



**PORTLAND**  
INVESTMENT COUNSEL®

PORTLAND MUTUAL FUNDS  
**ANNUAL FINANCIAL REPORT**

SEPTEMBER 30, 2015

# PORTLAND MUTUAL FUNDS ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2015

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## Chairman's Message

As I prepared to write this letter this year, I found myself struggling. I didn't want to repeat what I have previously written. Surely, there was something exciting and new that I could share with you. There are plenty of interesting issues to discuss, analyze and potentially theorize about. Consider the case of Greece – in the recent past, Greece has approached the precipice of economic collapse and exit from the Eurozone multiple times. Consider the price of oil – the current condition of supply exceeding demand has not only driven down the spot price of oil by over 60% from previous highs but has also driven down the prices of oil and gas companies, some by over 90%. Consider the new technologies – electric cars, driverless cars, the smart watch and Uber. Consider the geo-political issues in the world – tensions between Russia and the West, ISIS, etc. The Canadian election, when will the Fed raise rates – the list goes on and on.

With all this stimulation, why was I having a hard time coming up with something new to write? And, then the answer came to me. As a writer, I was falling victim to the very same temptations that impair investors' abilities to create wealth. I was being distracted by all the noise and, worse, being fooled into thinking that the ever increasing amount and volume of noise must present some meaning for investing – something NEW AND IMPROVED.

There is a saying that the more things change, the more they stay the same. The world has, is, and will continue to undergo change. That is evolution and progress. However, the core principles of investing have not changed. We believe wealth has, is, and will continue to be created by people who own a few, high quality businesses in long-term growth industries that they understand and which make prudent use of other people's money and which businesses they hold for the long run. Economist and professional investor, Benjamin Graham's timeless wisdom that "In the short run, the market is a voting machine but in the long run, it is a weighing machine" continues to be relevant when looking at stock prices. While innovations like discount brokerages, ETFs and robo-advice have brought down the cost of investing, they may also be having the adverse impact of increasing price volatility which exploits people's emotions, thereby increasing the tendency to allow the voting machine to drive behavior which inherently results in selling low and buying high. Warren Buffet's advice of "Be fearful when others are greedy and greedy when others are fearful" has never been more appropriate.

While the "noise" will exploit the emotions of some, many others will simply seek refuge from the noise. This refuge shows up in the form of low or no return, stable value investments. The common refrain is "Wealth creation is no longer my objective – I only want to preserve my wealth". Not losing one's capital is the first rule of investing. However, "preserving capital" is not necessarily the same as "preserving wealth". For most people, the concept of wealth is defined by the relationship of one's capital to one's standard of living and the cost of that standard of living. However, one's target standard of living and the related cost are both functions of the environment around us. For example, how many of us building a retirement plan 20 years ago would have been creating a budget for mobile phones and high speed broadband. Yet, to not have those things today would feel like one were having to go without "necessities". More broadly speaking, it is important to remember that the cost of most goods and services we consume is a function of two things – the cost to produce and the ability of the consumer to pay. For example, the house in which we'd like to live is typically related to where our friends and family live and the cost of those houses is a function of what those friends and family can afford. In summary, the definition of our "standard of living" and its related costs are both indirectly impacted by the purchasing power of those around us. As Will Rogers, comedian and actor said, "Even if you're on the right track, you'll get run over if you just sit there." The same can be said about wealth and that is why it is important to control our emotions and be guided by a sound intellectual framework.

I am excited by the opportunities that I see in the market place. I always find it easier to invest when prices are low than when they are high. Investing money in 2009 was easy – everything was on sale. The market correction that took place in the last few months has created opportunities. The general pessimism that overhangs the oil and gas sector has created opportunities. Our behavior today will be our history tomorrow...we must make sure that it is well written.

*"Michael Lee-Chin"*

## 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 (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.

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

*"Michael Lee-Chin"*

**Michael Lee-Chin,  
Director  
December 7, 2015**

*"Robert Almeida"*

**Robert Almeida,  
Director  
December 7, 2015**

## Independent Auditor's Report

December 7, 2015

To the Unitholders of:

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

*(collectively the Funds)*

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

### **Management's responsibility for the financial statements**

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

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements of each of the Funds based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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

Chartered Professional Accountants, Licensed Public Accountants

*PricewaterhouseCoopers LLP*

Toronto, Canada

## Statements of Financial Position

	As at September 30, 2015	As at September 30, 2014	As at October 1, 2013
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 16,134	\$ 661,617	\$ 295,162
Subscriptions receivable	37,118	72,805	-
Interest receivable	-	361	189
Dividends receivable	14,885	10,763	1,897
Investments (note 5)	5,076,016	4,033,028	833,711
	<u>5,144,153</u>	<u>4,778,574</u>	<u>1,130,959</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Management fee payable	7,028	-	-
Expenses payable	2,436	-	-
Redemptions payable	7,017	-	25,000
Payable for investments purchased	-	90,540	-
	<u>16,481</u>	<u>90,540</u>	<u>25,000</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 5,127,672</u>	<u>\$ 4,688,034</u>	<u>\$ 1,105,959</u>
Series A	2,617,354	2,658,899	948,044
Series F	2,504,363	2,022,327	151,658
Series G	5,955	6,808	6,257
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 5,127,672</u>	<u>\$ 4,688,034</u>	<u>\$ 1,105,959</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>			
Series A	244,347	216,622	83,890
Series F	227,399	161,307	13,288
Series G	600	600	600
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>			
Series A	10.71	12.27	11.30
Series F	11.01	12.54	11.41
Series G	9.92	11.35	10.43

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

for the periods ended September 30	2015	2014
<b>Income</b>		
Net gains (losses) on investments		
Dividends	\$ 301,236	\$ 71,284
Interest for distribution purposes	730	2,060
Net realized gain (loss) on investments	691	4,622
Change in unrealized appreciation (depreciation) of investments	(853,460)	66,154
Net gains (losses) on investments	(550,803)	144,120
<b>Other income</b>		
Foreign currency gain (loss) on cash and other net assets	5,476	733
<b>Total income (net)</b>	<b>(545,327)</b>	<b>144,853</b>
<b>Expenses</b>		
Management fees (note 8)	93,641	46,752
Unitholder reporting costs	116,911	67,792
Audit fees	16,245	20,211
Custodial fees	5,704	10,513
Legal fees	5,456	15,577
Independent review committee fees	4,400	5,336
Interest expense	1,124	399
Income tax expense	-	218
Withholding tax expense	3,422	321
Transaction costs	4,924	1,032
Total operating expenses	251,827	168,151
Less: expenses absorbed by Manager	(116,574)	(105,682)
Net expenses	135,253	62,469
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<b>\$ (680,580)</b>	<b>\$ 82,384</b>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	(390,848)	82,150
Series F	(288,879)	(317)
Series G	(853)	551
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	(1.64)	0.58
Series F	(1.28)	(0.01)
Series G	(1.42)	0.92

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

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

for the periods ended September 30	2015		2014	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	2,658,899	\$	948,044
Series F		2,022,327		151,658
Series G		6,808		6,257
		<u>4,688,034</u>		<u>1,105,959</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		(390,848)		82,150
Series F		(288,879)		(317)
Series G		(853)		551
		<u>(680,580)</u>		<u>82,384</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income:				
Series A		-		-
Series F		(18,060)		-
Series G		-		-
		<u>(18,060)</u>		<u>-</u>
From capital gains:				
Series A		(838)		-
Series F		(892)		-
Series G		(2)		-
		<u>(1,732)</u>		<u>-</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		1,105,738		2,051,875
Series F		1,120,237		1,953,233
Series G		-		-
		<u>2,225,975</u>		<u>4,005,108</u>
Reinvestments of distributions to holders of redeemable units				
Series A		838		-
Series F		18,822		-
Series G		2		-
		<u>19,662</u>		<u>-</u>
Redemptions of redeemable units				
Series A		(756,435)		(423,170)
Series F		(349,192)		(82,247)
Series G		-		-
		<u>(1,105,627)</u>		<u>(505,417)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>1,140,010</u>		<u>3,499,691</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End 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
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	\$	<u>5,127,672</u>	\$	<u>4,688,034</u>

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



## Statements of Cash Flows

for the periods ended September 30	2015		2014	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(680,580)	\$	82,384
Adjustments for:				
Net realized (gain) loss on investments		(691)		(4,622)
Change in unrealized (appreciation) depreciation of investments		853,460		(66,154)
Foreign currency (gain) loss on cash and other net assets		(5,476)		(733)
(Increase) decrease in interest receivable		361		(172)
(Increase) decrease in dividends receivable		(4,122)		(8,866)
Increase (decrease) in management fees payable and accrued liabilities		9,464		-
Purchase of investments		(3,203,119)		(3,068,314)
Proceeds from sale of investments		1,216,822		30,313
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>(1,813,881)</b>		<b>(3,036,164)</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(130)		-
Proceeds from redeemable units issued		2,261,662		3,932,303
Amount paid on redemption of redeemable units		(1,098,610)		(530,417)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>1,162,922</b>		<b>3,401,886</b>
Net increase (decrease) in cash and cash equivalents		(650,959)		365,722
Foreign currency gain (loss) on cash and other net assets		5,476		733
Cash and Cash Equivalents Beginning of Period		661,617		295,162
<b>Cash and Cash Equivalents End of Period</b>	<b>\$</b>	<b>16,134</b>	<b>\$</b>	<b>661,617</b>
Cash and cash equivalents comprise:				
Cash at bank		16,134		462,095
Short-term investments		-		199,522
		<b>16,134</b>		<b>661,617</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax		1,091		1,888
Dividends received, net of withholding tax		233,334		54,115
Income taxes paid		-		218
Interest paid		(1,124)		(399)

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

## Schedule of Investment Portfolio

as at September 30, 2015

No. of Shares/Units	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Bermuda</b>				
5,730	Brookfield Infrastructure Partners Limited Partnership	\$ 234,548	\$ 282,285	
7,325	Brookfield Property Partners Limited Partnership	167,905	210,008	
6,698	Invesco Limited	238,308	280,258	
		<u>640,761</u>	<u>772,551</u>	15.1%
<b>Canada</b>				
14,570	Baytex Energy Corporation	411,149	62,214	
4,990	BCE Inc.	241,833	272,554	
12,990	Brookfield Asset Management Inc. 'A'	465,872	545,450	
24,943	Canadian Oil Sands Limited	380,593	157,390	
6,071	CI Financial Corporation	196,631	183,951	
31,692	Crescent Point Energy Corporation	787,950	483,937	
8,227	IGM Financial Inc.	393,339	278,566	
19,893	Northland Power Inc.	334,843	345,939	
6,869	The Bank of Nova Scotia	431,226	404,103	
4,435	The Toronto-Dominion Bank	219,406	233,281	
		<u>3,862,842</u>	<u>2,967,385</u>	57.9%
<b>Cayman Islands</b>				
6,850	CK Hutchison Holdings Limited ADR	120,999	119,401	2.3%
<b>Great Britain</b>				
557,200	Cable & Wireless Communications PLC	491,778	625,028	12.2%
<b>Panama</b>				
1,028	Copa Holdings SA 'A'	138,064	57,751	1.1%
<b>United States</b>				
845	Berkshire Hathaway Inc. 'B'	113,640	147,630	
3,262	Franklin Resources Inc.	180,750	162,842	
8,000	Hertz Global Holdings Inc.	230,848	179,319	
1,180	iShares India 50 ETF	28,211	44,109	
		<u>553,449</u>	<u>533,900</u>	10.4%
	Total investment portfolio	5,807,893	5,076,016	99.0%
	Transaction costs	(3,222)	-	-
		\$ 5,804,671	5,076,016	99.0%
	Other assets less liabilities		51,656	1.0%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 5,127,672</u>	100.0%

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

## (a) FINANCIAL INSTRUMENTS BY CATEGORY

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

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	16,134	16,134
Subscriptions receivable	-	-	-	37,118	37,118
Dividends receivable	-	-	-	14,885	14,885
Investments	-	5,076,016	5,076,016	-	5,076,016
<b>Total</b>	-	<b>5,076,016</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 (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	-	7,028	7,028
Expenses payable	-	-	-	2,436	2,436
Redemptions payable	-	-	-	7,017	7,017
<b>Total</b>	-	-	-	<b>16,481</b>	<b>16,481</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2014:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	661,617	661,617
Subscriptions receivable	-	-	-	72,805	72,805
Interest receivable	-	-	-	361	361
Dividends receivable	-	-	-	10,763	10,763
Investments	-	4,033,028	4,033,028	-	4,033,028
<b>Total</b>	-	<b>4,033,028</b>	<b>4,033,028</b>	<b>745,546</b>	<b>4,778,574</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Payable for investments purchased	-	-	-	90,540	90,540
<b>Total</b>	-	-	-	<b>90,540</b>	<b>90,540</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at October 1, 2013:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	295,162	295,162
Interest receivable	-	-	-	189	189
Dividends receivable	-	-	-	1,897	1,897
Investments	-	833,711	833,711	-	833,711
<b>Total</b>	-	<b>833,711</b>	<b>833,711</b>	<b>297,248</b>	<b>1,130,959</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Redemptions payable	-	-	-	25,000	25,000
<b>Total</b>	-	-	-	<b>25,000</b>	<b>25,000</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2015 and September 30, 2014.

Category	Net gains (losses) (\$)	
	2015	2014
Financial Assets at FVTPL:		
Held for trading	-	-
Designated at inception	(550,803)	144,120
<b>Total</b>	<b>(550,803)</b>	<b>144,120</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 September 30, 2015 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 \$253,801 (September 30, 2014: \$201,651; October 1, 2013: \$41,686). Actual results may differ from the above sensitivity analysis and the difference could be material.

**Concentration Risk**

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2015, September 30, 2014 and October 1, 2013.

By Geographic Region	September 30, 2015	September 30, 2014	October 1, 2013
Canada	57.9%	57.6%	39.3%
Bermuda	15.1%	12.1%	13.2%
Great Britain	12.2%	-	-
United States	10.4%	9.7%	14.2%
Cayman Islands	2.3%	-	-
Panama	1.1%	1.7%	2.2%
Cash and Other Net Assets	1.0%	14.2%	24.6%
Columbia	-	1.6%	3.3%
Hong Kong	-	3.1%	3.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	September 30, 2015	September 30, 2014	October 1, 2013
Asset Management and Custody Banks	17.8%	23.6%	30.1%
Oil and Gas Exploration and Production	12.5%	11.0%	3.2%
Diversified Banks	12.4%	8.6%	13.1%
Integrated Telecommunication Services	12.2%	-	-
Diversified Real Estate Activity	10.6%	5.0%	5.3%
Regulated Power Generation	6.7%	3.3%	-
Electric Utilities	5.5%	4.0%	5.7%
Telecom Carriers	5.3%	4.2%	-
Real Estate Operating Companies	4.1%	3.2%	-
Trucking	3.5%	-	-
Property and Casual Insurance	2.9%	2.3%	2.8%
Real Estate Development	2.3%	3.1%	3.2%
Integrated Oil and Gas	1.2%	8.7%	3.0%
Air Freight Transportation	1.1%	1.7%	-
Cash and Other Net Assets	1.0%	14.2%	24.6%
Exchange Traded Fund	0.9%	0.8%	2.4%
Renewable Energy	-	3.0%	-
Consumer Finance	-	2.9%	3.5%
Multi-Sector Holdings	-	0.5%	1.0%
Airlines	-	-	2.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

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

### Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at September 30, 2015, September 30, 2014 and October 1, 2013, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 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%

September 30, 2014

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	5,401	1,133,136	1,138,537	270	56,657	56,927
Columbian Peso	-	46,208	46,208	-	2,310	2,310
<b>Total</b>	<b>5,401</b>	<b>1,179,344</b>	<b>1,184,745</b>	<b>270</b>	<b>58,967</b>	<b>59,237</b>
% of net assets attributable to holders of redeemable units	0.1%	25.2%	25.3%	0.0%	1.3%	1.3%

October 1, 2013

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	750	373,791	374,541	37	18,690	18,727
Columbian Peso	-	24,024	24,024	-	1,201	1,201
<b>Total</b>	<b>750</b>	<b>397,815</b>	<b>398,565</b>	<b>37</b>	<b>19,891</b>	<b>19,928</b>
% of net assets attributable to holders of redeemable units	0.1%	36.0%	36.1%	0.0%	1.8%	1.8%

### Interest Rate Risk

As at September 30, 2015, September 30, 2014 and October 1, 2013 the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

As at September 30, 2015, September 30, 2014 and October 1, 2013, 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 September 30, 2015, September 30, 2014 and October 1, 2013 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.

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

**(c) FAIR VALUE MEASUREMENTS**

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2015, September 30, 2014 and October 1, 2013.

	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>

	Assets at fair value as at September 30, 2014			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	4,033,028	-	-	4,033,028
<b>Total</b>	<b>4,033,028</b>	<b>-</b>	<b>-</b>	<b>4,033,028</b>

	Assets at fair value as at October 1, 2013			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	833,711	-	-	833,711
<b>Total</b>	<b>833,711</b>	<b>-</b>	<b>-</b>	<b>833,711</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.

