PORTLAND
INVESTMENT COUNSEL®

PORTLAND GLOBAL ARISTOCRATS PLUS FUND
ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2020

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PORTFOLIO MANAGEMENT TEAM

Christopher Wain-Lowe
Chief Investment Officer, Executive Vice-President and Portfolio Manager

Kyle Ostrander
Portfolio Manager

Portland Global Aristocrats Plus Fund

SEPTEMBER 30, 2020

OVERVIEW

The investment objective of the Portland Global Aristocrats Plus Fund (the Fund) is to provide income and achieve, over the long term, preservation of capital and a satisfactory return.

To achieve this investment objective, the Fund will employ the following core techniques:

1. Time in the Market: investing in a globally diversified portfolio comprising of equities and American depository receipts (ADRs) of companies focused on growing dividends, income securities, preferred shares and exchange-traded funds (ETFs); and
2. Timing the Market: accessing low cost borrowing to use leverage to purchase securities on margin. Leverage may comprise up to 70% of the total assets of the portfolio and is based the securities held in the Fund at levels approved by the prime broker.

By long term, we mean a period long enough to encompass a full stock market cycle – typically seven to nine years. We therefore believe a minimum period reasonable for measuring performance for the Fund is four to six years and as such all investors in the Fund should intend to invest for at least that period.

The Fund's approach towards investing requires the analysis of opportunities that offer both safety of principal and a satisfactory return, while recognizing that at times the Fund can borrow to acquire assets. Borrowing at tax deductible low cost should enhance investment returns, but can cut both ways, giving way to the servant rather than the master technique being deployed by the Fund.

While investors in the Fund should be able to tolerate volatility, we believe that volatility is not the same thing as risk. Higher returns should not be equated with a need to invest in more volatile investments. The Fund intends to have enough investments in lower-volatility companies, domiciled in sectors such as utilities, real estate and consumer staples where on average its holdings are less volatile than the overall market. In contrast to its holdings, when the Fund borrows to invest, its net asset value per unit might be more volatile than the overall stock markets even though the Fund's underlying investments might not be. To that extent, focusing on quality investments, combined with maintaining prudent levels of borrowing, the Fund's investment objectives should be achieved.

RESULTS OF OPERATIONS

For the twelve months ended September 30, 2020, the Fund's Series F units had a return of 2.9%. For the same period, the MSCI World Total Return Index (the Index) had a return of 11.0%. For the full period since inception of the Fund on June 30, 2016 to September 30, 2020, the Fund's Series F units had an annualized return of 5.7%. For the same period, the Index had an annualized return of 11.5%. The performance of other units may be different than that of the Series F units due to differing fees. Since the Fund does not necessarily invest in the same securities as the Index, the performance of the Fund may not be directly comparable to the Index. In addition, the Fund's performance reflects the use of leverage or cash positions and unlike the Index, the Fund's return is after the deduction of its fees and expenses.

During the period, the performance of the Fund's preferred shares component declined -8.0% and its equity component rose 12.6%. Some equity sectors performed poorly with the Fund's exposure to real estate (Federal Realty Investment Trust) and communication services (AT&T Inc.) performing the worst while materials (Croda International PLC) and health care (Coloplast A/S) fared the best.

The Fund began to deploy some capital during the market recovery that has been seen since the first quarter of 2020, however the Fund continues to hold a position in cash and cash equivalents. We believe there will be opportunities to deploy this cash in attractively priced opportunities in the last quarter of 2020. We are skeptical as to the robustness of the market recovery since the first quarter of 2020 and have noted that it can take some time for the economic effects of the pandemic to be realized in the capital markets. The Fund began the second quarter at the end of March 31, 2020 with 37% invested in cash and cash equivalents and ended the period on September 30, 2020 with 4.2% invested in cash and cash equivalents. The Fund has a significant capacity to borrow if attractive opportunities present themselves in the market.

As at September 30, 2020, the Fund was long U.S. and Canadian dollars, and so had a nil leverage ratio (i.e. debt/portfolio of investments) with 4.2% of the Fund currently invested in cash and cash equivalents.

The equity component of the Fund (85.0% of the Fund) is to comprise mostly large companies and members of the dividend aristocrats indices, exhibiting we believe, attractive dividend policies. These large companies should benefit more than others in a poor economic environment where interest rates are declining.

The preferred share component of the Fund (10.8% of the Fund) is the Portland Private Income Fund – Preferred Series F USD (Portland Preferred Units). In April, we took the decision to cut losses and divest the Canadian listed preferred shares in order to replace with a more consistent contribution by the Portland Preferred Units. This holding in the Portland Preferred Units allows the Fund to earn what we believe is an attractive distribution rate of the RBC Prime Rate of Interest plus 1% as we look to deploy the Fund's capital in attractively priced businesses that will be more resilient to the persistent spread of COVID-19 globally.

The Fund is a mutual fund trust and therefore, it must pay out all of its net income to its unitholders at the end of the year in order for unitholders to avoid extra taxation. We attempt to minimize the amount of tax unitholders pay. Instead of paying one-time lumpy distributions at the end of the year, we have estimated the amount of net income that we expect to earn in an average year and make distribution payments monthly. In the case of Series A units, we have estimated 4% per annum based on the initial net asset value of $50 and for series F units 5% per annum of the initial net asset value of $50. For Series A units this is $2 per unit per year and for Series F units this is $2.50 per unit per year. Currently, this distribution is more than the dividends that each unit earns, however, the dividends received by holdings in the Fund in aggregate are growing year over year. This means at some point we will have to increase the monthly distribution in dollars per unit or resort to paying a special year-end lumpy distribution. As with other Portland Investment Counsel Inc. managed funds, unitholders have the option to receive distributions in cash or have them automatically reinvested.

