



PORTLAND
INVESTMENT COUNSEL®

PORTLAND MUTUAL FUNDS
INTERIM FINANCIAL REPORT

MARCH 31, 2017

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Management's Responsibility for Financial Reporting

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

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

"Michael Lee-Chin"

**Michael Lee-Chin,
Director
May 17, 2017**

"Robert Almeida"

**Robert Almeida,
Director
May 17, 2017**

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

Statements of Financial Position (Unaudited)

	As at March 31, 2017	As at September 30, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 32,467	\$ 178,864
Subscriptions receivable	1,205	1,830
Dividends receivable	14,684	15,774
Investments (note 5)	5,531,201	5,689,070
	<u>5,579,557</u>	<u>5,885,538</u>
Liabilities		
Current Liabilities		
Management fees payable	7,481	7,286
Expenses payable	2,741	2,767
Redemptions payable	35,300	559
	<u>45,522</u>	<u>10,612</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 5,534,035</u>	<u>\$ 5,874,926</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	2,811,119	2,770,840
Series F	2,722,916	3,102,977
Series G (note 1 (c))	-	1,109
	<u>\$ 5,534,035</u>	<u>\$ 5,874,926</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	237,307	235,362
Series F	224,496	255,828
Series G (note 1 (c))	-	102
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	11.85	11.77
Series F	12.13	12.13
Series G (note 1 (c))	-	10.90

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

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 46,307	\$ 86,809
Interest for distribution purposes	16,809	4,893
Net realized gain (loss) on investments	(164,573)	(235,962)
Change in unrealized appreciation (depreciation) on investments	301,183	857,895
	<u>199,726</u>	<u>713,635</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(329)	(2,677)
Total income (net)	<u>199,397</u>	<u>710,958</u>
Expenses		
Unitholder reporting costs	59,810	50,973
Management fees (note 8)	45,719	45,083
Audit fees	6,266	9,621
Independent review committee fees	1,775	2,071
Transaction costs	1,769	1,386
Legal fees	1,549	3,163
Custodial fees	1,032	1,099
Withholding tax expense	185	411
Interest expense	7	-
Total operating expenses	<u>118,112</u>	<u>113,807</u>
Less: expenses absorbed by Manager	(54,409)	(51,073)
Net operating expenses	<u>63,703</u>	<u>62,734</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 135,694</u>	<u>\$ 648,224</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	56,867	315,400
Series F	78,792	332,611
Series G	35	213
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	0.24	1.29
Series F	0.32	1.35
Series G	0.38	0.48

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

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

for the periods ended March 31,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	2,770,840	\$	2,617,354
Series F		3,102,977		2,504,363
Series G		1,109		5,955
		<u>5,874,926</u>		<u>5,127,672</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		56,867		315,400
Series F		78,792		332,611
Series G		35		213
		<u>135,694</u>		<u>648,224</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(15,134)		(65,470)
Series F		(52,846)		(101,471)
Series G		-		(163)
		<u>(67,980)</u>		<u>(167,104)</u>
From net realized gains on investments				
Series A		(25,093)		-
Series F		(25,540)		-
Series G		(10)		-
		<u>(50,643)</u>		<u>-</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(118,623)</u>		<u>(167,104)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		48,341		177,109
Series F		30,011		369,542
Series G		-		2,000
		<u>78,352</u>		<u>548,651</u>
Reinvestments of distributions				
Series A		39,678		64,597
Series F		77,165		99,835
Series G		10		163
		<u>116,853</u>		<u>164,595</u>
Redemptions of redeemable units				
Series A		(64,380)		(185,006)
Series F		(487,643)		(51,676)
Series G		(1,144)		(5,931)
		<u>(553,167)</u>		<u>(242,613)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>(357,962)</u>		<u>470,633</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		2,811,119		2,923,984
Series F		2,722,916		3,153,204
Series G (note 1 (c))		-		2,237
	\$	<u>5,534,035</u>	\$	<u>6,079,425</u>