September 30, 2015	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
iShares India 50 ETF	44,109	1,109	-

  

September 30, 2014	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
iShares India 50 ETF	39,247	754	-

  

October 1, 2013	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
iShares India 50 ETF	25,512	405	-

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

## Statements of Financial Position

	As at September 30, 2015	As at September 30, 2014	As at October 1, 2013
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 363,671	\$ 1,930,400	\$ 613,731
Subscriptions receivable	300	350	70,750
Interest receivable	48	868	94
Dividends receivable	9,863	2,607	781
Investments (note 5)	3,303,117	1,877,839	353,782
	<u>3,676,999</u>	<u>3,812,064</u>	<u>1,039,138</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Management fee payable	5,847	-	-
Expenses payable	1,670	-	-
Redemptions payable	401	-	-
Payable for investments purchased	-	10,245	-
	<u>7,918</u>	<u>10,245</u>	<u>-</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 3,669,081</u>	<u>\$ 3,801,819</u>	<u>\$ 1,039,138</u>
Series A	2,738,271	2,419,511	985,388
Series F	822,922	1,275,406	47,101
Series G	107,888	106,902	6,649
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 3,669,081</u>	<u>\$ 3,801,819</u>	<u>\$ 1,039,138</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>			
Series A	215,918	191,592	83,867
Series F	62,993	99,161	3,969
Series G	9,313	9,285	622
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>			
Series A	12.68	12.63	11.75
Series F	13.06	12.86	11.87
Series G	11.58	11.51	10.68

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

for the periods ended September 30	2015	2014
<b>Income</b>		
Net gains (losses) on investments		
Dividends	\$ 140,015	\$ 42,805
Interest for distribution purposes	4,098	14,040
Net realized gain (loss) on investments	175,040	20,929
Change in unrealized appreciation (depreciation) of investments	(148,935)	113,265
Net gains (losses) on investments	<u>170,218</u>	<u>191,039</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	(563)	(2,092)
<b>Total income (net)</b>	<u>169,655</u>	<u>188,947</u>
<b>Expenses</b>		
Management fees (note 8)	79,457	45,155
Unitholder reporting costs	107,437	70,033
Audit fees	16,245	20,211
Custodial fees	2,833	1,540
Legal fees	5,456	16,001
Independent review committee fees	4,400	5,336
Interest expense	132	4
Withholding tax expense	2,711	1,210
Transaction costs	2,223	426
Total operating expenses	<u>220,894</u>	<u>159,916</u>
Less: expenses absorbed by Manager	(112,568)	(100,190)
Net expenses	<u>108,326</u>	<u>59,726</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 61,329</u>	<u>\$ 129,221</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	22,471	104,582
Series F	37,872	24,386
Series G	986	253
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.10	0.74
Series F	0.38	0.58
Series G	0.11	0.30

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



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

for the periods ended September 30	2015		2014	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	2,419,511	\$	985,388
Series F		1,275,406		47,101
Series G		106,902		6,649
		<u>3,801,819</u>		<u>1,039,138</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		22,471		104,582
Series F		37,872		24,386
Series G		986		253
		<u>61,329</u>		<u>129,221</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income:				
Series A		-		(1,164)
Series F		-		(339)
Series G		-		-
		-		<u>(1,503)</u>
From capital gains:				
Series A		(7,772)		-
Series F		(4,097)		-
Series G		(328)		-
		<u>(12,197)</u>		<u>-</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		927,433		1,537,066
Series F		582,776		1,234,485
Series G		-		100,000
		<u>1,510,209</u>		<u>2,871,551</u>
Reinvestments of distributions to holders of redeemable units				
Series A		7,478		1,164
Series F		4,347		339
Series G		328		-
		<u>12,153</u>		<u>1,503</u>
Redemptions of redeemable units				
Series A		(630,850)		(207,525)
Series F		(1,073,382)		(30,566)
Series G		-		-
		<u>(1,704,232)</u>		<u>(238,091)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>(181,870)</u>		<u>2,634,963</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>				
Series A		2,738,271		2,419,511
Series F		822,922		1,275,406
Series G		107,888		106,902
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	\$	<u>3,669,081</u>	\$	<u>3,801,819</u>

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

## Statements of Cash Flows

for the periods ended September 30	2015		2014	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	61,329	\$	129,221
Adjustments for:				
Net realized (gain) loss on investments		(175,040)		(20,929)
Change in unrealized (appreciation) depreciation of investments		148,935		(113,265)
Foreign currency (gain) loss on cash and other net assets		563		2,092
(Increase) decrease in interest receivable		820		(774)
(Increase) decrease in dividends receivable		(7,256)		(1,826)
Increase (decrease) in management fees payable and accrued liabilities		7,517		-
Purchase of investments		(4,497,287)		(1,519,141)
Proceeds from sale of investments		3,087,869		139,523
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>(1,372,550)</b>		<b>(1,385,099)</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(44)		-
Proceeds from redeemable units issued		1,510,259		2,941,951
Amount paid on redemption of redeemable units		(1,703,831)		(238,091)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>(193,616)</b>		<b>2,703,860</b>
Net increase (decrease) in cash and cash equivalents		(1,566,166)		1,318,761
Foreign currency gain (loss) on cash and other net assets		(563)		(2,092)
Cash and Cash Equivalents Beginning of Period		1,930,400		613,731
<b>Cash and Cash Equivalents End of Period</b>	<b>\$</b>	<b>363,671</b>	<b>\$</b>	<b>1,930,400</b>
Cash and cash equivalents comprise:				
Cash at bank		63,737		31,046
Short-term investments		299,934		1,899,354
		<b>363,671</b>		<b>1,930,400</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax		4,918		13,266
Dividends received, net of withholding tax		130,048		39,769
Interest paid		(132)		(4)

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

## Schedule of Investment Portfolio

as at September 30, 2015

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>				
4,500	ATCO Limited 'I'	\$ 159,939	\$ 176,400	
3,000	Bank of Montreal	226,160	218,340	
1,600	BMO Ultra Short-Term Bond ETF	88,960	87,504	
3,700	Canadian Imperial Bank of Commerce	357,001	354,756	
6,510	Fortis Inc.	232,993	248,487	
5,000	iShares 1-5 Year Laddered Corporate Bond Index ETF	98,486	96,250	
1,000	iShares Canadian Corporate Bond Index ETF	21,239	21,200	
200	iShares Canadian Universe Bond Index ETF	6,087	6,302	
7,400	iShares Core Canadian Short Term Corporate Maple Bond Index ETF	146,993	145,706	
1,000	iShares Core High Quality Canadian Bond Index ETF	20,389	20,880	
7,500	National Bank of Canada	335,708	319,500	
13,100	RioCan Real Estate Investment Trust	318,106	333,657	
4,500	Royal Bank of Canada	353,561	332,055	
5,400	The Bank of Nova Scotia	344,403	317,682	
5,800	The Toronto-Dominion Bank	301,441	305,080	
		<u>3,011,466</u>	<u>2,983,799</u>	<u>81.3%</u>
<b>United States</b>				
4,100	Aflac Inc.	312,259	319,318	8.7%
	Total investment portfolio	<u>3,323,725</u>	<u>3,303,117</u>	<u>90.0%</u>
	Transaction costs	<u>(1,066)</u>	<u>-</u>	<u>-</u>
		\$ <u>3,322,659</u>	<u>3,303,117</u>	<u>90.0%</u>
	Other assets less liabilities		<u>365,964</u>	<u>10.0%</u>
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 3,669,081</u>	<u>100.0%</u>

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

## (a) FINANCIAL INSTRUMENTS BY CATEGORY

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

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	363,671	363,671
Subscriptions receivable	-	-	-	300	300
Interest receivable	-	-	-	48	48
Dividends receivable	-	-	-	9,863	9,863
Investments	-	3,303,117	3,303,117	-	3,303,117
<b>Total</b>	-	<b>3,303,117</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 (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	-	5,847	5,847
Expenses payable	-	-	-	1,670	1,670
Redemptions Payable	-	-	-	401	401
<b>Total</b>	-	-	-	<b>7,918</b>	<b>7,918</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2014:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	1,930,400	1,930,400
Subscriptions receivable	-	-	-	350	350
Interest receivable	-	-	-	868	868
Dividends receivable	-	-	-	2,607	2,607
Investments	-	1,877,839	1,877,839	-	1,877,839
<b>Total</b>	-	<b>1,877,839</b>	<b>1,877,839</b>	<b>1,934,225</b>	<b>3,812,064</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Payable for investments purchased	-	-	-	10,245	10,245
<b>Total</b>	-	-	-	<b>10,245</b>	<b>10,245</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at October 1, 2013:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	613,731	613,731
Subscriptions receivable	-	-	-	70,750	70,750
Interest receivable	-	-	-	94	94
Dividends receivable	-	-	-	781	781
Investments	-	353,782	353,782	-	353,782
<b>Total</b>	-	<b>353,782</b>	<b>353,782</b>	<b>685,356</b>	<b>1,039,138</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2015 and September 30, 2014.

Category	Net gains (losses) (\$)	
	2015	2014
Financial Assets at FVTPL:		
Held for trading	-	-
Designated at inception	170,218	191,039
<b>Total</b>	<b>170,218</b>	<b>191,039</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 September 30, 2015 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 \$165,156 (September 30, 2014: \$93,892; October 1, 2013: \$17,689). 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 industry sector as at September 30, 2015, September 30, 2014 and October 1, 2013.

By Industry Sector	September 30, 2015	September 30, 2014	October 1, 2013
Financials	68.1%	30.3%	16.0%
Utilities	11.6%	-	-
Exchange Traded Fund	10.3%	9.6%	9.8%
Cash and Other Net Assets	10.0%	50.5%	66.0%
Information Technology	-	3.9%	4.9%
Energy	-	3.3%	1.4%
Corporate Bonds	-	2.4%	-
Consumer Discretionary	-	-	1.9%
<b>Total</b>	<b>100.0%</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 September 30, 2015, September 30, 2014 and October 1, 2013, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 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>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.0%</b>	<b>8.7%</b>	<b>8.7%</b>	<b>0.0%</b>	<b>0.4%</b>	<b>0.4%</b>

September 30, 2014

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	914,692	914,692	-	45,735	45,735
<b>Total</b>	<b>-</b>	<b>914,692</b>	<b>914,692</b>	<b>-</b>	<b>45,735</b>	<b>45,735</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.0%</b>	<b>24.1%</b>	<b>24.1%</b>	<b>0.0%</b>	<b>1.2%</b>	<b>1.2%</b>

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

October 1, 2013

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	81,725	81,725	-	4,086	4,086
<b>Total</b>	<b>-</b>	<b>81,725</b>	<b>81,725</b>	<b>-</b>	<b>4,086</b>	<b>4,086</b>
% of net assets attributable to holders of redeemable units	0.0%	7.9%	7.9%	0.0%	0.4%	0.4%

### Interest Rate Risk

As at September 30, 2015, September 30, 2014 and October 1, 2013 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 September 30, 2015, September 30, 2014 and October 1, 2013, 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 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 September 30, 2015, September 30, 2014 and October 1, 2013 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 September 30, 2015, September 30, 2014 and October 1, 2013.

	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>

	Assets at fair value as at September 30, 2014			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	1,785,839	-	-	1,785,839
Bonds - Long	-	92,000	-	92,000
<b>Total</b>	<b>1,785,839</b>	<b>92,000</b>	<b>-</b>	<b>1,877,839</b>

	Assets at fair value as at October 1, 2013			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	353,782	-	-	353,782
<b>Total</b>	<b>353,782</b>	<b>-</b>	<b>-</b>	<b>353,782</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.

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

**(d) STRUCTURED ENTITIES**

The Fund's investments in ETFs are summarized below.

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	-

September 30, 2014	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
iShares Core Canadian Short Term Corporate Maple Bond Index ETF	158,400	176	0.1
iShares Core High Quality Canadian Bond Index ETF	20,490	93	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	156,320	2,303	-
iShares Canadian Corporate Bond Index ETF	21,200	1,485	-
iShares Canadian Universe Bond Index ETF	6,176	1,563	-

October 1, 2013	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
iShares DEX Short Term Corporate Universe and Maple Bond Index Fund*	23,628	59	-
iShares Advantaged Canadian Bond Index Fund	3,982	93	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	68,845	1,880	-
iShares DEX All Corporate Bond Index Fund**	4,150	1,546	-
iShares DEX Universe Bond Index Fund***	1,503	1,586	-

\* iShares DEX Short Term Corporate Universe and Maple Bond Index Fund changed its name to iShares Core Canadian Short Term Corporate Maple Bond Index ETF in March 2014

\*\* iShares DEX All Corporate Bond Index Fund changed its name to iShares Canadian Corporate Bond Index ETF in March 2014

\*\*\* iShares DEX Universe Bond Index Fund changed its name to iShares Canadian Universe Bond Index ETF in March 2014

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

## Statements of Financial Position

	As at September 30, 2015	As at September 30, 2014	As at October 1, 2013
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 447,770	\$ 2,223,802	\$ 2,951,768
Subscriptions receivable	1,405	35,625	20,750
Interest receivable	48	1,849	425
Dividends receivable	22,839	6,546	1,138
Investments (note 5)	6,933,745	3,457,251	466,636
	<u>7,405,807</u>	<u>5,725,073</u>	<u>3,440,717</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Management fee payable	8,032	-	-
Expenses payable	3,418	-	-
Redemptions payable	61,882	-	-
	<u>73,332</u>	<u>-</u>	<u>-</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 7,332,475</u>	<u>\$ 5,725,073</u>	<u>\$ 3,440,717</u>
Series A	1,652,985	2,626,736	2,426,268
Series F	5,559,835	2,979,696	996,904
Series G	119,655	118,641	17,545
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 7,332,475</u>	<u>\$ 5,725,073</u>	<u>\$ 3,440,717</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>			
Series A	133,150	212,070	212,435
Series F	434,414	235,462	86,405
Series G	10,053	9,984	1,605
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>			
Series A	12.41	12.39	11.42
Series F	12.80	12.65	11.54
Series G	11.90	11.88	10.93

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

for the periods ended September 30	2015	2014
<b>Income</b>		
Net gains (losses) on investments		
Dividends	\$ 259,016	\$ 91,375
Interest for distribution purposes	9,416	25,785
Net realized gain (loss) on investments	358,741	42,224
Change in unrealized appreciation (depreciation) of investments	(356,061)	281,450
Net gains (losses) on investments	<u>271,112</u>	<u>440,834</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	389	(4,519)
<b>Total income (net)</b>	<u>271,501</u>	<u>436,315</u>
<b>Expenses</b>		
Management fees (note 8)	114,769	75,282
Unitholder reporting costs	106,985	86,763
Audit fees	16,245	20,211
Custodial fees	2,753	1,595
Legal fees	5,456	9,617
Independent review committee fees	4,400	5,336
Interest expense	15	9
Income tax expense	-	565
Withholding tax expense	5,515	3,106
Transaction costs	3,224	799
Total operating expenses	<u>259,362</u>	<u>203,283</u>
Less: expenses absorbed by Manager	<u>(91,304)</u>	<u>(99,953)</u>
Net expenses	<u>168,058</u>	<u>103,330</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 103,443</u>	<u>\$ 332,985</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	21,995	196,536
Series F	80,433	135,353
Series G	1,015	1,096
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.11	0.95
Series F	0.20	0.99
Series G	0.10	0.60

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

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

for the periods ended September 30	2015		2014	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	2,626,736	\$	2,426,268
Series F		2,979,696		996,904
Series G		118,641		17,545
		<u>5,725,073</u>		<u>3,440,717</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		21,995		196,536
Series F		80,433		135,353
Series G		1,015		1,096
		<u>103,443</u>		<u>332,985</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income:				
Series A		-		-
Series F		(18,905)		-
Series G		(326)		-
		<u>(19,231)</u>		<u>-</u>
From capital gains:				
Series A		(11,963)		-
Series F		(19,064)		-
Series G		(495)		-
		<u>(31,522)</u>		<u>-</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		613,931		632,332
Series F		3,476,585		2,040,205
Series G		-		100,000
		<u>4,090,516</u>		<u>2,772,537</u>
Reinvestments of distributions to holders of redeemable units				
Series A		11,963		-
Series F		37,777		-
Series G		820		-
		<u>50,560</u>		<u>-</u>
Redemptions of redeemable units				
Series A		(1,609,677)		(628,400)
Series F		(976,687)		(192,766)
Series G		-		-
		<u>(2,586,364)</u>		<u>(821,166)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>1,554,712</u>		<u>1,951,371</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End 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
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	\$	<u>7,332,475</u>	\$	<u>5,725,073</u>

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

## Statements of Cash Flows

for the periods ended September 30	2015	2014
<b>Cash Flows from Operating Activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 103,443	\$ 332,985
Adjustments for:		
Net realized (gain) loss on investments	(358,741)	(42,224)
Change in unrealized (appreciation) depreciation of investments	356,061	(281,450)
Foreign currency (gain) loss on cash and other net assets	(389)	4,519
(Increase) decrease in interest receivable	1,801	(1,424)
(Increase) decrease in dividends receivable	(16,293)	(5,408)
Increase (decrease) in management fees payable and accrued liabilities	11,450	-
Purchase of investments	(7,614,597)	(3,067,014)
Proceeds from sale of investments	4,140,783	400,073
<b>Net Cash Generated (Used) by Operating Activities</b>	<b>(3,376,482)</b>	<b>(2,659,943)</b>
<b>Cash Flows from Financing Activities</b>		
Distributions to holders of redeemable units, net of reinvested distributions	(193)	-
Proceeds from redeemable units issued	4,124,736	2,757,662
Amount paid on redemption of redeemable units	(2,524,482)	(821,166)
<b>Net Cash Generated (Used) by Financing Activities</b>	<b>1,600,061</b>	<b>1,936,496</b>
Net increase (decrease) in cash and cash equivalents	(1,776,421)	(723,447)
Foreign currency gain (loss) on cash and other net assets	389	(4,519)
Cash and Cash Equivalents Beginning of Period	2,223,802	2,951,768
<b>Cash and Cash Equivalents End of Period</b>	<b>\$ 447,770</b>	<b>\$ 2,223,802</b>
Cash and cash equivalents comprise:		
Cash at bank	147,836	124,516
Short-term investments	299,934	2,099,286
	<b>447,770</b>	<b>2,223,802</b>
<b>From operating activities:</b>		
Interest received, net of withholding tax	11,217	24,361
Dividends received, net of withholding tax	237,208	82,861
Income taxes paid	-	565
Interest paid	(15)	(9)

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

## Schedule of Investment Portfolio

as at September 30, 2015

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>				
9,500	ATCO Limited 'I'	\$ 337,650	\$ 372,400	
9,110	Bank of Montreal	702,280	663,026	
9,000	Canadian Imperial Bank of Commerce	875,157	862,920	
15,462	Fortis Inc.	553,385	590,185	
18,300	National Bank of Canada	809,042	779,580	
27,600	RioCan Real Estate Investment Trust	668,114	702,972	
10,900	Royal Bank of Canada	851,303	804,311	
13,100	The Bank of Nova Scotia	835,142	770,673	
13,500	The Toronto-Dominion Bank	703,540	710,100	
		<u>6,335,613</u>	<u>6,256,167</u>	<u>85.3%</u>
<b>United States</b>				
8,700	AFLAC INC.	662,598	677,578	9.3%
	Total investment portfolio	<u>6,998,211</u>	<u>6,933,745</u>	<u>94.6%</u>
	Transaction costs	<u>(2,494)</u>	<u>-</u>	<u>-</u>
		\$ 6,995,717	6,933,745	94.6%
	Other assets less liabilities		<u>398,730</u>	<u>5.4%</u>
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 7,332,475</u>	<u>100.0%</u>

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

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

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	447,770	447,770
Subscriptions receivable	-	-	-	1,405	1,405
Interest receivable	-	-	-	48	48
Dividends receivable	-	-	-	22,839	22,839
Investments	-	6,933,745	6,933,745	-	6,933,745
<b>Total</b>	-	<b>6,933,745</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 (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fee payable	-	-	-	8,032	8,032
Expenses payable	-	-	-	3,418	3,418
Redemptions payable	-	-	-	61,882	61,882
<b>Total</b>	-	-	-	<b>73,332</b>	<b>73,332</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2014:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	2,223,802	2,223,802
Subscriptions receivable	-	-	-	35,625	35,625
Interest receivable	-	-	-	1,849	1,849
Dividends receivable	-	-	-	6,546	6,546
Investments	-	3,457,251	3,457,251	-	3,457,251
<b>Total</b>	-	<b>3,457,251</b>	<b>3,457,251</b>	<b>2,267,822</b>	<b>5,725,073</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at October 1, 2013:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	2,951,768	2,951,768
Subscriptions receivable	-	-	-	20,750	20,750
Interest receivable	-	-	-	425	425
Dividends receivable	-	-	-	1,138	1,138
Investments	-	466,636	466,636	-	466,636
<b>Total</b>	-	<b>466,636</b>	<b>466,636</b>	<b>2,974,081</b>	<b>3,440,717</b>

There were no liabilities in the Fund as at September 30, 2014 and October 1, 2013.