RECENT DEVELOPMENTS AND OUTLOOK

The economic impact facing the global economy due to the COVID-19 virus is uncertain. Lockdowns and mandatory quarantines have caused certain economies to expect high unemployment rates, low inflation rates and negative gross domestic product growth rates. The U.S. Federal Reserve cut its overnight interest rate to 0.25% on March 16, 2020. This was followed by The Bank of Canada cutting its overnight interest rate to 0.25% on March 27, 2020. In addition to the monetary policy actions that were taken, many developed countries have unveiled large fiscal stimulus packages. The reduction of the overnight interest rates and the fiscal stimulus spending should help incentivize economic activity. The length of this global economic contraction will depend on many factors including how the COVID-19 virus will continue to spread. It is also unknown how long it may take corporate earnings to recover from previous highs. Based on an analysis of previous recessions, it has taken the S&P 500 2 to 3 years for earnings to recover to the level it had attained prior to the recession.

Positions in the Fund are expected to be primarily large market-capitalization dividend global aristocrat equities with some Canadian preferred shares to take advantage of higher yields and more advantageous taxation than debt. We also look to take currency exposures that match the Index so that we do not underperform the Index by missing out on currency exposures that the Index enjoys. We prefer defensive sectors such as utilities, real estate and consumer staples that will benefit from interest rate cuts in a poor economic environment. The Fund is currently well positioned to meet its investment objective for the medium to long term. We will continue to evaluate opportunities that we believe may generate income, enhance returns and/or reduce risk wherever possible.

Notes

Certain statements included in this Commentary constitute forward-looking statements, including those identified by the expressions "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent they relate to the Fund. These forward-looking statements are not historical facts, but reflect the current expectations of the portfolio management team regarding future results or events of the Fund. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. The portfolio management team has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.

Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

Management's Responsibility for Financial Reporting

The accompanying financial statements of Portland Global Aristocrats Plus Fund (the Fund) have been prepared by Portland Investment Counsel Inc. (the Manager) in its capacity as manager of the Fund. The Manager of the Fund is responsible for the information and representations contained in these financial statements. The Board of Directors of the Manager, in its capacity as trustee of the Fund, has approved these financial statements.

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

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

"Michael Lee-Chin"

Michael Lee-Chin
Director
December 4, 2020

"Robert Almeida"

Robert Almeida
Director
December 4, 2020

Independent Auditor's Report

To the Unitholders and Trustee of:

Portland Global Aristocrats Plus Fund (the Fund)

Our Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at September 30, 2020 and 2019 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Fund's financial statements comprise:

- the statements of financial position as at September 30, 2020 and 2019;
- the statements of comprehensive income for the years then ended;
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for Opinion

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

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

Independence

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

Other information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, included in the Annual Financial Report.

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

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

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

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

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
December 4, 2020

Statements of Financial Position

As at September 30,	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	$ 22,878	$ 19,600
Margin accounts (note 11)	5,014	34,788
Interest receivable	-	17
Dividends receivable	1,844	1,285
Investments (note 5)	636,981	640,011
	666,717	695,701
Liabilities		
Current Liabilities		
Management fees payable	759	946
Expenses payable	304	425
Redemptions payable	-	12,344
Distributions payable	749	661
	1,812	14,376
Non-current Liabilities		
Organization expenses payable (note 8)	1,584	1,580
	3,396	15,956
Net Assets Attributable to Holders of Redeemable Units	$ 663,321	$ 679,745
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	250,040	371,808
Series F	325,936	245,047
Series O	87,345	62,890
	$ 663,321	$ 679,745
Number of Redeemable Units Outstanding (note 6)		
Series A	4,933	7,170
Series F	6,374	4,693
Series O	1,689	1,205
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	$ 50.69	$ 51.86
Series F	$ 51.14	$ 52.22
Series O	$ 51.71	$ 52.19

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

"Michael Lee-Chin" Director

"Robert Almeida" Director

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

Statements of Comprehensive Income

For the years ended September 30,		2020		2019
Income				
Net gain (loss) on investments				
Dividends	$	19,344	$	45,419
Interest for distribution purposes		1,865		642
Net realized gain (loss) on investments		(57,325)		29,658
Change in unrealized appreciation (depreciation) on investments		56,870		(56,170)
		20,754		19,549
Other income				
Foreign exchange gain (loss) on cash and other net assets		7,875		(2,976)
Total income (net)		28,629		16,573
Expenses				
Securityholder reporting costs		52,432		49,630
Audit fees		12,836		9,304
Management fees (note 8)		10,709		12,331
Independent review committee fees		3,010		2,751
Withholding tax expense		1,335		1,775
Interest expense and bank charges (note 11)		1,151		6,916
Transaction costs		735		345
Custodial fees		696		85
Legal fees		360		47
Organization expenses (note 8)		4		(39)
Total operating expenses		83,268		83,145
Less: expenses absorbed by Manager		(65,390)		(57,869)
Net operating expenses		17,878		25,276
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	$	10,751	$	(8,703)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series				
Series A	$	403	$	(12,494)
Series F	$	7,680	$	148
Series O	$	2,668	$	3,643
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit				
Series A	$	0.07	$	(1.55)
Series F	$	1.24	$	0.03
Series O	$	2.07	$	3.03

