fund	8,032	3,418
Portland Global Banks Fund	14,639	4,215
Portland Global Income Fund	8,438	2,864
Portland Global Dividend Fund	14,099	4,305
Portland Value Fund	148	63

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

	March 31, 2016	September 30, 2015
Portland Advantage Fund	10.6%	3.4%
Portland Canadian Balanced Fund	4.3%	3.2%
Portland Canadian Focused Fund	1.8%	2.0%
Portland Global Banks Fund	1.1%	1.1%
Portland Global Income Fund	2.2%	2.2%
Portland Global Dividend Fund	0.6%	0.5%
Portland Value Fund	40.1%	78.9%

The Funds may hold units of other investment funds that are also managed by the Manager. The tables below presents the number of units held of such Funds as at September 30, 2015. As at March 31, 2016, none of the Funds held units of either investment funds that are also managed by the Manager.

As at September 30, 2015	Portland Global Energy Efficiency and Renewable Energy Fund LP
Portland Global Income Fund	2,483
Portland Global Dividend Fund	2,478

## 11. BROKERAGE FACILITY

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

Each of Portland Global Banks Fund, Portland Global Income Fund and Portland Global Dividend Fund has an Option Trading Agreement and Margin Agreement with Merrill Lynch Canada, Inc. (ML) and has placed cash on account with ML as collateral for its option writing strategy. All property held by ML for or on account of the Fund shall be subject to a general lien for the Fund's obligations to ML wherever or however arising (including, without limitation, in connection with the Fund's option accounts) and ML is hereby authorized to sell and/or purchase, pledge, re-pledge, hypothecate or re-hypothecate any and all such property without notice or advertisement to satisfy such a general lien. Such cash collateral has been classified separately on the statements of financial position as 'Margin accounts'.

## 12. COMPARISON OF NET ASSET VALUE

As at March 31, 2016 and September 30, 2015, there was no difference between the NAV per unit used for transactional purposes and the net assets attributable to holders of redeemable units per unit in these financial statements.

### Statement of Corporate Governance Practices

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



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

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