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2015 and September 30, 2014.

Category	Net gains (losses) (\$)	
	2015	2014
Financial Assets at FVTPL:		
Held for trading	-	-
Designated at inception	271,112	440,834
<b>Total</b>	<b>271,112</b>	<b>440,834</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.

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

If the price of investments held by the Fund on September 30, 2015 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 \$346,687 (September 30, 2014: \$172,862; October 1, 2013: \$23,332). Actual results may differ from the above sensitivity analysis and the difference could be material.

### Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2015, September 30, 2014 and October 1, 2013.

By Geographic Region	September 30, 2015	September 30, 2014	October 1, 2013
Canada	85.3%	25.4%	7.2%
United States	9.3%	29.7%	6.4%
Cash and Other Net Assets	5.4%	39.7%	86.4%
Great Britain	-	5.2%	-
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	September 30, 2015	September 30, 2014	October 1, 2013
Financials	81.4%	44.4%	7.5%
Utilities	13.2%	-	-
Cash and Other Net Assets	5.4%	39.7%	86.4%
Information Technology	-	6.7%	5.0%
Energy	-	5.2%	0.5%
Corporate Bonds	-	4.0%	-
Consumer Discretionary	-	-	0.6%
<b>Total</b>	<b>100.0%</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 September 30, 2015, September 30, 2014 and October 1, 2013, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

September 30, 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>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.0%</b>	<b>9.3%</b>	<b>9.3%</b>	<b>0.0%</b>	<b>0.5%</b>	<b>0.5%</b>

September 30, 2014

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	1,997,518	1,997,518	-	99,876	99,876
<b>Total</b>	<b>-</b>	<b>1,997,518</b>	<b>1,997,518</b>	<b>-</b>	<b>99,876</b>	<b>99,876</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.0%</b>	<b>34.9%</b>	<b>34.9%</b>	<b>0.0%</b>	<b>1.7%</b>	<b>1.7%</b>

October 1, 2013

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	218,223	218,223	-	10,911	10,911
<b>Total</b>	<b>-</b>	<b>218,223</b>	<b>218,223</b>	<b>-</b>	<b>10,911</b>	<b>10,911</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>0.0%</b>	<b>6.4%</b>	<b>6.4%</b>	<b>0.0%</b>	<b>0.3%</b>	<b>0.3%</b>

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

**Interest Rate Risk**

As at September 30, 2015, September 30, 2014 and October 1, 2013 the Fund did not have significant direct exposure to interest rate risk.

**Credit Risk**

As at September 30, 2015, September 30, 2014 and October 1, 2013, 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 September 30, 2015, September 30, 2014 and October 1, 2013 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.

**(c) FAIR VALUE MEASUREMENTS**

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2015, September 30, 2014 and October 1, 2013.

	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>

	Assets at fair value as at September 30, 2014			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	3,227,251	-	-	3,227,251
Bonds - Long	-	230,000	-	230,000
<b>Total</b>	<b>3,227,251</b>	<b>230,000</b>	<b>-</b>	<b>3,457,251</b>

	Assets at fair value as at October 1, 2013			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	466,636	-	-	466,636
<b>Total</b>	<b>466,636</b>	<b>-</b>	<b>-</b>	<b>466,636</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

	As at September 30, 2015	As at September 30, 2014	As at October 1, 2013
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 18,469	\$ 430	\$ 98,308
Margin accounts (note 11)	4,052	39,213	108,999
Subscriptions receivable	35,000	8,400	-
Receivable for investments sold	64,532	91,277	-
Interest receivable	-	970	6
Dividends receivable	3,632	10,940	81,431
Harmonized sales tax recoverable	1,325	-	-
Investments (note 5)	8,211,294	9,929,991	19,428,185
Investments - pledged as collateral (note 5 and 11)	823,481	1,062,471	6,404,007
Derivative assets	-	-	152,120
	<u>9,161,785</u>	<u>11,143,692</u>	<u>26,273,056</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Management fee payable	14,639	-	-
Expenses payable	4,215	-	-
Redemptions payable	12,504	56,406	-
Distributions payable	1,628	1,068	-
Derivative liabilities	33,454	53,017	360,252
	<u>66,440</u>	<u>110,491</u>	<u>360,252</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<b>\$ 9,095,345</b>	<b>\$ 11,033,201</b>	<b>\$ 25,912,804</b>
Trust Units (note 1b)	-	-	25,912,804
Series A	150,723	3,209	-
Series A2 (note 1b)	8,712,264	10,945,714	-
Series F	232,358	84,278	-
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<b>\$ 9,095,345</b>	<b>\$ 11,033,201</b>	<b>\$ 25,912,804</b>
<b>Number of Redeemable Units Outstanding (note 6)</b>			
Trust Units (note 1b)	-	-	12,195,709
Series A	13,981	306	-
Series A2 (note 1b)	804,849	1,043,186	-
Series F	21,156	7,981	-
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>			
Trust Units (note 1b)	-	-	2.12
Series A	10.78	10.48	-
Series A2 (note 1b)	10.82	10.49	-
Series F	10.98	10.56	-

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

for the periods ended September 30	2015	2014
<b>Income</b>		
Net gains (losses) on investments and derivatives		
Dividends	\$ 190,556	\$ 312,991
Interest for distribution purposes	10,113	11,343
Net realized gain (loss) on investments and options	(301,981)	(15,208,676)
Net realized gain (loss) on forward currency contracts	(102,102)	(986,492)
Change in unrealized appreciation (depreciation) of investments and derivatives	1,317,131	18,138,816
Net gains (losses) on investments and derivatives	<u>1,113,717</u>	<u>2,267,982</u>
Other income		
Foreign currency gain (loss) on cash and other net assets	477	16,833
<b>Total income (net)</b>	<u>1,114,194</u>	<u>2,284,815</u>
<b>Expenses</b>		
Management fees (note 8)	196,205	283,860
Securityholder reporting costs	166,021	161,639
Audit fees	15,388	18,847
Custodial fees	6,033	8,866
Legal fees	6,055	13,723
Service fees	-	31,529
Independent review committee fees	4,168	5,207
Interest expense (note 11)	1,194	3,398
Withholding tax expense	20,933	30,936
Transaction costs	8,422	43,717
Total operating expenses	<u>424,419</u>	<u>601,722</u>
Less: expenses absorbed by Manager	<u>(142,706)</u>	<u>(83,086)</u>
Net expenses	<u>281,713</u>	<u>518,636</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 832,481</u>	<u>\$ 1,766,179</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Trust Units (note 1b)	-	254,202
Series A	(5,073)	209
Series A2 (note 1b)	827,979	1,504,776
Series F	9,575	6,992
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Trust Units (note 1b)	-	0.02
Series A	(0.89)	1.22
Series A2 (note 1b)	0.92	1.17
Series F	0.70	1.02

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

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

for the periods ended September 30	2015	2014
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Trust Units (note 1b)	\$ -	\$ 25,912,804
Series A	3,209	-
Series A2 (note 1b)	10,945,714	-
Series F	84,278	-
	<u>11,033,201</u>	<u>25,912,804</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Trust Units (note 1b)	-	254,202
Series A	(5,073)	209
Series A2 (note 1b)	827,979	1,504,776
Series F	9,575	6,992
	<u>832,481</u>	<u>1,766,179</u>
<b>Distributions to Holders of Redeemable Units</b>		
From return of capital:		
Trust Units (note 1b)	-	-
Series A	(3,223)	(80)
Series A2 (note 1b)	(446,161)	(605,418)
Series F	(7,315)	(3,185)
	<u>(456,699)</u>	<u>(608,683)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Trust Units (note 1b)	-	-
Series A	152,587	3,000
Series A2 (note 1b)	120,320	1,045,002
Series F	153,544	99,506
	<u>426,451</u>	<u>1,147,508</u>
Reinvestments of distributions to holders of redeemable units		
Trust Units (note 1b)	-	-
Series A	3,223	80
Series A2 (note 1b)	429,202	598,456
Series F	7,092	3,047
	<u>439,517</u>	<u>601,583</u>
Redemptions of redeemable units		
Trust Units (note 1b)	-	(6,245,639)
Series A	-	-
Series A2 (note 1b)	(3,164,790)	(11,518,469)
Series F	(14,816)	(22,082)
	<u>(3,179,606)</u>	<u>(17,786,190)</u>
Conversion of Trust Units (note 1b)		
Trust Units	-	(19,921,367)
Series A2	-	19,921,367
	<u>-</u>	<u>-</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(2,313,638)</u>	<u>(16,037,099)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Trust Units (note 1b)	-	-
Series A	150,723	3,209
Series A2 (note 1b)	8,712,264	10,945,714
Series F	232,358	84,278
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 9,095,345</u>	<u>\$ 11,033,201</u>

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

## Statements of Cash Flows

for the periods ended September 30	2015		2014	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	832,481	\$	1,766,179
Adjustments for:				
Net realized (gain) loss on investments and options		301,981		15,208,676
Change in unrealized (appreciation) depreciation of investments and derivatives		(1,317,131)		(18,138,816)
Foreign currency (gain) loss on cash and other net assets		(477)		(16,833)
(Increase) decrease in interest receivable		970		(964)
(Increase) decrease in dividends receivable		7,308		70,491
(Increase) decrease in harmonized sales tax recoverable		(1,325)		-
Increase (decrease) in management fees payable and accrued liabilities		18,854		-
Purchase of investments		(1,358,067)		(9,400,996)
Proceeds from sale of investments		4,338,086		26,924,474
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>2,822,680</b>		<b>16,412,211</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(16,622)		(6,032)
Change in margin cash		35,161		69,786
Proceeds from redeemable units issued		399,851		1,139,108
Amount paid on redemption of redeemable units		(3,223,508)		(17,729,784)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>(2,805,118)</b>		<b>(16,526,922)</b>
Net increase (decrease) in cash and cash equivalents		17,562		(114,711)
Foreign currency gain (loss) on cash and other net assets		477		16,833
Cash and Cash Equivalents Beginning of Period		430		98,308
<b>Cash and Cash Equivalents End of Period</b>	\$	<b>18,469</b>	\$	<b>430</b>
Cash and cash equivalents comprise:				
Cash at bank		18,469		430
		<b>18,469</b>		<b>430</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax		11,083		10,379
Dividends received, net of withholding tax		176,931		328,224
<b>From financing activities:</b>				
Interest paid		1,194		3,398

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

## Schedule of Investment Portfolio

as at September 30, 2015

No. of Shares/Units/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Canada</b>				
46,000	Crown Capital Partners Inc.	\$ 488,066	\$ 391,000	4.3%
<b>France</b>				
1,400	BNP Paribas SA	95,317	109,825	1.2%
<b>Germany</b>				
21,000	Commerzbank AG	349,517	295,873	3.3%
<b>Great Britain</b>				
60,000	Barclays PLC	647,592	296,611	
50,000	Barclays PLC ADR	1,300,827	990,112	
3,200	HSBC Holdings PLC ADR	233,572	162,405	
45,000	Royal Bank of Scotland Group PLC ADR	571,385	575,176	
500	Standard Chartered PLC	10,723	6,487	
		2,764,099	2,030,791	22.3%
<b>Japan</b>				
18,000	Sumitomo Mitsui Financial Group Inc.	153,192	184,008	2.0%
<b>Netherlands</b>				
45,000	ING Groep NV ADR	648,143	851,912	9.4%
<b>Switzerland</b>				
7,000	Credit Suisse Group AG ADR	222,500	225,368	2.5%
<b>United States</b>				
27,000	Bank of America Corporation	454,529	563,600	
25,000	Citigroup Inc.	1,295,330	1,661,687	
3,000	Citizens Financial Group Inc.	91,354	95,903	
3,000	Fifth Third Bancorp	71,245	76,007	
18,500	JPMorgan Chase & Company	730,173	1,511,221	
2,500	Morgan Stanley	80,630	105,509	
3,000	State Street Corporation	216,586	270,144	
2,400	The Goldman Sachs Group Inc.	425,941	558,729	
1,500	Wells Fargo & Company	46,047	103,198	
		3,411,835	4,945,998	54.4%
	<b>Total investment portfolio</b>	\$ 8,132,669	\$ 9,034,775	99.4%

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

## Schedule of Investment Portfolio (continued)

as at September 30, 2015

No. of Shares/Units/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Call Options</b>				
<b>United States</b>				
USD (10)	Citigroup Inc. November 2015 @ 67.50 USD	(250)	(40)	-
<b>Written Put Options</b>				
<b>Great Britain</b>				
USD (60)	Royal Bank of Scotland Group PLC ADR November 2015 @ 9.00 USD	(827)	(2,613)	-
<b>Netherlands</b>				
USD (40)	ING Groep NV ADR October 2015 @ 15.00 USD	(1,526)	(5,225)	(0.1%)
<b>Switzerland</b>				
USD (20)	UBS GROUP AG November 2015 @ 20.00 USD	(490)	(4,756)	
<b>United States</b>				
USD (40)	Bank of America Corporation October 2015 @ 14.00 USD	(1,375)	(375)	
USD (20)	Citizens Financial Group Inc. October 2015 @ 25.00 USD	(881)	(4,087)	
USD (30)	Fifth Third Bancorp October 2015 @ 17.00 USD	(1,071)	(462)	
		(3,327)	(4,924)	(0.1%)
	<b>Total written put options</b>	(6,170)	(17,518)	(0.2%)
	<b>Total written options</b>	(6,420)	(17,558)	(0.2%)
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
	Total unrealized loss on forward currency contracts		(15,896)	(0.2%)
			(15,896)	(0.2%)
	Net investments	8,126,249	9,001,321	99.0%
	Transaction costs	(8,635)	-	-
		\$ 8,117,614	9,001,321	99.0%
	Other assets less liabilities		94,024	1.0%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 9,095,345	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 September 30, 2015 (\$)	Currency	Amount (\$)	Value as at September 30, 2015 (\$)	
90.68000	Dec-16-2015	Canadian Dollar	110,278	110,278	Japanese Yen	10,000,000	112,033	(1,755)
0.67833	Dec-16-2015	Canadian Dollar	884,520	884,520	Euro	600,000	898,661	(14,141)
							<b>Unrealized loss</b>	<b>(15,896)</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 October 1, 2013. There was no offsetting as at September 30, 2015 and September 30, 2014 because currency forward contracts were all in an unrealized loss position.

	Counterparty 1 (\$)	Counterparty 2 (\$)
October 1, 2013		
Gross derivative assets	152,120	3,549
Gross derivative liabilities	-	(333,533)
<b>Net exposure</b>	<b>152,120</b>	<b>(329,984)</b>

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

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 (\$)	Total (\$)	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	-	8,211,294
Investments – pledged as collateral	-	823,481	823,481	-	823,481
<b>Total</b>	<b>-</b>	<b>9,034,775</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 (\$)	Total (\$)	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	-	33,454
<b>Total</b>	<b>33,454</b>	<b>-</b>	<b>33,454</b>	<b>32,986</b>	<b>66,440</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2014:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	430	430
Margin accounts	-	-	-	39,213	39,213
Subscriptions receivable	-	-	-	8,400	8,400
Receivable for investments sold	-	-	-	91,277	91,277
Interest receivable	-	-	-	970	970
Dividends receivable	-	-	-	10,940	10,940
Investments	-	9,929,991	9,929,991	-	9,929,991
Investments - pledged as collateral	-	1,062,471	1,062,471	-	1,062,471
<b>Total</b>	<b>-</b>	<b>10,992,462</b>	<b>10,992,462</b>	<b>151,230</b>	<b>11,143,692</b>

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

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Redemptions payable	-	-	-	56,406	56,406
Distributions payable	-	-	-	1,068	1,068
Derivative liabilities	53,017	-	53,017	-	53,017
<b>Total</b>	<b>53,017</b>	<b>-</b>	<b>53,017</b>	<b>57,474</b>	<b>110,491</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at October 1, 2013:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	98,308	98,308
Margin accounts	-	-	-	108,999	108,999
Interest receivable	-	-	-	6	6
Dividends receivable	-	-	-	81,431	81,431
Investments	-	19,428,185	19,428,185	-	19,428,185
Investments - pledged as collateral	-	6,404,007	6,404,007	-	6,404,007
Derivative assets	152,120	-	152,120	-	152,120
<b>Total</b>	<b>152,120</b>	<b>25,832,192</b>	<b>25,984,312</b>	<b>288,744</b>	<b>26,273,056</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Derivative liabilities	360,252	-	360,252	-	360,252
<b>Total</b>	<b>360,252</b>	<b>-</b>	<b>360,252</b>	<b>-</b>	<b>360,252</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2015 and September 30, 2014.