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

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

For the years ended September 30,	2020	2019
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period		
Series A	$ 371,808	$ 525,829
Series F	245,047	288,922
Series O	62,890	-
	679,745	814,751
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	403	(12,494)
Series F	7,680	148
Series O	2,668	3,643
	10,751	(8,703)
Distributions to Holders of Redeemable Units		
From net investment income		
Series A	(6,711)	(16,121)
Series F	(7,809)	(12,886)
Series O	(2,559)	(1,003)
	(17,079)	(30,010)
From net realized gains on investments		
Series A	-	(3,819)
Series F	-	(2,151)
Series O	-	-
	-	(5,970)
From return of capital		
Series A	(5,692)	-
Series F	(7,700)	-
Series O	(654)	-
	(14,046)	-
Net Decrease from Distributions to Holders of Redeemable Units	(31,125)	(35,980)
Redeemable Unit Transactions		
Proceeds from redeemable units issued		
Series A	2,373	-
Series F	109,264	20,337
Series O	25,000	60,000
	136,637	80,337
Reinvestments of distributions		
Series A	10,226	19,376
Series F	12,699	11,665
Series O	-	250
	22,925	31,291
Redemptions of redeemable units		
Series A	(122,367)	(140,963)
Series F	(33,245)	(60,988)
Series O	-	-
	(155,612)	(201,951)
Net Increase (Decrease) from Redeemable Unit Transactions	3,950	(90,323)
Net Assets Attributable to Holders of Redeemable Units at End of Period		
Series A	250,040	371,808
Series F	325,936	245,047
Series O	87,345	62,890
	$ 663,321	$ 679,745

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

Statements of Cash Flows

For the years ended September 30,		2020		2019
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	$	10,751	$	(8,703)
Adjustments for:				
Net realized (gain) loss on investments		57,325		(29,658)
Change in unrealized (appreciation) depreciation on investments		(56,870)		56,170
Unrealized foreign exchange (gain) loss on cash		(34)		18
(Increase) decrease in interest receivable		17		(17)
(Increase) decrease in dividends receivable		(559)		668
Increase (decrease) in management fees and expenses payable		(308)		(969)
Increase (decrease) in organization expenses payable		4		(39)
Purchase of investments		(849,501)		(84,568)
Proceeds from sale of investments		852,076		540,284
Net Cash Generated (Used) by Operating Activities		12,901		473,186
Cash Flows from Financing Activities				
Increase (decrease) in borrowing		-		(305,962)
Change in margin cash		29,774		(34,788)
Distributions to holders of redeemable units, net of reinvested distributions		(8,112)		(4,028)
Proceeds from redeemable units issued (note 3)		136,637		80,337
Amount paid on redemption of redeemable units (note 3)		(167,956)		(189,607)
Net Cash Generated (Used) by Financing Activities		(9,657)		(454,048)
Net increase (decrease) in cash and cash equivalents		3,244		19,138
Unrealized foreign exchange gain (loss) on cash		34		(18)
Cash and cash equivalents - beginning of period		19,600		480
Cash and cash equivalents - end of period		22,878		19,600
Cash and cash equivalents comprise:				
Cash at bank	$	22,878	$	614
Short-term investments		-		18,986
	$	22,878	$	19,600
From operating activities:				
Interest received, net of withholding tax	$	1,882	$	625
Dividends received, net of withholding tax	$	17,450	$	44,312
From financing activities:				
Interest paid	$	(59)	$	(7,139)

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

Schedule of Investment Portfolio

As at September 30, 2020

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES - Preferred				
Canada				
7,152	Portland Private Income Fund – Preferred Series F USD	71,516	71,515	10.8%
	Total equities - preferred	71,516	71,515	10.8%
EQUITIES - Common				
Bermuda				
1,100	Brookfield Property Partners L.P.	29,596	17,633	2.7%
Canada				
300	BCE Inc.	17,035	16,566	
120	Canadian National Railway Company	13,817	17,017	
588	Fortis, Inc.	31,829	32,003	
267	Metro Inc.	14,840	17,059	
140	Royal Bank of Canada	12,005	13,089	
		89,526	95,734	14.4%
Denmark				
100	Coloplast A/S	15,400	21,043	3.2%
France				
60	Sanofi	8,136	7,993	1.2%
Ireland				
40	Linde Public Limited Company	11,115	12,683	1.9%
Spain				
460	Red Electrica Corporacion S.A.	11,672	11,501	1.7%
Switzerland				
103	Nestle S.A.	14,651	16,281	
75	Novartis AG	9,437	8,664	
150	Roche Holding AG ADR	5,498	8,551	
		29,586	33,496	5.1%
United Kingdom				
137	Croda International PLC	11,826	14,712	
150	Diageo PLC	7,243	6,830	
		19,069	21,542	3.2%
United States				
97	American States Water Company	11,164	9,681	
26	American Tower Corporation	8,145	8,369	
100	Archer-Daniels-Midland Company	5,575	6,190	
200	AT&T Inc.	8,975	7,592	
167	California Water Service Group	11,653	9,662	
190	Cincinnati Financial Corporation	17,018	19,726	
123	Colgate-Palmolive Company	11,094	12,636	
300	Consolidated Edison, Inc.	34,129	31,078	
90	Duke Energy Corporation	11,904	10,613	
98	Federal Realty Investment Trust	16,509	9,583	
92	Genuine Parts Company	12,434	11,659	
274	Hormel Foods Corporation	16,151	17,837	
95	Johnson & Johnson	18,001	18,833	
61	Kimberly-Clark Corporation	11,112	11,994	
160	Leggett & Platt, Incorporated	10,770	8,771	
53	McCormick & Company, Incorporated	11,792	13,698	
60	McDonald's Corporation	15,618	17,536	
61	PepsiCo, Inc.	10,998	11,258	
161	SJW Group	14,545	13,047	
105	Target Corporation	16,527	22,009	
57	The Clorox Company	11,526	15,952	
155	The Coca-Cola Company	11,125	10,189	
120	The Procter & Gamble Company	19,457	22,209	
135	The Southern Company	12,011	9,747	
75	Walmart Inc.	8,671	13,972	
		336,904	343,841	51.8%
	Total equities - common	551,004	565,466	85.2%
	Total investment portfolio	622,520	636,981	96.0%
	Transaction costs	(210)	-	-
		$ 622,310	636,981	96.0%
	Other assets less liabilities		26,340	4.0%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		$ 663,321	100.0%