Category	Net gains (losses) (\$)	
	2015	2014
Financial Assets at FVTPL:		
Held for trading	(73,745)	(852,881)
Designated at inception	1,158,896	3,027,384
<b>Total</b>	<b>1,085,151</b>	<b>2,174,503</b>
Financial Liabilities at FVTPL:		
Held for trading	28,566	93,479
<b>Total</b>	<b>1,113,717</b>	<b>2,267,982</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 September 30, 2015 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 \$450,861 (September 30, 2014: \$549,623; October 1, 2013: \$1,291,610). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

## Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2015, September 30, 2014 and October 1, 2013.

By Geographic Region	September 30, 2015	September 30, 2014	October 1, 2013
United States	54.3%	44.4%	20.1%
Great Britain	22.3%	29.2%	69.6%
Netherlands	9.3%	6.5%	-
Canada	4.3%	1.8%	-
Germany	3.3%	3.0%	0.5%
Switzerland	2.5%	3.5%	-
Japan	2.0%	1.5%	-
France	1.2%	9.4%	7.5%
Cash and Other Net Assets	1.0%	1.0%	1.0%
Forward Contracts	(0.2%)	(0.4%)	(0.7%)
Sweden	-	0.1%	-
Spain	-	-	2.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	September 30, 2015	September 30, 2014	October 1, 2013
Other Diversified Financial Services	41.0%	33.0%	11.3%
Diversified Banks	39.4%	52.3%	87.9%
Institutional Brokerage	6.1%	4.5%	-
Asset Management and Custody Banks	4.3%	-	-
Institutional Financial Services	3.0%	2.7%	-
Diversified Capital Markets	2.5%	3.5%	0.5%
Regional Banks	1.9%	-	-
Investment Banking & Brokerage	1.2%	1.6%	-
Cash and Other Net Assets	1.0%	1.0%	1.0%
Forward Contracts	(0.2%)	(0.4%)	(0.7%)
Short Positions – Derivatives	(0.2%)	-	-
Multi-Sector Holdings	-	0.6%	-
Independent Power Producers and Energy Traders	-	1.2%	-
<b>Total</b>	<b>100.0%</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 September 30, 2015, September 30, 2014 and October 1, 2013, 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.

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%

September 30, 2014

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	(1,777,663)	8,253,468	6,475,805	(88,883)	412,674	323,791
British Pound	1	1,146,601	1,146,602	-	57,330	57,330
Swedish Krona	-	14,586	14,586	-	729	729
Euro	(1,762,209)	1,375,186	(387,023)	(88,110)	68,759	(19,351)
<b>Total</b>	<b>(3,539,871)</b>	<b>10,789,841</b>	<b>7,249,970</b>	<b>(176,993)</b>	<b>539,492</b>	<b>362,499</b>
% of net assets attributable to holders of redeemable units	(32.1%)	97.8%	65.7%	(1.6%)	4.9%	3.3%

October 1, 2013

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	(6,353,269)	11,764,643	5,411,374	(317,663)	588,232	270,569
British Pound	(6,915,752)	11,577,200	4,661,448	(345,788)	578,860	233,072
Euro	(2,789,168)	2,460,081	(329,087)	(139,458)	123,004	(16,454)
<b>Total</b>	<b>(16,058,189)</b>	<b>25,801,924</b>	<b>9,743,735</b>	<b>(802,909)</b>	<b>1,290,096</b>	<b>487,187</b>
% of net assets attributable to holders of redeemable units	(62.0%)	99.6%	37.6%	(3.1%)	5.0%	1.9%

### Interest Rate Risk

As at September 30, 2015, September 30, 2014 and October 1, 2013 the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

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

As at September 30, 2015 and September 30, 2014 currency forward contracts were in a net unrealized loss position; therefore, there was no credit risk associated with these contracts. The Fund had forward currency contracts with a counterparty in a net unrealized gain position of \$152,120 as at October 1, 2013. The counterparty had a long term Standard & Poor's credit rating of AA-, which exceeds 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 balances are maintained at financial institutions with credit ratings of A- and/or AA- 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 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 September 30, 2015, September 30, 2014 and October 1, 2013, the Fund did not have any borrowings. In accordance with National Instrument 81-102 the Fund is allowed to borrow amounts not exceeding 5% of its net asset value in certain limited circumstances to temporarily fund redemptions or settle trades. Prior to December 13, 2013 when the Fund was a closed end investment fund (note 1b), it was authorized to borrow an amount not exceeding 20% of the total assets of the Fund after giving effect to such borrowing (note 11). Borrowings were repayable on demand and were covered by collateral held on account at the broker with whom the borrowings were made.

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 (\$)
September 30, 2015	290,737	125,941	-	416,678
September 30, 2014	332,696	309,380	-	642,075
October 1, 2013	345,079	424,278	-	769,357

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.

#### (d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2015, September 30, 2014 and October 1, 2013.

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>

Assets at fair value as at September 30, 2014				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Investment Funds - Long	-	61,917	131,941	193,858
Equities - Long	10,798,604	-	-	10,798,604
<b>Total</b>	<b>10,798,604</b>	<b>61,917</b>	<b>131,941</b>	<b>10,992,462</b>

Liabilities at fair value as at September 30, 2014				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - short	(8,764)	-	-	(8,764)
Forward contracts	-	(44,253)	-	(44,253)
<b>Total</b>	<b>(8,764)</b>	<b>(44,253)</b>	<b>-</b>	<b>(53,017)</b>

Assets at fair value as at October 1, 2013				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - long	25,832,192	-	-	25,832,192
Forward contracts	-	152,120	-	152,120
<b>Total</b>	<b>25,832,192</b>	<b>152,120</b>	<b>-</b>	<b>25,984,312</b>

Liabilities at fair value as at October 1, 2013				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - short	(30,268)	-	-	(30,268)
Forward contracts	-	(329,984)	-	(329,984)
<b>Total</b>	<b>(30,268)</b>	<b>(329,984)</b>	<b>-</b>	<b>(360,252)</b>

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

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

As at September 30, 2014 the Fund held units of Portland Global Energy Efficiency and Renewable Energy Fund LP ("Portland GEEREF"), which is a closed-ended investment fund. Portland GEEREF has the same Manager and administrator as the Fund. This investment was considered Level 3 in the fair value hierarchy because it did not allow redemptions prior to dissolution. Portland GEEREF was the Fund's only Level 3 investment. The Fund measures the Portland GEEREF units at the most recently published NAV per unit as reported by its administrator, considering restrictions on the Fund's ability to redeem units of Portland GEEREF. If the NAV per unit of Portland GEEREF had been higher or lower by 5%, the net assets attributable to holders of redeemable units would have been higher or lower by \$6,597.

As at September 30, 2014 the Fund held units of Portland Private Income Fund which is an open-ended investment fund that holds private debt securities. The Fund measures the fair value of this holding at the most recently published net asset value per unit because the units are redeemable on a monthly basis and has been classified as Level 2 in the fair value hierarchy.

### 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 September 30, 2015 and September 30, 2014:

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>

September 30, 2014	Investment Funds \$	Total \$
Balance at Beginning of Period	-	-
Investment purchases during the period	478,023	478,023
Proceeds from sales during the period	(517,359)	(517,359)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	163,262	163,262
Change in unrealized appreciation (depreciation) in value of investments	8,015	8,015
<b>Balance at End of Period</b>	<b>131,941</b>	<b>131,941</b>
<b>Change in unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>8,015</b>	<b>8,015</b>

There were no Level 3 investments held by the Fund as at October 1, 2013.

During the period ended September 30, 2015, the Fund disposed of its Level 3 investment in units of Portland GEEREF for \$144,532, realizing a gain on disposal of \$20,606. During the period ended September 30, 2014, the Fund acquired and then disposed of its Level 3 investment in units of Portland CVBI LP for \$517,359, realizing a gain on disposal of \$163,262.

### (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.

The exposure to investments in Investee Funds at fair value by type of fund as at September 30, 2014 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, 2014

Type	Number of Investee Funds	Net asset value of Investee Fund (\$)	Investment at carrying value (\$)	% of net assets attributable to holders of units
Alternative – private income	1	5,660,555	61,917	1.1%
Alternative – fund of funds	1	2,047,373	131,941	6.4%

The Fund did not hold any investments in structured entities as at September 30, 2015 and October 1, 2013.

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

## Statements of Financial Position

	As at September 30, 2015	As at September 30, 2014	As at October 1, 2013
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 58,435	\$ 414,484	\$ 3,498
Margin accounts (note 11)	30,574	27,755	83,483
Subscriptions receivable	-	315	-
Receivable for investments sold	66,181	41,373	-
Interest receivable	2,850	1,993	-
Dividends receivable	16,831	19,716	14,769
Harmonized sales tax recoverable	116	-	-
Investments (note 5)	5,439,015	6,499,235	6,639,918
Investments - pledged as collateral (note 5 and 11)	544,709	704,380	2,453,160
Derivative assets	-	10,890	66,352
	<u>6,158,711</u>	<u>7,720,141</u>	<u>9,261,180</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Margin loan and borrowing (note 11)	-	-	207,625
Management fee payable	8,438	-	-
Expenses payable	2,864	-	-
Redemptions payable	15,318	25,211	-
Payable for investments purchased	58,508	70,797	-
Distributions payable	1,628	1,346	103,305
Derivative liabilities	15,589	39,736	67,876
	<u>102,345</u>	<u>137,090</u>	<u>378,806</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 6,056,366</u>	<u>\$ 7,583,051</u>	<u>\$ 8,882,374</u>
Trust Units (note 1b)	-	-	8,882,374
Series A	776,845	496,434	-
Series A2 (note 1b)	4,102,793	5,750,867	-
Series F	1,176,728	1,335,750	-
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 6,056,366</u>	<u>\$ 7,583,051</u>	<u>\$ 8,882,374</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>			
Trust Units (note 1b)	-	-	2,852,626
Series A	84,293	48,149	-
Series A2 (note 1b)	443,266	556,822	-
Series F	125,023	128,390	-
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>			
Trust Units (note 1b)	-	-	3.44
Series A	9.22	10.31	-
Series A2 (note 1b)	9.26	10.33	-
Series F	9.41	10.40	-

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

for the periods ended September 30	2015	2014
<b>Income</b>		
Net gains (losses) on investments and derivatives		
Dividends	\$ 283,366	\$ 250,358
Interest for distribution purposes	16,436	24,254
Net realized gain (loss) on investments and options	114,007	1,294,701
Net realized gain (loss) on forward currency contracts	(23,467)	(269,243)
Change in unrealized appreciation (depreciation) of investments and derivatives	(549,486)	(297,164)
Net gains (losses) on investments and derivatives	(159,144)	1,002,906
Other income		
Foreign currency gain (loss) on cash and other net assets	1,697	(3,416)
<b>Total income (net)</b>	<b>(157,447)</b>	<b>999,490</b>
<b>Expenses</b>		
Management fees (note 8)	117,617	111,013
Securityholder reporting costs	138,787	127,477
Audit fees	16,038	16,916
Custodial fees	10,804	12,632
Legal fees	6,311	13,175
Service fees	-	7,763
Independent review committee fees	4,344	5,286
Interest expense (note 11)	448	1,027
Withholding tax expense	19,829	21,062
Transaction costs	6,313	19,959
Total operating expenses	320,491	336,310
Less: expenses absorbed by Manager	(136,084)	(64,527)
Net expenses	184,407	271,783
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<b>\$ (341,854)</b>	<b>\$ 727,707</b>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Trust Units (note 1b)	-	105,266
Series A	(66,541)	10,733
Series A2 (note 1b)	(238,441)	545,610
Series F	(36,872)	66,098
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Trust Units (note 1b)	-	0.04
Series A	(0.97)	0.42
Series A2 (note 1b)	(0.49)	0.87
Series F	(0.26)	0.73

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

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

for the periods ended September 30	2015	2014
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Trust Units (note 1b)	\$ -	\$ 8,882,374
Series A	496,434	-
Series A2 (note 1b)	5,750,867	-
Series F	1,335,750	-
	<u>7,583,051</u>	<u>8,882,374</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Trust Units (note 1b)	-	105,266
Series A	(66,541)	10,733
Series A2 (note 1b)	(238,441)	545,610
Series F	(36,872)	66,098
	<u>(341,854)</u>	<u>727,707</u>
<b>Distributions to Holders of Redeemable Units</b>		
From return of capital:		
Trust Units (note 1b)	-	-
Series A	(34,857)	(10,941)
Series A2 (note 1b)	(240,559)	(290,921)
Series F	(70,275)	(38,146)
	<u>(345,691)</u>	<u>(340,008)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Trust Units (note 1b)	-	-
Series A	431,842	486,576
Series A2 (note 1b)	95,718	1,259,408
Series F	435,598	2,346,684
	<u>963,158</u>	<u>4,092,668</u>
Reinvestments of distributions to holders of redeemable units		
Trust Units (note 1b)	-	-
Series A	29,956	10,265
Series A2 (note 1b)	228,618	284,361
Series F	70,333	38,146
	<u>328,907</u>	<u>332,772</u>
Redemptions of redeemable units		
Trust Units (note 1b)	-	(968,672)
Series A	(79,989)	(199)
Series A2 (note 1b)	(1,493,410)	(4,066,559)
Series F	(557,806)	(1,077,032)
	<u>(2,131,205)</u>	<u>(6,112,462)</u>
Conversion of Trust Units (note 1b)		
Trust Units	-	(8,018,968)
Series A2	-	8,018,968
	<u>-</u>	<u>-</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(839,140)</u>	<u>(1,687,022)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Trust Units (note 1b)	-	-
Series A	776,845	496,434
Series A2 (note 1b)	4,102,793	5,750,867
Series F	1,176,728	1,335,750
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 6,056,366</u>	<u>\$ 7,583,051</u>

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

## Statements of Cash Flows

for the periods ended September 30	2015		2014	
<b>Cash Flows from Operating Activities</b>				
Increase (decrease) in net assets attributable to holders of redeemable units	\$	(341,854)	\$	727,707
Adjustments for:				
Net realized (gain) loss on investments and options		(114,007)		(1,294,701)
Change in unrealized (appreciation) depreciation of investments and derivatives		549,486		297,164
Foreign currency (gain) loss on cash and other net assets		(1,697)		3,416
(Increase) decrease in interest receivable		(857)		(1,993)
(Increase) decrease in dividends receivable		2,885		(4,947)
(Increase) decrease in harmonized sales taxes recoverable		(116)		-
Increase (decrease) in management fees payable and accrued liabilities		11,302		-
Purchase of investments		(2,925,630)		(9,947,503)
Proceeds from sale of investments		3,659,688		12,891,249
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>839,200</b>		<b>2,670,392</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(16,502)		(109,195)
Change in net margin loan and borrowing		-		(207,625)
Change in margin cash		(2,819)		55,728
Proceeds from redeemable units issued		963,473		4,092,353
Amount paid on redemption of redeemable units		(2,141,098)		(6,087,251)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>(1,196,946)</b>		<b>(2,255,990)</b>
Net increase (decrease) in cash and cash equivalents		(357,746)		414,402
Foreign currency gain (loss) on cash and other net assets		1,697		(3,416)
Cash and Cash Equivalents Beginning of Period		414,484		3,498
<b>Cash and Cash Equivalents End of Period</b>	<b>\$</b>	<b>58,435</b>	<b>\$</b>	<b>414,484</b>
Cash and cash equivalents comprise:				
Cash at bank		58,435		164,702
Short-term investments		-		249,782
		<b>58,435</b>		<b>414,484</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax		15,579		22,261
Dividends received, net of withholding tax		243,403		219,305
<b>From financing activities:</b>				
Interest paid		448		1,027