1. GENERAL INFORMATION

Portland Global Aristocrats Plus Fund (the Fund) is an open-end investment fund established under the laws of the Province of Ontario pursuant to an amended and restated master declaration of trust dated as of December 13, 2013, as amended thereafter and as may be amended from time to time. The formation date of the Fund was April 30, 2016. Inception date was June 30, 2016 for Series A and Series F and May 31, 2019 for Series O. Portland Investment Counsel Inc. (the Manager) is the Investment Fund Manager, Portfolio Manager and Trustee of the Fund. The head office of the Fund is 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7. These financial statements were authorized for issue by the Board of Directors of the Manager on December 4, 2020.

The Fund offers units to the public on a private placement basis under an offering memorandum. The investment objective of the Fund is to provide income and achieve, over the long term, preservation of capital and a satisfactory return. To achieve this investment objective, the Manager will employ the following core techniques: invest primarily in a globally diversified portfolio of equities, ADRs, income securities, preferred shares, options and ETFs; and leverage by purchasing securities on margin. Leverage may comprise up to 70% of the total assets of the portfolio and is based on the securities held in the Fund at levels approved by the prime broker.

The statements of financial position of the Fund are as at September 30, 2020 and September 30, 2019. The statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows of the Fund are for the years ended September 30, 2020 and September 30, 2019.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(a) Classification

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

The Fund recognizes financial instruments at fair value upon initial recognition, inclusive of transaction costs in the case of financial instruments not measured at fair value. The Fund classifies its investment in equities and fixed income securities as financial assets or financial liabilities at FVTPL. The investment in Portland Private Income Fund – Preferred Series F USD (Portland Preferred Units) or other investment funds (collectively referred to as Underlying Funds) held by the Fund do not meet the SPPI test and therefore have been classified as financial assets at FVTPL.

All other financial assets and liabilities are recognized at amortized cost and are reflected at the amount required to be paid, discounted to reflect the time value of money when appropriate.

The Fund's obligation for net assets attributable to holders of redeemable units does not meet the criteria for equity treatment and therefore is presented as a liability on the statement of financial position. The Fund has elected to classify its obligation for net assets attributable to holders of redeemable units as a financial liability at FVTPL.

The Fund's accounting policies for measuring the fair value of its investments are similar to those used in measuring its net asset value (NAV) for unitholder transactions; therefore, the NAV will be similar to the net assets attributable to holders of redeemable units for financial reporting purposes except for the treatment of organization expenses. Therefore, the NAV is higher than the net assets attributable to holders of redeemable units in these financial statements. There is a comparison of NAV per unit and net assets attributable to holders of redeemable units per unit within note 12.

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 Fund 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 Fund commits to purchase or sell the investment. Financial assets and liabilities are initially recognized at fair value. Transaction costs incurred to acquire financial assets at FVTPL are expensed as incurred in the statements of comprehensive income. Subsequent to initial recognition, all financial assets and liabilities at FVTPL are measured at fair value. Unrealized gains and losses arising from changes in fair value of the FVTPL category are presented in the statements of comprehensive income within 'Change in unrealized appreciation (depreciation) on investments' in the period in which they arise. Financial assets at amortized cost are subsequently measured at amortized cost, less any impairment losses. Transaction costs incurred on financial assets or liabilities at amortized cost are amortized over the life of the asset or liability.

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

Fair value measurement

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

The fair value of bonds is based on closing bid quotations provided by independent security pricing services.

The Manager has procedures to determine the fair value of securities at FVTPL for which market prices are not readily available or which may not be reliably priced. The Fund holds an investment in Portland Preferred Units. The Portland Preferred Units intend to provide offering support to the investment objectives of the Portland Private Income Fund by providing a source of borrowing at what the Manager of the Portland Private Income Fund believes to be an attractive cost which is expected to be between the borrowing cost of a prime brokerage facility and a loan facility. The Portland Preferred Units do not trade on an active market hence its fair value is determined using valuation techniques. The fair value is primarily determined based on the latest available price as reported by the administrator of the Portland Preferred Units. The Portland Preferred Units are valued at $10.00 CDN and pay monthly distributions, which will range from the Royal Bank of Canada Prime Rate to no more than the cost of unsecured debt of the Portland Private Income Fund.

Net changes in fair value of securities at FVTPL are included in the statements of comprehensive income in 'Change in unrealized appreciation (depreciation) on investments'.

Revenue recognition

'Interest for distribution purposes' shown on the statements of comprehensive income represents the stated rate of interest earned by the Fund on fixed income securities accounted for on an accrual basis, as applicable. The Fund does 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 statements of financial position based on the debt instruments' stated rates of interest. Dividends on equity investments are recognized as income on the ex-dividend date.

Foreign currency translation

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

Unrealized exchange gains or losses on investments are included in 'Change in unrealized appreciation (depreciation) of investments' in the statements of comprehensive income.

'Foreign exchange gain (loss) on cash and other net assets' arises from sale of foreign currencies, change in foreign currency denominated loans, 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 Fund considers 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. On the schedule of investment portfolio, transaction costs have been deducted in aggregate from the total cost of individual investments which includes transaction costs.

Redeemable units

The Fund issues multiple series of redeemable units, which are redeemable at the holder's option and do not have identical rights. Redeemable units can be put back to the Fund at any dealing date for cash equal to a proportionate share of the Fund's NAV attributable to the unit series. Units are redeemable monthly.

The redeemable units are carried at the redemption amount that is payable at the statements of financial position date if the holder exercises the right to put the units back to the Fund.

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

The Fund's units do not meet the criteria in IAS 32 for classification as equity as the units are redeemable on demand for cash and therefore, have been classified as financial liabilities.

Expenses

Expenses of the Fund including management fees and other operating expenses are recorded on an accrual basis. Interest charged on margin borrowing is recorded on an accrual basis.

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

Organization expenses

Organization expenses including legal fees, time spent by the Manager to create the Fund, and registration fees associated with the formation of the Fund are recoverable from the Fund by the Manager. Such expenses are deductible from NAV at a future time to be determined by the Manager. The amount of organization expenses incurred and expensed in the statements of comprehensive income is based on the maximum amount allowed to be charged to the Fund of 0.20% per annum multiplied by the NAV, regardless of whether or not the Manager has commenced deducting the amount from the Fund's NAV for transaction purposes

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

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

Distributions to 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 Fund will distribute sufficient net income and net realized capital gains to unitholders annually to ensure that the Fund is not liable for ordinary income taxes. All distributions by the Fund will be automatically reinvested in additional units of the Fund held by the investor at the NAV per unit thereof, unless the investor notifies the Manager in writing that cash distributions are preferred.

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

Management fees and other costs directly attributable to a series are charged to that series. The 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 Fund is identified in the statements of financial position as 'Margin accounts' and is not included as a component of cash and cash equivalents. Collateral other than cash is classified in the statements of financial position separately from other assets and liabilities as 'Investments - pledged as collateral' if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral.

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

The Fund includes only the net cash flow impact and does not include non-cash switches between series of the Fund that occurred during the year in 'Proceeds from redeemable units issued' or 'Amount paid on redemption of redeemable units'. There were no non-cash switches excluded from the Fund's operation and financing activities on the statements of cash flows for the years ending September 30, 2020 and September 30, 2019.

Future accounting changes

New standards, amendments and interpretations effective after January 1, 2020 and that have not been early adopted

There are no new accounting standards effective after January 1, 2020 which affect the accounting policies of the Fund.

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 Fund has made in preparing these financial statements.

Fair value of securities not quoted in an active market

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

Fair value of foreign securities

The Manager has procedures in place to determine the fair value of foreign securities traded in foreign markets to avoid stale prices and to take into account, among other things, any subsequent events occurring after the close of a foreign market. The Manager's fair value pricing techniques involve assigning values to the Fund's portfolio holdings that may differ from the closing prices on the foreign securities exchanges. The Manager will do this in circumstances where it has in good faith determined that to do so better reflects the market values of the securities in question.

Fair value of Underlying Funds

The fair value of Underlying Funds that are not quoted in an active market is determined primarily in reference to the latest available price of such units for each Underlying Fund, as determined by the administrator of such Underlying Fund. The Fund may make adjustments to the reported NAV of various Underlying Funds based on considerations such as the value date of the price provided, cash flows (calls/distributions) since the latest value date, the estimated total return reported by the manager of the Underlying Fund if a price is unavailable, restrictions on redemptions and the basis of accounting, if not at fair value.

The carrying values of Underlying Funds may be materially different to the values that could be realized as of the financial reporting date or ultimately realized on redemption.

Coronavirus (COVID-19) Impact

While the precise impact of the recent novel coronavirus COVID-19 outbreak remains unknown, it has introduced uncertainty and volatility in global markets and economies, resulting in an economic slowdown. The governments have designed significant monetary and fiscal interventions to stabilize the current economic conditions. This is a developing situation and might impact the Fund's ability to generate income. Currently, it is unknown as to the impact on the Fund's receivables and investments if COVID-19 persists for an extended period. The Fund may incur reductions in revenue relating to such events outside of their control, which could have a material adverse impact on the Fund's business, operating results, revenues and financial condition. The Manager is in the process of assessing the impact of COVID-19, however, given the fluidity and significant volatility of the situation, it is not possible to quantify the impact at this stage. No adjustments have been reflected in the financial statements at this time.

5. FINANCIAL INSTRUMENTS

(a) Offsetting Assets and Liabilities

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

(b) Risk Management

The Fund's investment activities may be exposed to various financial risks, including market risk (which includes price risk, interest rate risk and currency risk), concentration risk, liquidity risk, credit risk and leverage risk. The Fund's risk management goals are to ensure that the outcome of activities involving risk is consistent with the Fund's investment objectives and risk tolerance per the Fund's offering memorandum.

The Fund has indirect exposure to various financial risks through its investment in the Portland Preferred Units. All of the underlying investments in the Portland Preferred Units are subject to risks inherent to Portland Private Income Fund. In the case of the Portland Private Income Fund, established markets may not exist for its holdings, and therefore may be considered illiquid. The Fund is therefore indirectly exposed to each financial risk of the respective underlying investment in proportion to its investment in the Portland Preferred Units. Risk is minimized for the Portland Preferred Units as upon liquidation of the Portland Private Income Fund, the Portland Preferred Units rank behind all general creditor claims and any prime brokerage or other borrowing facilities but ahead of the common units of the Portland Private Income Fund.