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

## Schedule of Investment Portfolio

as at September 30, 2015

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 Bonds June 30, 2019	\$ 100,000	\$ 103,000	
125,000	Pacific Exploration and Production Corporation 5.375% January 26, 2019	117,970	63,426	
		<u>217,970</u>	<u>166,426</u>	2.7%
<b>EQUITIES</b>				
<b>Australia</b>				
6,000	Amcor Limited	63,380	74,305	
70,000	AusNet Services	80,608	89,849	
9,000	GrainCorp Limited	72,157	76,590	
8,000	Super Retail Group Limited	67,080	67,027	
		<u>283,225</u>	<u>307,771</u>	5.1%
<b>Bermuda</b>				
6,500	Brookfield Property Partners Limited Partnership	147,401	186,355	
7,000	Cheung Kong Infrastructure Holdings Limited	49,175	83,797	
1,000	Jardine Matheson Holdings Limited	58,121	63,306	
		<u>254,697</u>	<u>333,458</u>	5.5%
<b>Canada</b>				
6,000	Bank of Nova Scotia 2.978% Preferred Series 19 October 19, 2015	154,455	133,800	
8,500	Barrick Gold Corporation	158,685	72,430	
15,000	BCE Inc. Preferred Series AE November 2, 2015	307,274	208,050	
3,000	Brookfield Asset Management Inc. Preferred Series 8 October 19, 2015	69,418	43,830	
13,500	Brookfield Office Properties Inc. 3.889% Preferred Series V October 19, 2015	178,825	143,437	
5,000	Brookfield Renewable Power Inc. Preferred Series 2 April 30, 2020	92,541	69,500	
20,000	Crown Capital Partners Inc.	218,277	170,000	
3,000	Enbridge Inc. 4.400% Preferred Series 11 March 1, 2020	73,730	50,400	
13,500	First National Financial Corporation 4.650% Preferred Series 1 March 31, 2016	213,005	148,500	
3,000	IGM Financial Inc.	142,105	101,580	
7,000	iShares 1-5 Year Laddered Corporate Bond Index ETF	137,991	134,750	
2,000	iShares S&P/TSX Canadian Preferred Share Index ETF	32,399	25,000	
6,000	Northland Power Inc. 5.250% Preferred Series 1 September 30, 2020	137,354	87,600	
2,483	Portland Global Energy Efficiency and Renewable Energy Fund LP 'O'	124,200	146,208	
4,000	Power Financial Corporation Preferred Series A October 19, 2015	70,600	62,000	
12,500	Thomson Reuters Corporation Preferred Series B October 19, 2015	225,533	156,250	
7,000	TransAlta Corporation 5.000% Preferred Series E September 30, 2017	168,439	80,500	
4,800	TransCanada Corporation 2.387% Preferred Series 2 October 19, 2015	86,332	62,208	
		<u>2,591,163</u>	<u>1,896,043</u>	31.3%
<b>France</b>				
1,400	BNP Paribas SA	101,648	96,563	1.6%
<b>Great Britain</b>				
3,000	Aggreko PLC	82,445	57,767	
6,000	Barclays PLC ADR	120,507	118,813	
3,500	BHP Billiton PLC ADR	192,803	143,821	
3,000	Bunzl PLC	70,094	107,516	
50,000	Cable & Wireless Communications PLC	41,348	56,086	
3,000	Compass Group PLC	64,338	63,963	
800	Diageo PLC ADR	101,432	115,534	
1,200	Johnson Matthey PLC	67,001	59,480	
3,500	Pearson PLC	76,430	79,868	
25,000	Rentokil Initial PLC	54,871	74,461	
2,800	Royal Dutch Shell PLC 'A' ADR	195,824	177,781	
		<u>1,067,093</u>	<u>1,055,090</u>	17.4%
<b>Sweden</b>				
5,000	Nordea Bank AB	41,852	74,378	1.2%

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



## Schedule of Investment Portfolio (continued)

as at September 30, 2015

No. of Shares/Units/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>Switzerland</b>				
4,000	ABB Limited ADR	105,059	94,697	
800	Compagnie Financiere Richemont SA 'A'	82,102	83,032	
1,000	Nestle SA	77,132	100,431	
300	Roche Holding AG	85,694	105,709	
1,500	Syngenta AG ADR	112,793	128,179	
		462,780	512,048	8.5%
<b>United States</b>				
800	AFLAC INC.	51,674	62,306	
10,000	Ares Capital Corporation	183,403	194,003	
9,000	BlackRock Capital Investment Corporation	88,164	106,836	
750	Chevron Corporation	99,577	79,262	
1,200	Energy Select Sector SPDR Fund	110,542	98,395	
15,115	Fifth Street Senior Floating Rate Corporation	198,583	176,792	
500	iShares iBoxx \$ Investment Grade Corporate Bond ETF	59,856	77,769	
6,000	iShares International Select Dividend ETF	236,169	226,131	
500	iShares JP Morgan USD Emerging Markets Bond ETF	57,565	71,277	
5,000	iShares MSCI Japan ETF	66,945	76,570	
1,500	JPMorgan Chase & Company	68,498	122,531	
2,500	PowerShares Fundamental High Yield Corporate Bond Portfolio	51,990	59,655	
1,500	Technology Select Sector SPDR Fund	69,638	79,383	
500	Wal-Mart Stores Inc.	40,684	43,436	
900	Wells Fargo & Company	28,038	61,919	
100	WisdomTree Asia Local Debt Fund	5,196	5,682	
		1,416,522	1,541,947	25.5%
<b>Total equities</b>		6,218,980	5,817,298	96.1%
<b>Total investment portfolio</b>		6,436,950	5,983,724	98.8%
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Put Options</b>				
<b>Bermuda</b>				
CAD (10)	Brookfield Property Partners Limited Partnership January 2016 @ 26.00 CAD	(940)	(475)	-
<b>Great Britain</b>				
USD (30)	Barrick Gold Corporation October 2015 @ 6.00 USD	(506)	(1,045)	
CAD (10)	Crescent Point Energy Corporation October 2015 @ 25.00 CAD	(790)	(9,775)	
		(1,296)	(10,820)	(0.2%)
<b>United States</b>				
USD (5)	Emerson Electric Company December 2015 @ 39.00 USD	(525)	(570)	
USD (5)	JPMorgan Chase & Company December 2015 @ 52.50 USD	(571)	(576)	
USD (5)	Wal-Mart Stores Inc. November 2015 @ 57.50 USD	(385)	(241)	
		(1,481)	(1,387)	-
<b>Total written put options</b>		(3,717)	(12,682)	(0.2%)
<b>Total written options</b>		(3,717)	(12,682)	(0.2%)
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
Total unrealized gain on forward currency contracts			236	-
Total unrealized loss on forward currency contracts			(3,143)	(0.1%)
			(2,907)	(0.1%)
Net investments		6,433,233	5,968,135	98.5%
Transaction costs		(7,397)	-	-
		\$ 6,425,836	5,968,135	98.5%
Other assets less liabilities			88,231	1.5%
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$	6,056,366	100.0%

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

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

## Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount	Value as at September 30, 2015 (\$)	Currency	Amount	Value as at September 30, 2015 (\$)	
1.06274	Oct-07-2015	Canadian Dollar	235,240	235,240	Australian Dollar	250,000	235,004	236
							<b>Unrealized gain</b>	<u>236</u>
6.35940	Dec-16-2015	Canadian Dollar	39,312	39,312	Swedish Krona	250,000	39,990	(678)
90.68000	Dec-16-2015	Canadian Dollar	44,111	44,111	Japanese Yen	4,000,000	44,813	(702)
0.73781	Oct-07-2015	Canadian Dollar	149,090	149,090	Swiss Franc	110,000	150,853	(1,763)
							<b>Unrealized loss</b>	<u>(3,143)</u>

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 September 30, 2015 and October 1, 2013. There was no offsetting as at September 30, 2014 because currency forward contracts in an unrealized gain were with a different counterparty than those in an unrealized loss position.

	Counterparty 1 (\$)	Counterparty 2 (\$)
<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>October 1, 2013</b>		
Gross derivative assets	68,454	1,420
Gross derivative liabilities	(2,102)	(49,164)
<b>Net exposure</b>	<b>66,352</b>	<b>(47,744)</b>

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

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 (\$)	Total (\$)	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	-	5,439,015
Investments - pledged as collateral	-	544,709	544,709	-	544,709
<b>Total</b>	<b>-</b>	<b>5,983,724</b>	<b>5,983,724</b>	<b>174,987</b>	<b>6,158,711</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	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	-	15,589
<b>Total</b>	<b>15,589</b>	<b>-</b>	<b>15,589</b>	<b>86,756</b>	<b>102,345</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2014:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	414,484	414,484
Margin accounts	-	-	-	27,755	27,755
Subscriptions receivable	-	-	-	315	315
Receivable for investments sold	-	-	-	41,373	41,373
Interest receivable	-	-	-	1,993	1,993
Dividends receivable	-	-	-	19,716	19,716
Investments	-	6,499,235	6,499,235	-	6,499,235
Investments - pledged as collateral	-	704,380	704,380	-	704,380
Derivative assets	10,890	-	10,890	-	10,890
<b>Total</b>	<b>10,890</b>	<b>7,203,615</b>	<b>7,214,505</b>	<b>505,636</b>	<b>7,720,141</b>

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

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Redemptions payable	-	-	-	25,211	25,211
Payable for investments purchased	-	-	-	70,797	70,797
Distributions payable	-	-	-	1,346	1,346
Derivative liabilities	39,736	-	39,736	-	39,736
<b>Total</b>	<b>39,736</b>	<b>-</b>	<b>39,736</b>	<b>97,354</b>	<b>137,090</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at October 1, 2013:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	3,498	3,498
Margin accounts	-	-	-	83,483	83,483
Dividends receivable	-	-	-	14,769	14,769
Investments	-	6,639,918	6,639,918	-	6,639,918
Investments - pledged as collateral	-	2,453,160	2,453,160	-	2,453,160
Derivative assets	66,352	-	66,352	-	66,352
<b>Total</b>	<b>66,352</b>	<b>9,093,078</b>	<b>9,159,430</b>	<b>101,750</b>	<b>9,261,180</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Margin loan and borrowing	-	-	-	207,625	207,625
Distributions payable	-	-	-	103,305	103,305
Derivative liabilities	67,876	-	67,876	-	67,876
<b>Total</b>	<b>67,876</b>	<b>-</b>	<b>67,876</b>	<b>310,930</b>	<b>378,806</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2015 and September 30, 2014.

Category	Net gains (losses) (\$)	
	2015	2014
Financial Assets at FVTPL:		
Held for trading	(18,552)	(295,673)
Designated at inception	(179,905)	1,259,772
<b>Total</b>	<b>(198,457)</b>	<b>964,099</b>
Financial Liabilities at FVTPL:		
Held for trading	39,313	38,807
<b>Total</b>	<b>(159,144)</b>	<b>1,002,906</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 September 30, 2015 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 \$298,552 (September 30, 2014: \$360,181; October 1, 2013: \$454,654). 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 industry sector, as at September 30, 2015, September 30, 2014 and October 1, 2013.

By Geographic Region	September 30, 2015	September 30, 2014	October 1, 2013
Canada	34.0%	31.0%	-
United States	25.5%	23.6%	43.7%
Great Britain	17.2%	19.6%	32.5%
Switzerland	8.5%	5.8%	3.9%
Bermuda	5.5%	5.3%	-
Australia	5.1%	6.3%	2.1%
France	1.6%	2.5%	4.7%
Cash and Other Net Assets	1.5%	5.1%	(2.4%)
Sweden	1.2%	1.0%	5.7%
Forward Contracts	(0.1%)	(0.1%)	0.3%
Panama	-	(0.1%)	-
Netherlands	-	-	6.5%
Germany	-	-	2.4%
Spain	-	-	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	September 30, 2015	September 30, 2014	October 1, 2013
Financials	34.1%	27.6%	102.4%
Exchange Traded Fund	14.1%	12.9%	-
Energy	10.5%	7.7%	-
Utilities	8.0%	10.9%	-
Materials	7.9%	8.0%	-
Industrials	7.6%	8.9%	-
Consumer Staples	5.6%	5.5%	-
Consumer Discretionary	4.9%	7.4%	-
Telecommunication Services	4.3%	4.7%	-
Health Care	1.8%	1.6%	-
Cash and Other Net Assets	1.5%	5.1%	(2.4%)
Forward Contracts	(0.1%)	(0.1%)	0.3%
Short Positions - Derivatives	(0.2%)	(0.2%)	(0.3%)
<b>Total</b>	<b>100.0%</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 accompanying notes are an integral part of these financial statements.

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

The tables below indicate the foreign currencies to which the Fund had significant direct exposure at September 30, 2015, September 30, 2014 and October 1, 2013, 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.

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>

September 30, 2014

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	(714,892)	2,881,690	2,166,798	(35,745)	144,085	108,340
British Pound	1	889,841	889,842	-	44,492	44,492
Swiss Franc	(117,387)	223,381	105,994	(5,869)	11,169	5,300
Hong Kong Dollar	-	97,042	97,042	-	4,852	4,852
Australian Dollar	(438,431)	482,079	43,648	(21,921)	24,104	2,183
Swedish Krona	(31,117)	72,928	41,811	(1,556)	3,646	2,090
Euro	(191,596)	193,326	1,730	(9,580)	9,666	86
<b>Total</b>	<b>(1,493,422)</b>	<b>4,840,287</b>	<b>3,346,865</b>	<b>(74,671)</b>	<b>242,014</b>	<b>167,343</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>(19.7%)</b>	<b>63.8%</b>	<b>44.1%</b>	<b>(1.0%)</b>	<b>3.2%</b>	<b>2.2%</b>

October 1, 2013

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	(2,943,813)	6,060,096	3,116,283	(147,191)	303,005	155,814
British Pound	(828,738)	1,456,531	627,793	(41,437)	72,827	31,390
Swedish Krona	(400,024)	509,368	109,344	(20,001)	25,468	5,467
Australian Dollar	(95,977)	187,619	91,642	(4,799)	9,380	4,581
Swiss Franc	(278,885)	57,131	(221,754)	(13,944)	2,857	(11,087)
Euro	(1,108,140)	802,200	(305,940)	(55,407)	40,110	(15,297)
<b>Total</b>	<b>(5,655,577)</b>	<b>9,072,945</b>	<b>3,417,368</b>	<b>(282,779)</b>	<b>453,647</b>	<b>170,868</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>(63.7%)</b>	<b>102.2%</b>	<b>38.5%</b>	<b>(3.2%)</b>	<b>5.1%</b>	<b>1.9%</b>

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

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

## Interest Rate Risk

As at September 30, 2015, September 30, 2014 and October 1, 2013 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 September 30, 2015, 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 \$nil (September 30, 2014: \$nil; October 1, 2013: \$66,352), and the second having a long term Standard & Poor's credit rating of A and in a net unrealized gain position of \$nil. (September 30, 2014: \$10,890; October 1, 2013: 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 balances are maintained at financial institutions with credit ratings of A- and/or AA- 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, 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 September 30, 2015 and September 30, 2014, the Fund did not have any borrowings. In accordance with National Instrument 81-102 the Fund is allowed to borrow amounts not exceeding 5% of its net asset value in certain limited circumstances to temporarily fund redemptions or settle trades. Prior to December 13, 2013 when the Fund was a closed end investment fund (note 1b), it was authorized to borrow an amount not exceeding 20% of the total assets of the Fund after giving effect to such borrowing (note 11). Borrowings were repayable on demand and were covered by collateral held on account at the broker with whom the borrowings were made. As at October 1, 2013, the Fund had margin loan and borrowing of \$207,625.

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 (\$)		
September 30, 2015	49,116	99,815	26,000	174,931
September 30, 2014	134,371	397,101	-	531,472
October 1, 2013	193,368	77,141	-	270,509

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.

## (d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at September 30, 2015, September 30, 2014 and October 1, 2013.

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>

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

Assets at fair value as at September 30, 2014				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Investment Funds - Long	-	43,178	132,227	175,405
Equities - Long	6,922,710	-	-	6,922,710
Bonds - Long	-	105,500	-	105,500
Forward contracts	-	10,890	-	10,890
<b>Total</b>	<b>6,922,710</b>	<b>159,568</b>	<b>132,227</b>	<b>7,214,505</b>

Liabilities at fair value as at September 30, 2014				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(21,024)	-	-	(21,024)
Forward contracts	-	(18,712)	-	(18,712)
<b>Total</b>	<b>(21,024)</b>	<b>(18,712)</b>	<b>-</b>	<b>(39,736)</b>

Assets at fair value as at October 1, 2013				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	9,093,078	-	-	9,093,078
Forward contracts	-	66,352	-	66,352
<b>Total</b>	<b>9,093,078</b>	<b>66,352</b>	<b>-</b>	<b>9,159,430</b>

Liabilities at fair value as at October 1, 2013				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(20,132)	-	-	(20,132)
Forward contracts	-	(47,744)	-	(47,744)
<b>Total</b>	<b>(20,132)</b>	<b>(47,744)</b>	<b>-</b>	<b>(67,876)</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 September 30, 2015 and 2014 the Fund held units of Portland Global Energy Efficiency and Renewable Energy Fund LP ("Portland GEEREF"), which is a closed- ended investment fund. Portland GEEREF has the same Manager and administrator as the Fund. This investment is considered Level 3 in the fair value hierarchy because it does not allow redemptions prior to dissolution. Portland GEEREF is the Fund's only Level 3 investment. The Fund measures the Portland GEEREF units at the most recently published NAV per unit as reported by its administrator, considering restrictions on the Fund's ability to redeem units of Portland GEEREF. If the NAV per unit of Portland GEEREF had been higher or lower by 5%, the net assets attributable to holders of redeemable units would have been higher or lower by \$7,310 (September 30, 2014: \$6,611; October 1, 2013: nil).

As at September 30, 2014 the Fund held units of Portland Private Income Fund which is an open-ended investment fund that holds private debt securities. The Fund measures the fair value of this holding at the most recently published net asset value per unit because the units are redeemable on a monthly basis and has been classified as Level 2 in the fair value hierarchy.

### 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 September 30, 2015 and September 30, 2014:

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.



September 30, 2014	Investment Funds (\$)	Total (\$)
Balance at Beginning of Period	-	-
Investment purchases during the period	621,772	621,772
Proceeds from sales during the period	(751,678)	(751,678)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	254,106	254,106
Change in unrealized appreciation(depreciation) in value of investments	8,027	8,027
<b>Balance at End of Period</b>	<b>132,227</b>	<b>132,227</b>
<b>Change in unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>8,027</b>	<b>8,027</b>

There were no Level 3 investments held by the Fund as at October 1, 2013.

During the period ended September 30, 2014, the Fund acquired and then disposed of its Level 3 investment in units of Portland CVBI LP for \$751,678, realizing a gain on disposal of \$254,106.

### (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.

The exposure to investments in Investee Funds at fair value by type of fund as at September 30, 2015, September 30, 2014 and October 1, 2013 is disclosed in the following tables. 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%

September 30, 2014

Type	Number of Investee Funds	Net asset value of Investee Fund (\$)	Investment at carrying value (\$)	% of net assets attributable to holders of units
Alternative – private income	1	5,660,555	43,178	0.8%
Alternative – fund of funds	1	2,047,373	132,227	6.5%

The Fund did not hold any investments in structured entities as at October 1, 2013.