Price risk

The Manager moderates price risk through diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy. 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 Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

If the price of investments held by the Fund on September 30, 2020 had been higher or lower by 10%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by $56,547 (September 30, 2019: $64,002). Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, asset type or industry sector. The following tables present the Fund's exposure as a percentage of the total carrying value of the investments by geographic region and by industry sector as at September 30, 2020 and September 30, 2019.

By Geographic Region	September 30, 2020	September 30, 2019
United States	54.2%	12.4%
Canada	25.9%	57.0%
Switzerland	5.3%	1.1%
United Kingdom	3.4%	5.5%
Denmark	3.3%	-
Bermuda	2.8%	18.1%
Ireland	2.0%	-
Spain	1.8%	-
France	1.3%	2.2%
Finland	-	3.7%
Total	**100.0%**	**100.0%**

By Industry Sector	September 30, 2020	September 30, 2019
Consumer Staples	31.2%	3.0%
Utilities	19.9%	25.5%
Private/Alternative Funds	10.8%	-
Consumer Discretionary	9.5%	-
Health Care	7.0%	1.1%
Real Estate	5.6%	15.1%
Financials	5.2%	30.2%
Materials	4.3%	1.8%
Communication Services	3.8%	4.6%
Industrials	2.7%	-
Energy	-	13.6%
Exchange Traded Funds	-	5.1%
Total	**100.0%**	**100.0%**

Interest rate risk

Interest rate risk arises on interest-bearing financial instruments held by the Fund. The fair value and future cash flows of such instruments held by the Fund will fluctuate due to changes in market interest rates. As at September 30, 2020, the Fund held 10.8% of its NAV in Portland Preferred Units. The Portland Preferred Units are valued at $10.00 CDN and pay monthly distributions, which will range from the Royal Bank of Canada Prime Rate to no more than the cost of unsecured debt of the Portland Private Income Fund. As at September 30, 2020, the distribution rate of the Portland Preferred Units is $0.345 per unit annualized.

The Fund may have direct exposure to interest rate risk from its use of borrowing. The Fund is permitted to borrow up to 70% of its total assets. As at September 30, 2020 and September 30, 2019, the Fund had no amounts borrowed.

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 Fund 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.

As the Fund may 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 Fund may borrow U.S. dollars, which in effect mitigated the currency risk of the Fund being invested in U.S. listed securities. The Manager may use either Canadian dollar or U.S. dollar denominated borrowings based on the interest cost differential and the Fund's currency exposure, including the revenue sensitivity of the underlying investments.

The table below indicates the foreign currencies to which the Fund had significant exposure at September 30, 2020 and September 30, 2019 in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

	Exposure			Impact on net assets attributable to holders of redeemable units		
September 30, 2020	Monetary ($)	Non-monetary ($)	Total ($)	Monetary ($)	Non-monetary ($)	Total ($)
British Pound	201	21,542	21,743	20	2,154	2,174
Danish Krone	13	21,043	21,056	1	2,104	2,105
Euro	425	19,494	19,919	43	1,949	1,992
Swiss Franc	65	24,946	25,011	7	2,495	2,502
United States Dollar	3,296	448,015	451,311	330	44,802	45,132
Total	**4,000**	**535,040**	**539,040**	**401**	**53,504**	**53,905**
% of net assets attributable to holders of redeemable units	0.6%	80.7%	81.3%	-	8.1%	8.1%

September 30, 2019	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary ($)	Non-monetary ($)	Total ($)	Monetary ($)	Non-monetary ($)	Total ($)
Euro	374	-	374	37	-	37
Swedish Krona	-	23,488	23,488	-	2,349	2,349
United States Dollar	(16,266)	135,324	119,058	(1,627)	13,532	11,906
Total	**(15,892)**	**158,812**	**142,920**	**(1,589)**	**15,881**	**14,292**
% of net assets attributable to holders of redeemable units	(2.3%)	23.4%	21.1%	(0.2%)	2.3%	2.1%

Liquidity risk

The Fund is exposed to monthly cash redemptions and may borrow on margin to make investments. As a result, the Fund 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. The Manager monitors the Fund's liquidity position on an ongoing basis.

As at September 30, 2020, the Fund held 10.8% of its NAV in Portland Preferred Units which are redeemable on the last business day of each month following 60 days notice.

The tables below present the Fund's financial liabilities in relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

September 30, 2020	< 6 months ($)	> 6 months ($)	Total ($)
Net assets attributable to holders of redeemable units	663,321	-	663,321
Management fees and expenses payable	1,063	-	1,063
Distributions payable	749	-	749
Organization expenses payable	-	1,584	1,584

September 30, 2019	< 6 months ($)	> 6 months ($)	Total ($)
Net assets attributable to holders of redeemable units	679,745	-	679,745
Management fees and expenses payable	1,371	-	1,371
Redemptions payable	12,344	-	12,344
Distributions payable	661	-	661
Organization expenses payable	-	1,580	1,580

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 Fund. 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. The table below shows preferred shares as a percentage of net assets held under each credit rating as at September 30, 2019. Credit ratings are obtained from Standard & Poor's. There was no credit risk as at September 30, 2020.