The Fund's investments in ETFs are summarized below:

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	-

September 30, 2014	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
WisdomTree Asia Local Debt Fund	188,455	357	0.1
iShares S&P/TSX Canadian Preferred Share Index ETF	146,520	1,386	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	195,400	2,303	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	42,716	685	-
iShares International Select Dividend ETF	240,886	4,935	-
iShares JP Morgan USD Emerging Markets Bond ETF	88,613	4,961	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	66,307	19,400	-

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

## Statements of Financial Position

	As at September 30, 2015	As at September 30, 2014
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 130,824	\$ 556,722
Margin accounts (note 11)	46,344	7,007
Subscriptions receivable	430	55,030
Receivable for investments sold	192,450	85,402
Interest receivable	1,600	800
Dividends receivable	13,359	22,370
Harmonized sales tax recoverable	932	-
Investments (note 5)	8,354,014	10,908,961
Investments - pledged as collateral (note 5 and 11)	819,424	139,418
Derivative assets	11,891	29,265
	<u>9,571,268</u>	<u>11,804,975</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fee payable	14,099	-
Expenses payable	4,305	-
Redemptions payable	34,304	74,170
Payable for investments purchased	212,102	214,178
Distributions payable	6,293	1,916
Derivative liabilities	29,765	42,509
	<u>300,868</u>	<u>332,773</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 9,270,400</u>	<u>\$ 11,472,202</u>
Series A	111,996	113,676
Series A2 (note 1b)	6,886,194	9,454,714
Series F	2,272,210	1,903,812
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 9,270,400</u>	<u>\$ 11,472,202</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	12,464	11,712
Series A2 (note 1b)	763,877	973,880
Series F	248,627	195,275
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	8.99	9.71
Series A2 (note 1b)	9.01	9.71
Series F	9.14	9.75

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

for the periods ended September 30	2015	2014*
<b>Income</b>		
Net gains (losses) on investments and derivatives		
Dividends	\$ 380,931	\$ 465,427
Interest for distribution purposes	13,265	14,850
Net realized gain (loss) on investments and options	287,946	4,484,726
Net realized gain (loss) on forward currency contracts	(75,163)	(692,417)
Change in unrealized appreciation (depreciation) of investments and derivatives	(278,259)	(3,722,024)
Net gains (losses) on investments and derivatives	<u>328,720</u>	<u>550,562</u>
Other Income		
Foreign currency gain (loss) on cash and other net assets	4,796	(54,196)
<b>Total income (net)</b>	<u>333,516</u>	<u>496,366</u>
<b>Expenses</b>		
Management fees (note 8)	201,654	153,639
Securityholder reporting costs	119,044	77,832
Audit fees	16,912	22,687
Custodial fees	14,024	8,356
Legal fees	6,103	7,034
Service fees	-	35,409
Independent review committee fees	4,201	3,817
Interest expense (note 11)	1,082	4,216
Withholding tax expense	25,055	49,218
Transaction costs	16,014	29,244
Total operating expenses	<u>404,089</u>	<u>391,452</u>
Less: expenses absorbed by Manager	(98,353)	-
Net expenses	<u>305,736</u>	<u>391,452</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 27,780</u>	<u>\$ 104,914</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	(3,210)	(273)
Series A2 (note 1b)	(62,452)	112,822
Series F	93,442	(7,635)
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	(0.27)	(0.04)
Series A2 (note 1b)	(0.07)	0.07
Series F	0.32	(0.07)

\*For the period from January 1, 2014 to September 30, 2014

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

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

for the periods ended September 30	2015	2014*
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Trust Units	\$ -	\$ 23,458,590
Series A	113,676	-
Series A2 (note 1b)	9,454,714	-
Series F	1,903,812	-
	<u>11,472,202</u>	<u>23,458,590</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Trust Units	-	-
Series A	(3,210)	(273)
Series A2 (note 1b)	(62,452)	112,822
Series F	93,442	(7,635)
	<u>27,780</u>	<u>104,914</u>
<b>Distributions to Holders of Redeemable Units</b>		
From return of capital:		
Trust Units	-	-
Series A	(6,041)	(1,496)
Series A2 (note 1b)	(424,606)	(404,828)
Series F	(150,002)	(22,079)
	<u>(580,649)</u>	<u>(428,403)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Trust Units	-	-
Series A	5,000	114,652
Series A2 (note 1b)	92,001	348,634
Series F	1,536,335	1,921,538
	<u>1,633,336</u>	<u>2,384,824</u>
Reinvestments of distributions to holders of redeemable units		
Trust Units	-	-
Series A	2,571	793
Series A2 (note 1b)	338,371	212,880
Series F	149,579	21,988
	<u>490,521</u>	<u>235,661</u>
Redemptions of redeemable units		
Trust Units	-	(11,421,183)
Series A	-	-
Series A2 (note 1b)	(2,511,834)	(2,852,201)
Series F	(1,260,956)	(10,000)
	<u>(3,772,790)</u>	<u>(14,283,384)</u>
Conversion of Trust Units (note 1b)		
Trust Units	-	(12,037,407)
Series A2	-	12,037,407
	<u>-</u>	<u>-</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(1,648,933)</u>	<u>(11,662,899)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	111,996	113,676
Series A2 (note 1b)	6,886,194	9,454,714
Series F	2,272,210	1,903,812
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 9,270,400</u>	<u>\$ 11,472,202</u>

\*For the period from January 1, 2014 to September 30, 2014

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

## Statements of Cash Flows

for the periods ended September 30	2015	2014*
<b>Cash Flows from Operating Activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 27,780	\$ 104,914
Adjustments for:		
Net realized (gain) loss on investments and options	(287,946)	(4,484,726)
Change in unrealized (appreciation) depreciation of investments and derivatives	278,259	3,722,024
Foreign currency (gain) loss on cash and other net assets	(4,796)	54,196
(Increase) decrease in interest receivable	(800)	(800)
(Increase) decrease in dividends receivable	9,011	1,519
(Increase) decrease in taxes recoverable	(932)	-
Increase (decrease) in management fees payable and accrued liabilities	18,404	(37,158)
Purchase of investments	(4,940,681)	(6,222,847)
Proceeds from sale of investments	6,720,815	20,171,859
<b>Net Cash Generated (Used) by Operating Activities</b>	<b>1,819,114</b>	<b>13,308,981</b>
<b>Cash Flows from Financing Activities</b>		
Distributions to holders of redeemable units, net of reinvested distributions	(85,751)	(376,776)
Change in net margin loan and borrowing	-	(1,104,868)
Change in margin cash	(39,337)	27,166
Proceeds from redeemable units issued	1,687,936	2,329,794
Amount paid on redemption of redeemable units	(3,812,656)	(14,209,214)
<b>Net Cash Generated (Used) by Financing Activities</b>	<b>(2,249,808)</b>	<b>(13,333,898)</b>
Net increase (decrease) in cash and cash equivalents	(430,694)	(24,917)
Foreign currency gain (loss) on cash and other net assets	4,796	(54,196)
Cash and Cash Equivalents Beginning of Period	556,722	635,835
<b>Cash and Cash Equivalents End of Period</b>	<b>\$ 130,824</b>	<b>\$ 556,722</b>
Cash and cash equivalents comprise:		
Cash at bank	130,824	356,840
Short-term investments	-	199,882
	<b>130,824</b>	<b>556,722</b>
<b>From operating activities:</b>		
Interest received, net of withholding tax	12,521	14,050
Dividends received, net of withholding tax	307,317	417,728
<b>From financing activities:</b>		
Interest paid	1,082	4,216

\*For the period from January 1, 2014 to September 30, 2014

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

## Schedule of Investment Portfolio

as at September 30, 2015

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	\$ 63,426	0.7%
<b>EQUITIES</b>				
<b>Australia</b>				
18,000	Amcors Limited	196,889	222,916	
225,000	AusNet Services	213,590	288,801	
14,200	South32 Limited ADR	125,987	90,560	
		536,466	602,277	6.5%
<b>Bermuda</b>				
2,000	Jardine Matheson Holdings Limited	131,688	126,611	1.4%
<b>Canada</b>				
14,500	Canfor Corporation	333,035	230,695	
30,000	Crown Capital Partners Inc.	323,147	255,000	
6,047	Northland Power Inc.	95,017	105,157	
26,000	Pacific Exploration and Production Corporation	326,222	77,480	
2,478	Portland Global Energy Efficiency and Renewable Energy Fund LP 'O'	123,920	145,905	
		1,201,341	814,237	8.8%
<b>Cayman Islands</b>				
10,000	Cheung Kong Property Holdings Limited	73,463	97,410	
11,000	CK Hutchison Holdings Limited	136,222	190,533	
		209,685	287,943	3.1%
<b>France</b>				
5,045	TOTAL SA ADR	294,669	302,208	3.3%
<b>Germany</b>				
7,000	GEA Group AG	186,588	356,259	3.8%
<b>Great Britain</b>				
18,000	Barclays PLC ADR	478,843	356,440	
8,500	BHP Billiton PLC ADR	469,295	349,279	
200,000	Cable & Wireless Communications PLC	170,895	224,346	
9,000	Compass Group PLC	191,775	191,889	
1,200	Diageo PLC ADR	154,596	173,300	
6,500	Enscos PLC 'A'	344,796	122,619	
5,500	Johnson Matthey PLC	205,853	272,617	
35,000	Kingfisher PLC	197,036	254,131	
4,000	National Grid PLC	40,247	74,423	
500	National Grid PLC ADR	43,783	46,645	
14,000	Pearson PLC	286,772	319,470	
12,000	Prudential PLC	149,457	338,584	
100,000	Rentokil Initial PLC	228,280	297,846	
6,200	Royal Dutch Shell PLC 'A' ADR	434,197	393,657	
		3,395,825	3,415,246	36.8%
<b>Japan</b>				
1,000	Toyota Motor Corporation ADR	87,258	157,132	1.7%
<b>Switzerland</b>				
12,000	ABB Limited ADR	221,406	284,091	
1,500	Compagnie Financiere Richemont SA 'A'	153,693	155,684	
2,000	Dufry AG	344,922	312,603	
3,000	Nestle SA	177,665	301,292	
800	Novartis AG ADR	46,187	98,524	
600	Roche Holding AG	111,938	211,418	
4,000	Syngenta AG ADR	237,538	341,810	
		1,293,349	1,705,422	18.4%
<b>United States</b>				
20,000	Ares Capital Corporation	372,005	388,006	
2,500	Deere & Company	241,052	247,863	
16,998	Fifth Street Senior Floating Rate Corporation	221,438	198,816	
2,500	JPMorgan Chase & Company	146,618	204,219	
4,000	Mondelez International Inc.	171,168	224,390	
1,500	Technology Select Sector SPDR Fund	69,638	79,383	
		1,221,919	1,342,677	14.5%
	<b>Total equities</b>	<b>8,558,788</b>	<b>9,110,012</b>	<b>98.3%</b>
	<b>Total investment portfolio</b>	<b>8,676,758</b>	<b>9,173,438</b>	<b>99.0%</b>

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

## Schedule of Investment Portfolio (continued)

as at September 30, 2015

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 January 2017 @ 8.00 USD	10,607	11,891	0.1%
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Put Options</b>				
<b>Canada</b>				
CAD (10)	Crescent Point Energy Corporation October 2015 @ 25.00 CAD	(790)	(9,775)	
CAD (30)	Pacific Exploration and Production Corporation October 2015 @ 3.00 CAD	(270)	(810)	
CAD (20)	Pacific Exploration and Production Corporation October 2015 @ 4.00 CAD	(480)	(2,240)	
		(1,540)	(12,825)	(0.2%)
<b>Great Britain</b>				
GBP (5) <sup>2</sup>	Compass Group PLC October 2015 @ 10.00 GBP	(1,655)	(329)	
GBP (5) <sup>2</sup>	Compass Group PLC November 2015 @ 9.60 GBP	(1,550)	(734)	
		(3,205)	(1,063)	-
<b>Switzerland</b>				
SWF (10)	Compagnie Financiere Richemont SA 'A' November 2015 @ 66.00 SWF	(1,564)	(1,138)	
USD (4)	Novartis AG ADR November 2015 @ 85.00 USD	(606)	(723)	
		(2,170)	(1,861)	-
<b>United States</b>				
USD (5)	JPMorgan Chase & Company November 2015 @ 57.50 USD	(989)	(1,005)	
USD (12)	Mondelez International Inc. October 2015 @ 40.00 USD	(1,634)	(1,029)	
		(2,623)	(2,034)	-
	<b>Total written options</b>	(9,538)	(17,783)	(0.2%)
<b>FORWARD CURRENCY CONTRACTS (Schedule 1a)</b>				
	Total unrealized gain on forward currency contracts		518	-
	Total unrealized loss on forward currency contracts		(12,500)	(0.1%)
			(11,982)	(0.1%)
	Net investments	8,677,827	9,155,564	98.8%
	Transaction costs	(11,811)	-	-
		\$ 8,666,016	9,155,564	98.8%
	Other assets less liabilities		114,836	1.2%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 9,270,400	100.0%

<sup>1</sup> The contract size of the options is 100 shares, except as otherwise noted.<sup>2</sup> The contract size of this option is 1,000 shares.

## Schedule 1a

Contract Price	Settlement Date	Purchased Currency			Sold Currency			
		Currency	Amount (\$)	Value as at September 30, 2015 (\$)	Currency	Amount (\$)	Value as at September 30, 2015 (\$)	Unrealized gain (loss) (\$)
1.06274	Oct-07-2015	Canadian Dollar	517,528	517,528	Australian Dollar	550,000	517,010	518
							<b>Unrealized gain</b>	<b>518</b>
90.68000	Dec-16-2015	Canadian Dollar	110,278	110,278	Japanese Yen	10,000,000	112,033	(1,755)
0.67833	Dec-16-2015	Canadian Dollar	221,130	221,130	Euro	150,000	224,665	(3,535)
0.73781	Oct-07-2015	Canadian Dollar	609,913	609,913	Swiss Franc	450,000	617,123	(7,210)
							<b>Unrealized loss</b>	<b>(12,500)</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.

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>

As at September 30, 2014, there was no offsetting of currency forwards because the currency forwards in a net unrealized gain were with a different counterparty than those in an unrealized loss.

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

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 (\$)	Total (\$)	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	-	8,354,014
Investments - pledged as collateral	-	819,424	819,424	-	819,424
Derivative assets	11,891	-	11,891	-	11,891
<b>Total</b>	<b>11,891</b>	<b>9,173,438</b>	<b>9,185,329</b>	<b>385,939</b>	<b>9,571,268</b>

Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	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	-	29,765
<b>Total</b>	<b>29,765</b>	<b>-</b>	<b>29,765</b>	<b>271,103</b>	<b>300,868</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2014:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	-	556,722	556,722
Margin accounts	-	-	-	7,007	7,007
Subscriptions receivable	-	-	-	55,030	55,030
Receivable for investments sold	-	-	-	85,402	85,402
Interest receivable	-	-	-	800	800
Dividends receivable	-	-	-	22,370	22,370
Investments	-	10,908,961	10,908,961	-	10,908,961
Investments - pledged as collateral	-	139,418	139,418	-	139,418
Derivative assets	29,265	-	29,265	-	29,265
<b>Total</b>	<b>29,265</b>	<b>11,048,379</b>	<b>11,077,644</b>	<b>727,331</b>	<b>11,804,975</b>

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



Liabilities	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Total (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Redemptions payable	-	-	-	74,170	74,170
Payable for investments purchased	-	-	-	214,178	214,178
Distributions payable	-	-	-	1,916	1,916
Derivative liabilities	42,509	-	42,509	-	42,509
<b>Total</b>	<b>42,509</b>	<b>-</b>	<b>42,509</b>	<b>290,264</b>	<b>332,773</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended September 30, 2015 and September 30, 2014.

Category	Net gains (losses) (\$)	
	2015	2014
Financial Assets at FVTPL:		
Held for trading	(66,681)	(479,736)
Designated at inception	327,870	955,535
<b>Total</b>	<b>261,189</b>	<b>475,799</b>
Financial Liabilities at FVTPL:		
Held for trading	67,531	74,763
<b>Total</b>	<b>328,720</b>	<b>550,562</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 September 30, 2015 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 \$458,377 (September 30, 2014: \$551,535). Actual results may differ from the above sensitivity analysis and the difference could be material.

#### Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at September 30, 2015 and September 30, 2014.

By Geographic Region	September 30, 2015	September 30, 2014
Great Britain	36.8%	39.2%
Switzerland	18.4%	12.8%
United States	14.6%	9.4%
Canada	9.3%	5.6%
Australia	6.5%	7.2%
Germany	3.8%	4.0%
France	3.3%	6.4%
Cayman Islands	3.1%	-
Japan	1.7%	4.0%
Bermuda	1.4%	1.2%
Cash and Other Net Assets	1.2%	3.7%
Forward Contracts	(0.1%)	0.1%
Panama	-	(0.1%)
South Korea	-	3.9%
Hong Kong	-	2.6%
<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	September 30, 2015	September 30, 2014
Financials	21.9%	24.0%
Materials	16.3%	16.0%
Consumer Discretionary	15.0%	7.4%
Industrials	14.2%	19.2%
Energy	10.4%	8.3%
Consumer Staples	7.5%	9.0%
Utilities	7.1%	7.6%
Health Care	3.3%	3.4%
Telecommunication Services	2.4%	-
Cash and Other Net Assets	1.2%	3.3%
Exchange Traded Fund	0.9%	-
Long Positions - Derivatives	0.1%	-
Forward Contracts	(0.1%)	0.1%
Short Positions - Derivatives	(0.2%)	(0.1%)
Information Technology	-	1.8%
<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 September 30, 2015 and September 30, 2014, 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.

### 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>
<b>% of net assets attributable to holders of redeemable units</b>	<b>(14.6%)</b>	<b>89.6%</b>	<b>75.0%</b>	<b>(0.7%)</b>	<b>4.4%</b>	<b>3.7%</b>

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

September 30, 2014

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	(998,581)	4,729,566	3,730,985	(49,929)	236,478	186,549
British Pound	15,160	2,629,702	2,644,862	758	131,485	132,243
Hong Kong Dollar	-	298,764	298,764	-	14,938	14,938
Swiss Franc	(342,703)	578,944	236,241	(17,135)	28,947	11,812
South Korean Won	-	200,974	200,974	-	10,049	10,049
Australian Dollar	(827,919)	835,009	7,090	(41,396)	41,750	355
Swedish Krona	78	-	78	4	-	4
Japanese Yen	(224,942)	217,420	(7,522)	(11,247)	10,871	(376)
Euro	(948,842)	901,406	(47,436)	(47,442)	45,070	(2,372)
<b>Total</b>	<b>(3,327,749)</b>	<b>10,391,785</b>	<b>7,064,036</b>	<b>(166,387)</b>	<b>519,588</b>	<b>353,202</b>
% of net assets attributable to holders of redeemable units	(29.0%)	90.6%	61.6%	(1.4%)	4.5%	3.1%

### Interest Rate Risk

As at September 30, 2015 and September 30, 2014, the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

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

As at September 30, 2015 the forward currency contracts of the Fund were in an unrealized loss position and therefore have no associated credit risk. As at September 30, 2014 the Fund had forward currency contracts in an unrealized gain of \$29,265 with a counterparty having a long term Standard & Poor's credit rating of AA-. The counterparty credit ratings 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 with credit rating A- and/or AA-, 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, 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 September 30, 2015 and September 30, 2014, the Fund did not have any borrowings. In accordance with National Instrument 81-102 the Fund is allowed to borrow amounts not exceeding 5% of its net asset value in certain limited circumstances to temporarily fund redemptions or settle trades. Prior to May 23, 2014 when the Fund was a closed end investment fund (note 1b), it was authorized to borrow an amount not exceeding 15% of the total assets of the Fund after giving effect to such borrowing (note 11). Borrowings were repayable on demand and were covered by collateral held on account at the broker with whom the borrowings were made.

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 (\$)		
September 30, 2015	207,550	271,752	-	479,302
September 30, 2014	174,000	541,804	-	715,804

All other obligations including management fees payable, expenses payable, redemptions payable, payable for securities purchased, derivative liabilities 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 September 30, 2015 and September 30, 2014.

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>

Assets at fair value as at September 30, 2014				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - long	10,864,974	-	-	10,864,974
Investment Funds - Long	-	51,452	131,953	183,405
Forward contracts	-	29,265	-	29,265
<b>Total</b>	<b>10,864,974</b>	<b>80,717</b>	<b>131,953</b>	<b>11,077,644</b>

Liabilities at fair value as at September 30, 2014				
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(17,679)	-	-	(17,679)
Forward contracts	-	(24,830)	-	(24,830)
<b>Total</b>	<b>(17,679)</b>	<b>(24,830)</b>	<b>-</b>	<b>(42,509)</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 September 30, 2015 and September 30, 2014, the Fund held units of Portland Global Energy Efficiency and Renewable Energy Fund LP ("Portland GEEREF"), which is a closed-ended investment fund. Portland GEEREF has the same Manager and administrator as the Fund. This investment is considered Level 3 in the fair value hierarchy because it does not allow redemptions prior to dissolution. Portland GEEREF is the Fund's only Level 3 investment. The Fund measured the Portland GEEREF units at the most recently published NAV per unit as reported by its administrator, considering restrictions on the Fund's ability to redeem units of Portland GEEREF. If the NAV per unit had been higher or lower by 5%, the net assets attributable to holders of redeemable units would have been higher or lower by \$7,295 (September 30, 2014: \$6,598).

As at September 30, 2014, the Fund held units of Portland Private Income Fund which is an open-ended investment fund that holds private debt securities. The Fund measures the fair value of this holding at the most recently published net asset value per unit because the units are redeemable on a monthly basis and has been classified as Level 2 in the fair value hierarchy.

**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 September 30, 2015 and September 30, 2014:

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>
<b>Change in unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>13,952</b>	<b>13,952</b>

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

September 30, 2014	Investment Funds (\$)	Total (\$)
Balance at Beginning of Period	659,401	659,401
Investment purchases during the period	3,720	3,720
Proceeds from sales during the period	(787,691)	(787,691)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on sale of investments	248,570	248,570
Change in unrealized appreciation (depreciation) in value of investments	7,953	7,953
<b>Balance at End of Period</b>	<b>131,953</b>	<b>131,953</b>
<b>Unrealized appreciation (depreciation) in value of investments held at end of period</b>	<b>8,033</b>	<b>8,033</b>

During the period ended September 30, 2014, the Fund disposed of its Level 3 investment in units of Portland CVBI LP for \$787,691, realizing a gain on disposal of \$248,570.

#### (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.

The exposure to investments in Investee Funds at fair value by type of fund as at September 30, 2015 and September 30, 2014 is disclosed in the following tables. 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%

September 30, 2014

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 – private income	1	5,660,555	51,452	0.9%
Alternative – fund of funds	1	2,047,373	131,953	6.4%

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

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	79,383	15,258	-

As at September 30, 2014 and October 1, 2014 the Fund does not have significant investments in ETFs.

## Statement of Financial Position

As at  
September 30, 2015

<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 16,753
Subscriptions receivable	25,000
Dividends receivable	359
Investments (note 5)	<u>115,392</u>
	<u>157,504</u>
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Management fee payable	148
Expenses payable	<u>63</u>
	<u>211</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<b><u>\$ 157,293</u></b>
Series A	46,143
Series F	<u>111,150</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<b><u>\$ 157,293</u></b>
<b>Number of Redeemable Units Outstanding (note 6)</b>	
Series A	5,594
Series F	13,417
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>	
Series A	8.25
Series F	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

for the periods ended September 30	2015*
<b>Income</b>	
Net gains (losses) on investments	
Dividends	\$ 2,149
Net realized gain (loss) on investment	59
Change in unrealized appreciation (depreciation) of investment	<u>(25,798)</u>
Net gains (losses) on investments	<u>(23,590)</u>
Other Income	
Foreign currency gain (loss) on cash and other net assets	<u>(1,349)</u>
<b>Total income (net)</b>	<u>(24,939)</u>
<b>Expenses</b>	
Management fees (note 8)	682
Unitholder reporting costs	25,341
Audit fees	13,614
Custodial fees	1,215
Legal fees	1,503
Independent review committee fees	1,727
Interest expense	31
Income tax expense	-
Withholding tax expense	73
Transaction costs	<u>190</u>
Total operating expenses	44,376
Less: expenses absorbed by Manager	<u>(43,108)</u>
Net expenses	1,268
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ (26,207)</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>	
Series A	(4,057)
Series F	(22,150)
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>	
Series A	(1.61)
Series F	(1.73)

\*For the period from May 19, 2015 (commencement of operations) to September 30, 2015

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

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

for the periods ended September 30	2015*
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>	
Series A	\$ -
Series F	-
	<u>-</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	
Series A	(4,057)
Series F	(22,150)
	<u>(26,207)</u>
<b>Distributions to Holders of Redeemable Units</b>	
From net investment income:	
Series A	-
Series F	-
	<u>-</u>
From capital gains:	
Series A	-
Series F	-
	<u>-</u>
<b>Redeemable Unit Transactions</b>	
Proceeds from redeemable units issued	
Series A	50,200
Series F	133,300
	<u>183,500</u>
Reinvestments of distributions to holders of redeemable units	
Series A	-
Series F	-
	<u>-</u>
Redemptions of redeemable units	
Series A	-
Series F	-
	<u>-</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>183,500</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	
Trust Units	
Series A	46,143
Series F	111,150
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	<u>\$ 157,293</u>

\*For the period from May 19, 2015 (commencement of operations) to September 30, 2015

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



## Statement of Cash Flows

for the periods ended September 30	2015*
<b>Cash Flows from Operating Activities</b>	
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (26,207)
Adjustments for:	
Net realized (gain) loss on investments	(59)
Change in unrealized (appreciation) depreciation of investments	25,798
Foreign currency (gain) loss on cash and other net assets	1,349
(Increase) decrease in dividends receivable	(359)
Increase (decrease) in management fees payable and accrued liabilities	211
Purchase of investments	(141,190)
Proceeds from sale of investments	59
<b>Net Cash Generated (Used) by Operating Activities</b>	<u>(140,398)</u>
<b>Cash Flows from Financing Activities</b>	
Proceeds from redeemable units issued	158,500
<b>Net Cash Generated (Used) by Financing Activities</b>	<u>158,500</u>
Net increase (decrease) in cash and cash equivalents	18,102
Foreign currency gain (loss) on cash and other net assets	(1,349)
Cash and Cash Equivalents Beginning of Period	-
<b>Cash and Cash Equivalents End of Period</b>	<u>\$ 16,753</u>
Cash and cash equivalents comprise:	
Cash at bank	16,753
Short-term investments	-
	<u>16,753</u>
<b>From operating activities:</b>	
Interest received, net of withholding tax	-
Dividends received, net of withholding tax	1,137
Interest paid	(31)

\*For the period from May 19, 2015 (commencement of operations) to September 30, 2015

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

## Schedule of Investment Portfolio

as at September 30, 2015

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>				
170	Brookfield Infrastructure Partners Limited Partnership	\$ 9,293	\$ 8,375	
360	Brookfield Property Partners Limited Partnership	10,123	10,351	
		19,416	18,726	11.9%
<b>Canada</b>				
1,510	Baytex Energy Corporation	17,541	6,448	
210	Brookfield Asset Management Inc. 'A'	9,340	8,846	
673	Crescent Point Energy Corporation	16,438	10,277	
582	Northland Power Inc.	9,815	10,121	
190	Restaurant Brands International Inc.	9,446	9,144	
1,080	Whitecap Resources Inc.	15,040	11,383	
		77,620	56,219	35.8%
<b>Great Britain</b>				
10,630	Cable & Wireless Communications PLC	13,768	11,924	7.6%
<b>Guernsey</b>				
220	Pershing Square Holdings Limited	7,190	6,340	4.0%
<b>United States</b>				
50	Berkshire Hathaway Inc. 'B'	8,940	8,735	
280	Hertz Global Holdings Inc.	6,912	6,276	
130	Zoetis Inc.	7,534	7,172	
		23,386	22,183	14.1%
	<b>Total investment portfolio</b>	141,380	115,392	73.4%
	<b>Transaction costs</b>	(190)	-	-
		\$ 141,190	115,392	73.4%
	<b>Other assets less liabilities</b>		41,901	26.6%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 157,293	100.0%

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the period ended September 30, 2015.

Category	Net gains (losses) (\$) 2015
Financial Assets at FVTPL:	
Held for trading	
Designated at inception	(23,590)
<b>Total</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 September 30, 2015 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 \$5,770. Actual results may differ from the above sensitivity analysis and the difference could be material.

**Concentration Risk**

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

By Geographic Region	September 30, 2015
Canada	35.8%
Cash and Other Assets	26.6%
United States	14.1%
Bermuda	11.9%
Great Britain	7.6%
Guernsey	4.0%
<b>Total</b>	<b>100.0%</b>

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

By Industry Sector	September 30, 2015
Cash and Other Assets	26.6%
Financials	21.8%
Energy	17.9%
Utilities	11.7%
Telecommunication Services	7.6%
Consumer Discretionary	5.8%
Health Care	4.6%
Industrials	4.0%
<b>Total</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 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.

#### 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>
% of net assets attributable to holders of redeemable units	0.2%	49.1%	49.2%	0.0%	2.5%	2.5%

### Interest Rate Risk

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

### Credit Risk

As at 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 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 September 30, 2015

	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.

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

## Notes to Financial Statements

### 1. GENERAL INFORMATION

a) Portland Advantage Fund, Portland Canadian Balanced Fund, Portland Canadian Focused Fund, Portland Global Banks Fund, Portland Global Income Fund, Portland Global Dividend Fund 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 30, 2015, 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 December 7, 2015. 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, except Portland Value Fund and Portland Global Dividend Fund are as at September 30, 2015, September 30, 2014 and October 1, 2013. The statement of financial position for Portland Value Fund is as at September 30, 2015. The statements of financial position for Portland Global Dividend Fund are as at September 30, 2015 and September 30, 2014.

The statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows for the Funds are for the years ended September 30, 2015 and September 30, 2014 unless the Fund commenced operations during either year, in which case the statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows are for the period from commencement of operations in the above table to the applicable year end reporting date.

The following table presents the investment objective of each Fund.

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

#### b) Fund Merger and Fund Restructuring

Global Banks Premium Income Trust (the "Continuing Fund") was restructured on December 13, 2013 and became a multi-class, open end mutual fund. Prior to that date, the Continuing Fund was a closed-end investment fund which traded on the Toronto Stock Exchange ("TSX") under the symbol GBR.UN. On December 13, 2013 the Continuing Fund merged with Portland Global Income Fund (the "Terminating Fund") and subsequently changed its name to Portland Global Income Fund. Existing unitholders of the Continuing Fund were issued 0.347759 Series A2 Units for each existing trust unit. The net asset value of the Series A2 Units was \$10.00 per unit immediately following the conversion such that the net asset value of issued trust units did not change as a result of the restructuring. The Continuing Fund acquired all the assets and liabilities of the Terminating Fund in exchange for units of the Continuing Fund. Unitholders of the Terminating Fund exchanged their units for units of the Continuing Fund based on an exchange ratio. The purchase method was used to account for the merger and the Continuing Fund was identified as the acquirer. The financial statements of the Continuing Fund include the results of operations of the Terminating Fund from the date of the merger.

The exchange ratios (representing the number of units issued by the Continuing Fund in exchange for each unit of the Merging Fund), total number of units issued by the Continuing Fund and the Net Asset Value acquired are presented below:

Terminating Fund	Continuing Fund	Exchange Ratio	Number of Units Issued by Continuing Fund	Net Asset Value Acquired
Series A Units - Initial Sales Charge	Series A	1.017604	1,276,249	\$ 12,762
Series A - Deferred Sales Charge	Series A2	1.017604	16,763,237	\$ 167,632
Series G	Series A2	0.951217	592,772	\$ 5,927
Series T	Series A2	1.019498	1,056,357	\$ 10,564
Series F	Series F	1.015559	4,306,523	\$ 43,065

Copernican British Banks Fund was restructured on December 13, 2013 and became a multi-class, open end mutual fund and changed its name to Portland Global Banks Fund. Prior to that date, Copernican British Banks Fund was a closed end investment fund traded on the TSX under the symbol CBB.UN. Existing unitholders were issued 0.214028 Series A2 Units for each existing trust unit. The net asset value of Series A2 Units was \$10.00 per unit immediately following the conversion, such that the net asset value of issued trust units did not change as a result of the restructuring.

Copernican International Premium Dividend Fund was restructured on May 23, 2014 and became a multi-class, open end mutual fund. Immediately after the restructuring, its name was changed to Portland Global Dividend Fund. Prior to this date, Copernican International Premium Dividend Fund was a closed end investment fund trading on the TSX under the symbol CPM.UN. Existing unitholders were issued 0.638547 Series A2 Units for each existing trust unit at the time of the restructuring. The net asset value of Series A2 Units was \$10.00 per unit immediately following the restructuring, such that the net asset value of issued trust units did not change as a result.

## 2. BASIS OF PRESENTATION AND ADOPTION OF IFRS

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).

Portland Advantage Fund, Portland Canadian Balanced Fund, Portland Canadian Focused Fund, Portland Global Banks Fund and Portland Global Income Fund (the "Transitioning Funds") have applied IFRS 1 First-time Adoption of International Financial Reporting Standards in these financial statements. The Transitioning Funds adopted this basis of accounting effective October 1, 2014 as required by Canadian securities legislation and the Canadian Accounting Standards Board. Previously, the Transitioning Funds prepared their financial statements in accordance with Canadian Generally Accepted Accounting Principles as defined in Part V of the Chartered Professional Accountants of Canada Handbook (Canadian GAAP). The Transitioning Funds have consistently applied the accounting policies used in the preparation of their opening IFRS statements of financial position and throughout all periods presented, as if these policies had always been in effect. Note 12 discloses the impact of the transition to IFRS on each Transitioning Fund's reported financial position, financial performance and cash flows, including the nature and effect of significant changes in accounting policies from those used in the Transitioning Fund's financial statements for the year ended September 30, 2014 prepared under Canadian GAAP.

## 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 (NAV) 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 currencies 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, including brokerage commissions, have been expensed on the statements of comprehensive income for financial assets and liabilities at FVTPL.

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, 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 and has not yet determined when it will adopt the new standard.