Portfolio by Rating Category	Percentage of Net Assets As at September 30, 2019
P-1	-
P-2	43.4%
P-3	12.6%
N/R	-

Leverage risk

The Fund may generally borrow up to 70% of its total assets. The Fund pledges securities as collateral and is able to borrow up to limits imposed by the broker it has pledged the collateral to. The amount of borrowing allowed by the broker depends on the nature of the securities pledged. The Fund pays interest on the amounts borrowed. Interest is accrued daily and paid monthly. When the Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities, fixed-income securities or other portfolio assets, leverage may be introduced into the Fund. Leverage occurs when the Fund borrows to invest or when the Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that can magnify gains and losses. Consequently any adverse change in the value or level of the Fund's investments, or of the underlying assets, rate or index to which the Fund's investments relate, may amplify losses compared to those that would have been incurred if the Fund had not borrowed to invest or if the underlying asset had been directly held by the Fund. This may result in losses greater than if the Fund had not borrowed to invest, or, in the case of derivatives, losses greater than the amount invested in the derivative itself.

As at September 30, 2020 and September 30, 2019, the Fund was not subject to leverage risk as the borrowing amount was $nil.

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

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2020 and September 30, 2019:

As at September 30, 2020	Assets (Liabilities) Level 1 ($)	Level 2 ($)	Level 3 ($)	Total ($)
Equities - Long	565,466	-	-	565,466
Underlying Funds	-	71,515	-	71,515
Total	**565,466**	**71,515**	**-**	**636,981**

As at September 30, 2019	Assets (Liabilities) Level 1 ($)	Level 2 ($)	Level 3 ($)	Total ($)
Equities - Long	640,011	-	-	640,011
Total	**640,011**	**-**	**-**	**640,011**

(d) 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:

i) restricted activities;

ii) 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;

iii) insufficient equity to permit the structured entity to finance its activities without subordinate financial support; and

iv) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers its investment in ETFs and Portland Preferred Units to be investments in unconsolidated structured entities.

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

Portland Preferred Units are valued as per above section on Fair Value Measurement. The change in fair value of the structured entity is included in the statements of comprehensive income in 'Change in unrealized appreciation (depreciation) on investments'. The Fund's investment in Portland Preferred Units is subject to the terms and conditions of its offering documents and are susceptible to market price risk arising from uncertainties about future values. The Manager makes investment decisions after extensive due diligence on the strategy and overall quality of the Portland Preferred Units.

The exposure to investment in structured entities at fair value as at September 30, 2020 and September 30, 2019 is presented in the following tables. This investment is included at fair value in financial assets at FVTPL in the statements of financial position. The Manager's best estimate of the maximum exposure to loss from the Fund's investment in structured entities is the fair value below:

September 30, 2020	Investment at Fair Value ($)	Net Asset Value ($)	% of Net Asset Value
Portland Private Income Fund – Preferred Series F USD	71,515	129,657,622	-

September 30, 2019	Investment at Fair Value ($)	Net Asset Value ($)	% of Net Asset Value
iShares MSCI World ETF	6,080	899,801,024	-
SPDR S&P Global Dividend ETF	26,836	366,760,875	-

6. REDEEMABLE UNITS

The Fund is permitted to issue an unlimited number of redeemable units issuable in Series A, Series F or Series O, having such terms and conditions as the Manager may determine. Additional series may be offered in the future on different terms. Each unit of a series represents an undivided ownership interest in the net assets of the Fund attributable to that series of units.

The Fund endeavors to invest capital in appropriate investments in conjunction with its investment objectives. The Fund may borrow or dispose of investments, where necessary, to fund redemptions.

The principal difference between the series of units relates to the management fee payable to the Manager, compensation paid to dealers and distributions 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 of the applicable Fund being redeemed, determined at the close of business on the redemption date, as outlined in the applicable offering memorandum.

Series A Units are available to all investors who meet eligibility requirements and invest a minimum of $2,500.

Series F Units are available to investors who meet eligibility requirements and invest a minimum of $2,500, 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 Fund does not incur distribution costs, or individual investors approved by the Manager.

Series O Units are available to certain institutional or other investors.

The number of units issued and outstanding for the years ended September 30, 2020 and September 30, 2019 was as follows:

September 30, 2020	Beginning Balance	Units Issued Including Switches from other Series	Units Reinvested	Units Redeemed Including Switches from other Series	Ending Balance	Weighted Average Number of Units
Series A Units	7,170	48	202	2,487	4,933	6,198
Series F Units	4,693	2,093	250	662	6,374	6,201
Series O Units	1,205	484	-	-	1,689	1,286

September 30, 2019	Beginning Balance	Units Issued Including Switches from other Series	Units Reinvested	Units Redeemed Including Switches from other Series	Ending Balance	Weighted Average Number of Units
Series A Units	9,581	-	386	2,797	7,170	8,062
Series F Units	5,238	396	230	1,171	4,693	5,156
Series O Units	-	1,200	5	-	1,205	1,204

7. TAXATION

The Fund is a unit trust with registered investment status under the Income Tax Act (Canada) (the Tax Act).

The Fund has registered investment status and will qualify as a mutual fund trust once it has 150 qualifying unitholders. The Fund could be subject to a 40% tax under Part XII.2 of the Tax Act and may incur Minimum Tax as defined in the Tax Act. Minimum Tax may arise if the unit trust retains capital gains by virtue of applying: a) expenses, b) non-capital loss carry forwards, or c) dividend tax credits against those gains. Minimum Tax may also arise in certain circumstances where dividend income is retained to utilize the dividend tax credit. Minimum Tax is reflected as an expense on the statements of comprehensive income, if applicable. The Fund will be liable for tax under Part X.2 of the Tax Act if, at the end of any month, the Fund holds property that is not a "qualified investment" for an RRSP, RRIF or DPSP.