## 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 September 30, 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	91,563	72	63,910	244,347	237,766
Series F Units	161,307	92,214	1,582	27,704	227,399	226,519
Series G Units	600	-	-	-	600	600
<b>Portland Canadian Balanced Fund</b>						
Series A Units	191,592	73,124	590	49,388	215,918	221,030
Series F Units	99,161	44,696	335	81,199	62,993	99,872
Series G Units	9,285	-	28	-	9,313	9,307
<b>Portland Canadian Focused Fund</b>						
Series A Units	212,070	49,613	961	129,494	133,150	206,270
Series F Units	235,462	273,052	2,969	77,069	434,414	409,666
Series G Units	9,984	-	69	-	10,053	10,038
<b>Portland Global Banks Fund</b>						
Series A Units	306	13,393	282	-	13,981	5,724
Series A2 Units	1,043,186	10,570	38,570	287,477	804,849	901,792
Series F Units	7,981	13,938	623	1,386	21,156	13,658
<b>Portland Global Income Fund</b>						
Series A Units	48,149	40,876	2,931	7,663	84,293	68,784
Series A2 Units	556,822	9,038	22,250	144,844	443,266	486,440
Series F Units	128,390	42,026	6,751	52,144	125,023	140,969
<b>Portland Global Dividend Fund</b>						
Series A Units	11,712	490	262	-	12,464	12,043
Series A2 Units	973,880	9,712	34,387	254,102	763,877	858,045
Series F Units	195,275	159,701	15,018	121,367	248,627	290,948
<b>Portland Value Fund</b>						
Series A Units	-	5,594	-	-	5,594	2,526
Series F Units	-	13,417	-	-	13,417	12,794

The number of units issued and outstanding for the period ended September 30, 2014 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	83,890	167,292	-	34,560	216,622	140,827
Series F Units	13,288	154,651	-	6,632	161,307	55,673
Series G Units	600	-	-	-	600	600
<b>Portland Canadian Balanced Fund</b>						
Series A Units	83,867	124,919	96	17,290	191,592	141,141
Series F Units	3,969	97,696	28	2,532	99,161	42,033
Series G Units	622	8,663	-	-	9,285	836
<b>Portland Canadian Focused Fund</b>						
Series A Units	212,435	52,861	-	53,226	212,070	206,395
Series F Units	86,405	164,577	-	15,520	235,462	137,338
Series G Units	1,605	8,379	-	-	9,984	1,811

	Balance, Beginning of Period	Units redeemed preconversion	Units converted December 13, 2013 (note 1(b))	Units issued post conversion (note 1(b))	Units Reinvested post conversion (note 1(b))	Units Redeemed post conversion (note 1(b))	Balance, End of Period	Weighted Average Number of Units
<b>Portland Global Banks Fund</b>								
Trust Units (note 1b)	12,195,709	2,887,890	9,307,819	-	-	-	-	-
Series A Units	-	-	-	298	8	-	306	172
Series A2 Units	-	-	1,992,134	100,888	58,256	1,108,092	1,043,186	1,286,180
Series F Units	-	-	-	9,742	297	2,058	7,981	6,873
<b>Portland Global Income Fund</b>								
Trust Units (note 1b)	2,582,626	276,728	2,305,898	-	-	-	-	-
Series A Units	-	-	1,276	45,851	1,041	19	48,149	25,819
Series A2 Units	-	-	820,309 <sup>1</sup>	102,405	28,318	394,210	556,822	622,979
Series F Units	-	-	4,307	222,119	3,903	101,939	128,390	90,464
<b>Portland Global Dividend Fund</b>								
Trust Units (note 1b)	3,719,005	1,832,785	1,886,220	-	-	-	-	-
Series A Units	-	-	-	11,631	81	-	11,712	7,210
Series A2 Units	-	-	1,204,440	32,173	21,582	284,315	973,880	1,606,321
Series F Units	-	-	-	194,070	2,231	1,026	195,275	104,310

<sup>1</sup>Includes 18,412 units issued as a result of the merger outlined in note 1(a)

Prior to the restructuring of Portland Global Dividend Fund on May 23, 2014, units were redeemed as follows:

Units could be surrendered monthly for redemption at an amount equal to the lesser of (a) 90% of the average of the “market price” of the Units on the principal market on which the Units were quoted for trading for each of the trading days during the 10 trading day period ending immediately before the Redemption Date (defined as the last business day of each month); and (b) 100% of the “closing market price” of the Units on the principal market on which the Units were quoted for trading on the Redemption Date.

For the purposes of this calculation, “market price” was an amount equal to the volume weighted average price of the Units for each of the trading days on which there were trades of Units; provided that if the applicable exchange or market did not afford for the calculation of a volume weighted average price, but provided the last bid and last asking prices of the Units on a particular day, the “market price” was an amount equal to the average of the last bid and last asking prices for each of the trading days on which there was a trade.

Unitholders could redeem on the last business day in November each year (“Valuation Date”) at the annual redemption price (“Annual Redemption Price”). For purposes of determining the Annual Redemption Price the value of any security which was listed or traded upon a stock exchange (or if more than one, on the principal stock exchange for the security, as determined by the Manager) was determined by taking the volume weighted average trading price of the security on the three consecutive trading days ending on such Valuation Date, or lacking any sales on such dates or any record thereof, the last mid price (unless in the opinion of the Manager such value did not reflect the value thereof and in which case the fair market value as determined by the Manager was used), as at that date, all as reported by any means in common use. An amount which is the lesser of (a)

\$0.25 and (b) the aggregate of all brokerage fees, commissions and other costs relating to the disposition of portfolio investments necessary to fund such redemptions was deducted in computing the Annual Redemption Price.

Units redeemed at any Valuation Date were charged a redemption fee payable to the Manager if redeemed prior to January 2014. Under the terms of a Recirculation Agreement, the Fund could, but was not obligated to, require the Recirculation Agent to use its best efforts to find purchasers for any Units tendered for redemption.

Prior to the restructuring of Portland Global Banks Fund and Portland Global Income Fund on December 13, 2013, units were redeemed as follows:

Units could be surrendered monthly for redemption at an amount equal to the lesser of (a) 90% of the average of the “market price” of the Units on the principal market on which the Units were quoted for trading for each of the trading days during the 10 trading day period ending immediately before the Redemption Date (defined as the last business day of each month); and (b) 100% of the “closing market price” of the Units on the principal market on which the Units were quoted for trading on the Redemption Date.

For the purposes of this calculation, “market price” was an amount equal to the volume weighted average price of the Units for each of the trading days on which there were trades of Units; provided that if the applicable exchange or market did not afford for the calculation of a volume weighted average price, but provided the last bid and last asking prices of the Units on a particular day, the “market price” was an amount equal to the average of the last bid and last asking prices for each of the trading days on which there was a trade.

Unitholders could redeem on the last business day in March (Portland Global Income Fund) and January (Portland Global Banks Fund) each year (“Valuation Date”) at the annual redemption price (“Annual Redemption Price”). For purposes of determining the Annual Redemption Price the value of any security which was listed or traded upon a stock exchange (or if more than one, on the principal stock exchange for the security, as determined by the Manager) was determined by taking the volume weighted average trading price of the security on the three consecutive trading days ending on such Valuation Date, or lacking any sales on such dates or any record thereof, the last mid price (unless in the opinion of the Manager such value did not reflect the value thereof and in which case the fair market value as determined by the Manager was used), as at that date, all as reported by any means in common use. An amount which is the lesser of (a) \$0.25 and (b) the aggregate of all brokerage fees, commissions and other costs relating to the disposition of portfolio investments necessary to fund such redemptions was deducted in computing the Annual Redemption Price.

Units of Global Banks Fund redeemed at any Valuation Date were charged a redemption fee payable to the Manager if redeemed prior to January 2014.

Under the terms of a Recirculation Agreement, the Fund could, but was not obligated to, require the Recirculation Agent to use its best efforts to find purchasers for any Units tendered for redemption.

## 7. TAXATION

The Funds except Portland Value Fund qualify as a 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 obtains 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. Portland Value Fund launched in 2015 and will have its first tax year end on December 31, 2015. As such it does not have any loss carry forwards.

The following chart presents the amount of non-capital loss carry forwards available to the Funds by year of expiry.

	2029 (\$)	2030 (\$)	2032 (\$)	2033 (\$)	Total (\$)
Portland Advantage Fund	-	-	63	-	63
Portland Canadian Balanced Fund	-	-	139	-	139
Portland Canadian Focused Fund	-	-	544	-	544
Portland Global Banks Fund	-	279,354	1,913	336,358	617,625
Portland Global Income Fund	200,218	-	-	-	200,218
Portland Global Dividend Fund	-	-	-	68,244	68,244

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

	Total (\$)
Portland Advantage Fund	99
Portland Canadian Balanced Fund	2
Portland Canadian Focused Fund	2
Portland Global Banks Fund	158,672,242
Portland Global Income Fund	23,339,597
Portland Global Dividend Fund	27,042,302

## 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%

Prior to the restructuring on December 13, 2013 from a closed end to open end fund, the management fee rate applicable to the trust units (now Series A2 Units) of Portland Global Banks Fund and Portland Global Income Fund was 1.85% and 0.90%, respectively.

Prior to the restructuring on May 23, 2014 from a closed end to open end fund, the management fee rate applicable to the trust units of Portland Global Dividend Fund (now Series A2 units) was 1.95% per annum.

Prior to the restructuring of Portland Global Banks Fund, Portland Global Income Fund and Portland Global Dividend Fund the Manager received service fees from the Funds and facilitated the payment of such service fees to dealers whose advisors had clients who held units of the Funds. Service fees were calculated at a rate of 0.60%, 0.40% and 0.40%, respectively per annum, calculated daily and paid quarterly. After the restructurings such service fees were no longer applicable.

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.

## 9. SOFT DOLLARS

A portion of the brokerage commissions (referred to as "soft dollars") paid by the Funds on securities purchases and sales to dealers (generally "full service" dealers) represents fees for goods and services, in the form of proprietary research, provided to the Manager by the dealer which are in addition to order execution services. 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. The Manager may direct trades to a dealer in exchange for 'in-house' proprietary research. The dealers do not provide the Manager with an estimate of the cost of the research, statistical and other similar services.

## 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 September 30, 2015 and September 30, 2014. 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.

Year ended September 30, 2015	Management Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	83,169	28,447	103,160	4,118
Portland Canadian Balanced Fund	70,281	21,101	99,580	4,118
Portland Canadian Focused Fund	102,334	39,491	80,720	4,118
Portland Global Banks Fund	178,702	51,344	133,320	4,118
Portland Global Income Fund	104,684	36,035	121,980	4,118
Portland Global Dividend Fund	185,216	57,405	91,170	4,118
Portland Value Fund	603	259	38,130	831

Year ended September 30, 2014	Management Fees (\$)	Operating Expense Reimbursement (\$)	Service Fees (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	41,383	12,169	-	93,521	2,826
Portland Canadian Balanced Fund	40,011	11,456	-	88,658	2,826
Portland Canadian Focused Fund	66,667	20,870	-	88,449	2,826
Portland Global Banks Fund	257,209	113,543	28,653	75,352	2,826
Portland Global Income Fund	99,045	99,128	6,940	57,647	2,826
Portland Global Dividend Fund	140,857	109,785	32,493	-	2,303

The Funds owed the following amounts to the Manager as at 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

As at September 30, 2014 and October 1, 2013, the Funds did not owe any amounts to the Manager.

The Manager and its affiliates hold units of the Funds. The table below outlines the number of units held at the end of the applicable period.

	September 30, 2015	September 30, 2014	October 1, 2013
<b>Portland Advantage Fund</b>			
Series A Units	-	-	12,500
Series F Units	-	-	2,500
<b>Portland Canadian Balanced Fund</b>			
Series A Units	-	-	12,500
Series F Units	-	-	2,500
<b>Portland Canadian Focused Fund</b>			
Series A Units	-	-	12,500
Series F Units	-	-	2,500
<b>Portland Global Banks Fund</b>			
Series A Units	-	306	-
Series F Units	-	209	-
<b>Portland Global Income Fund</b>			
Series A Units	-	105	-
Series F Units	-	-	-
<b>Portland Global Dividend Fund</b>			
Series A Units	-	308	-
Series F Units	-	102	-
<b>Portland Value Fund</b>			
Series A Units	12,500	n/a	n/a
Series F Units	2,500	n/a	n/a

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.

	September 30, 2015	September 30, 2014	October 1, 2013
Portland Advantage Fund	3.4%	4.0%	29.0%
Portland Canadian Balanced Fund	3.2%	3.0%	19.6%
Portland Canadian Focused Fund	2.0%	2.5%	6.2%
Portland Global Banks Fund	1.1%	0.9%	n/a
Portland Global Income Fund	2.2%	1.9%	n/a
Portland Global Dividend Fund	0.8%	1.0%	n/a
Portland Value Fund	2.1%	n/a	n/a

Some Funds 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 on each reporting date.

As at September 30, 2015	Portland Global Energy Efficiency and Renewable Energy Fund LP	As at September 30, 2014	Portland Global Energy Efficiency and Renewable Energy Fund LP	Portland Private Income Fund
Portland Global Banks Fund	-	Portland Global Banks Fund	2,478	1,242
Portland Global Income Fund	2,483	Portland Global Income Fund	2,483	866
Portland Global Dividend Fund	2,478	Portland Global Dividend Fund	2,478	1,242

As at October 1, 2013, none of the Funds held units of other investment funds managed by the Manager.

During the year ended September 30, 2015, commissions paid to Mandeville Private Client Inc., an affiliate of the manager on the brokered sale of Crown Capital Inc. common shares to some of the Funds were rebated to those Funds. Portland Global Banks Fund received \$8,379, Portland Global Income Fund received \$5,579 and Portland Global Dividend Fund received \$6,979. Such amounts have been included as 'Interest for distribution purposes' on the statements of comprehensive income.

## 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). The rate of interest payable on borrowed money is the Royal Bank of Canada Overnight Rate + 1% and the facility is repayable on demand.

These Funds have 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. Such non-cash collateral has been classified separately within the statement of financial position from other assets and is identified as 'Investments - pledged as collateral'.

Effective on their respective restructuring dates (note 1(b)), margin borrowing was no longer part of the investment strategy of these Funds. The minimum and maximum amounts borrowed under the RBCDS facility were:

	Period ended September 30, 2014	
	Minimum Amount Borrowed (\$)	Maximum Amount Borrowed (\$)
Portland Global Banks Fund	-	2,583,963
Portland Global Income Fund	-	208,543
Portland Global Dividend Fund	-	1,442,928

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). The Funds have not borrowed any amounts from ML during the periods ended September 30, 2015 and September 30, 2014.

Each of Portland Global Banks Fund, Portland Global Income Fund and Portland Global Dividend Fund 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 statement of financial position as 'Margin accounts'.



## 12. TRANSITION TO IFRS

The Transitioning Funds (note 2) adopted IFRS effective October 1, 2013. The effect of the Transitioning Funds' transition to IFRS is summarized as follows:

### Transition elections

The only voluntary election adopted by the Transitioning Funds upon transition was the ability to designate a financial asset or liability at FVTPL. Such financial assets were previously carried at fair value under Canadian GAAP as required by Accounting Guideline 18, Investment Companies.

### Reconciliation of equity and comprehensive income as previously reported under Canadian GAAP to IFRS

Equity	September 30, 2014 (\$)	October 1, 2013 (\$)
<b>Portland Advantage Fund</b>		
Equity as reported under Canadian GAAP	4,683,796	1,105,061
Revaluation of investments at FVTPL	4,238	898
Net assets attributable to holders of redeemable units	4,688,034	1,105,959
<b>Portland Canadian Balanced Fund</b>		
Equity as reported under Canadian GAAP	3,800,460	1,038,984
Revaluation of investments at FVTPL	1,359	154
Net assets attributable to holders of redeemable units	3,801,819	1,039,138
<b>Portland Canadian Focused Fund</b>		
Equity as reported under Canadian GAAP	5,722,974	3,440,765
Revaluation of investments at FVTPL	2,099	(48)
Net assets attributable to holders of redeemable units	5,725,073	3,440,717
<b>Portland Global Banks Fund</b>		
Equity as reported under Canadian GAAP	11,028,332	25,892,692
Revaluation of investments at FVTPL	4,869	20,112
Net assets attributable to holders of redeemable units	11,033,201	25,912,804
<b>Portland Global Income Fund</b>		
Equity as reported under Canadian GAAP	7,570,302	8,875,836
Revaluation of investments at FVTPL	12,749	6,538
Net assets attributable to holders of redeemable units	7,583,051	8,882,374

Comprehensive Income	Year ended September 30, 2014 (\$)
<b>Portland Advantage Fund</b>	
Comprehensive income as reported under Canadian GAAP	79,044
Revaluation of investments at FVTPL	3,340
Increase (decrease) in net assets attributable to holders of redeemable units	82,384
<b>Portland Canadian Balanced Fund</b>	
Comprehensive income as reported under Canadian GAAP	128,016
Revaluation of investments at FVTPL	1,205
Increase (decrease) in net assets attributable to holders of redeemable units	129,221
<b>Portland Canadian Focused Fund</b>	
Comprehensive income as reported under Canadian GAAP	330,838
Revaluation of investments at FVTPL	2,147
Increase (decrease) in net assets attributable to holders of redeemable units	332,985
<b>Portland Global Banks Fund</b>	
Comprehensive income as reported under Canadian GAAP	1,781,422
Revaluation of investments at FVTPL	(15,243)
Increase (decrease) in net assets attributable to holders of redeemable units	1,766,179
<b>Portland Global Income Fund</b>	
Comprehensive income as reported under Canadian GAAP	721,496
Revaluation of investments at FVTPL	6,211
Increase (decrease) in net assets attributable to holders of redeemable units	727,707

## Revaluation of investments at FVTPL

Under Canadian GAAP, the Transitioning Funds measured the fair values of their investments in accordance with Section 3855, Financial Instruments - Recognition and Measurement, which required the use of bid prices for long positions and ask prices for short positions to the extent such prices are available. Under IFRS, the Transitioning Funds measure the fair values of their investment using the guidance in IFRS 13, Fair Value Measurement (IFRS 13), which requires that if an asset or a liability has a bid price and an ask price, then its fair value is to be based on a price within the bid-ask spread that is most representative of fair value. It also allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value adjustments within a bid-ask spread.

As a result, upon adoption of IFRS an adjustment was recognized to increase the carrying amount of the Transitioning Funds' investments as at October 1, 2013 and September 30, 2014. The impact of these adjustments is presented below.

	Impact on carrying amount of investments as at September 30, 2014 (\$)	Impact on carrying amount of investments as at October 1, 2013 (\$)	Impact on "Increase (decrease) in net assets attributable to holders of redeemable units" for the year ended September 30, 2014 (\$)
Portland Advantage Fund	4,238	898	3,340
Portland Canadian Balanced Fund	1,359	154	1,205
Portland Canadian Focused Fund	2,099	(48)	2,147
Portland Global Banks Fund	4,869	20,112	(15,243)
Portland Global Income Fund	12,749	6,538	(6,211)

## Reclassification adjustments

Under Canadian GAAP, withholding taxes were presented as a reduction of income. Under IFRS, withholding taxes are treated as an expense on the statements of comprehensive income. This reclassification changes the amount of income and expense previously reported but does not impact the net increase/decrease in net assets attributable to holders of redeemable units or net assets attributable to holders of redeemable units per unit.

## Classification of redeemable units issued by the Funds

Under Canadian GAAP, the Transitioning Funds accounted for redeemable units as equity. Under IFRS, IAS 32 requires that units of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liability. The Transitioning Funds' units do not meet the criteria in IAS 32 for classification as equity and therefore have been reclassified as financial liabilities on transition to IFRS.

## 13. COMPARISON OF NET ASSET VALUE

As at September 30, 2015, September 30, 2014 and October 1, 2013 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.

## 14. COMPARATIVE INFORMATION

Certain other comparative figures have been re-classified to conform with the financial statement presentation for the current year.

## 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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