The Fund calculates taxable and net capital gains/(losses) in accordance with the Tax Act and intends to distribute sufficient net income and net realized capital gains, if any, to ensure it does not pay ordinary income tax. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses, if any, has not been reflected in the statements of financial position as a deferred income tax asset.

The Fund currently incurs 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 of the Fund is December 31.

As at December 31, 2019, the Fund had unused gross capital loss carry-forwards of $15,662 (December 31, 2018: $nil).

8. FEES AND EXPENSES

Pursuant to the Fund's offering memorandum, the Fund agrees to pay management fees to the Manager, calculated daily on the average NAV and accrued on each Valuation Date. The annual management fees rate of the respective series of units are as follows:

Series A Units 2.00%

Series F Units 1.00%

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

The Manager is reimbursed for any operating expenses it incurs on behalf of the Fund, including regulatory filing fees, custodian fees, legal and audit fees, costs associated with the independent review committee, bank charges, the cost of financial reporting, expenses related to conducting unitholder meetings, costs associated with providing Fundserv access for registered dealers and all related sales taxes. The Manager also provides key management personnel to the Fund. The Manager may charge the Fund for actual time spent by its personnel (or those of its affiliates) in overseeing the day-to-day business affairs of the Fund. 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 waive or absorb management fees and operating expenses at its discretion but is under no obligation to do so.

The Fund is also responsible for all costs associated with its creation and organization of the Fund including but not limited to legal and audit costs, registration and regulatory filing fees, costs associated with due diligence by registered dealers, printing costs, postage and courier costs and time spent by personnel of the Manager at fully allocated costs. The Manager has paid the costs associated with the formation and creation of the Fund and the offering of units and is entitled to reimbursement from the Fund for such costs.

The Fund incurred $8,841 (net of taxes) which is the contractual amount due and payable to the Manager as reimbursement of such organization expenses. Such amount will be charged by the Manager to the Fund as an expense calculated and payable monthly at a rate which will not exceed 0.20% per annum of the NAV over 60 months commencing at such time as the Manager in its discretion shall determine. For financial reporting purposes, an amount equal to the contractual maximum is required to be recognized as owing to the Manager. For the year ending September 30, 2020, $4 was expensed in the statements of comprehensive income (September 30, 2019: $39 was reversed in the statements of comprehensive income).

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

9. SOFT DOLLARS

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

The Manager may use third party proprietary research, which is generally also available on a subscription basis, the value of which will be used to approximate the value of research and other similar services received from third parties through commission sharing arrangements with executing brokers. The ascertainable value of the third party soft dollar arrangements in connection with portfolio transactions for the years ended September 30, 2020 and September 30, 2019 are $150 and $24, respectively.

10. RELATED PARTY TRANSACTIONS

The following tables outline the management fees, operating expenses and organization expenses that were paid to the Manager by the Fund during the years ended September 30, 2020 and September 30, 2019. The table includes the amount of operating expense reimbursement that was paid to affiliates of the Manager. All of the dollar amounts in the tables below exclude applicable GST or HST.

	Management Fees ($)	Operating Expense Reimbursement ($)	Absorbed Operating Expenses ($)	Operating Expenses Reimbursed to Affiliates of the Manager ($)	Organizational Expense Payments ($)
September 30, 2020	9,490	3,496	57,950	1,770	-
September 30, 2019	10,919	3,497	51,244	925	-

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

As at	Management Fees ($)	Operating Expenses Reimbursement ($)	Organization Expenses Payable ($)
September 30, 2020	672	270	1,402
September 30, 2019	837	290	1,399

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

As at	Manager	Related Parties
September 30, 2020	-	531
September 30, 2019	-	505

During the year ended September 30, 2020, the Fund purchased 7,152 units of Portland Preferred Units. The Portland Preferred Units are managed by the same manager as the Fund.

11. BORROWING

The Fund has a Settlement Services Agreement with a Canadian broker for margin borrowing. The rate of interest payable on borrowed money in Canadian dollars is the Canadian Dealer Offered Rate + 50bps and in U.S. dollars is the LIBOR (London Interbank Offered Rate) + 50bps and the facility is repayable on demand. The Fund has placed securities on account with the dealer as collateral for borrowing. Such non-cash collateral has been classified separately within the statements of financial position from other assets and is identified as 'Investments - pledged as collateral'. Cash collateral has been classified separately on the statements of financial position as 'Margin accounts'. As at September 30, 2020 and September 30, 2019, the Fund did not have any borrowing.

The minimum and maximum amounts borrowed and the amount of interest paid during the years ended September 30, 2020 and September 30, 2019 are presented below:

	Minimum Amount Borrowed ($)	Maximum Amount Borrowed ($)	Interest Paid ($)
September 30, 2020	-	35,988	59
September 30, 2019	-	355,070	7,139

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

The following tables provide a comparison of NAV per unit and net assets attributable to holders of redeemable units of the Fund as at September 30, 2020 and September 30, 2019.

September 30, 2020	NAV per Unit ($)	Net assets attributable to holders of redeemable units per unit ($)
Series A	50.81	50.69
Series F	51.26	51.14
Series O	51.84	51.71

September 30, 2019	NAV per Unit ($)	Net assets attributable to holders of redeemable units per unit ($)
Series A	51.98	51.86
Series F	52.33	52.22
Series O	52.32	52.19

13. EXEMPTION FROM FILING

The Fund is relying on the exemption contained within National Instrument 81-106, Part 2.11 to not file its financial statements with the applicable securities regulatory authorities.

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PIC0107-E(12/20)