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

Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	135,694	\$	648,224
Adjustments for:				
Net realized (gain) loss on investments		164,573		235,962
Change in unrealized (appreciation) depreciation on investments		(301,183)		(857,895)
Unrealized foreign exchange (gain) loss on cash		2		33
(Increase) decrease in dividends receivable		1,090		2,052
Increase (decrease) in management fees and expenses payable		169		1,112
Purchase of investments		(453,459)		(719,138)
Proceeds from sale of investments		747,938		480,620
Net Cash Generated (Used) by Operating Activities		294,824		(209,030)
Cash Flows from Financing Activities				
Distributions to holders of redeemable units, net of reinvested distributions		(1,770)		(2,509)
Proceeds from redeemable units issued		78,977		583,901
Amount paid on redemption of redeemable units		(518,426)		(249,630)
Net Cash Generated (Used) by Financing Activities		(441,219)		331,762
Net increase (decrease) in cash and cash equivalents		(146,395)		122,732
Unrealized foreign exchange gain (loss) on cash		(2)		(33)
Cash and cash equivalents - beginning of period		178,864		16,134
Cash and cash equivalents - end of period	\$	32,467	\$	138,833
Cash and cash equivalents comprise:				
Cash at bank	\$	32,467	\$	138,833
From operating activities				
Interest received, net of withholding tax	\$	16,809	\$	4,893
Dividends received, net of withholding tax	\$	47,212	\$	88,450
From financing activities				
Interest paid	\$	(7)	\$	-

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

Schedule of Investment Portfolio (Unaudited)

As at March 31, 2017

No. of Shares/ Par Value	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
BONDS				
Bermuda				
200,000	Digicel Group Limited Callable 8.250% September 30, 2020	\$ 239,607	\$ 228,575	
		239,607	228,575	4.1%
EQUITIES				
Bermuda				
6,195	Brookfield Infrastructure Partners L.P.	163,005	318,580	
7,325	Brookfield Property Partners L.P.	163,852	217,260	
7,565	Invesco Ltd.	273,577	308,147	
		600,434	843,987	15.3%
Canada				
58,205	Baytex Energy Corp.	439,328	264,251	
4,780	BCE Inc.	242,867	281,446	
12,990	Brookfield Asset Management Inc. Class A	465,873	629,366	
6,071	CI Financial Corp.	196,631	160,457	
23,277	Crescent Point Energy Corp.	578,730	334,490	
63,600	ECN Capital Corp.	200,207	228,324	
7,970	IGM Financial Inc.	371,633	316,090	
11,753	Northland Power Inc.	200,490	288,654	
4,159	The Bank of Nova Scotia	261,096	323,570	
4,435	The Toronto-Dominion Bank	219,406	295,415	
		3,176,261	3,122,063	56.4%
Luxembourg				
3,385	Millicom International Cellular SA	249,909	251,033	4.5%
Panama				
1,028	Copa Holdings SA Class A	138,064	153,455	2.8%
United Kingdom				
8,105	Liberty Global PLC LiLAC Class A	303,542	239,712	
10,610	Liberty Global PLC LiLAC Class C	444,394	325,088	
		747,936	564,800	10.2%
United States				
1,075	Berkshire Hathaway Inc. Class B	153,545	238,284	
2,302	Franklin Resources, Inc.	127,556	129,004	
		281,101	367,288	6.6%
Total equities		5,193,705	5,302,626	95.8%
Total investment portfolio		5,433,312	5,531,201	99.9%
Transaction costs		(14,717)	-	-
		\$ 5,418,595	5,531,201	99.9%
Other assets less liabilities			2,834	0.1%
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			\$ 5,534,035	100.0%

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	32,467	32,467
Subscriptions receivable	-	-	1,205	1,205
Dividends receivable	-	-	14,684	14,684
Investments	-	5,531,201	-	5,531,201
Total	-	5,531,201	48,356	5,579,557

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,481	7,481
Expenses payable	-	-	2,741	2,741
Redemptions payable	-	-	35,300	35,300
Total	-	-	45,522	45,522

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month periods ended March 31, 2017 and March 31, 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL		
Held for Trading	-	-
Designated at Inception	199,726	713,635
Total financial assets at FVTPL	199,726	713,635

(b) RISK MANAGEMENT**Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$265,131 (September 30, 2016: \$273,056). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2017 and September 30, 2016.

By Geographic Region	March 31, 2017	September 30, 2016
Canada	56.4%	54.2%
Bermuda	19.4%	19.5%
United Kingdom	10.2%	9.3%
United States	6.6%	7.9%
Luxembourg	4.5%	3.9%
Panama	2.8%	2.0%
Other Net Assets (Liabilities)	0.1%	3.2%
Total	100.0%	100.0%

By Industry Sector	March 31, 2017	September 30, 2016
Asset Management & Custody Banks	28.0%	27.0%
Diversified Banks	11.1%	11.6%
Oil & Gas Exploration & Production	10.8%	14.5%
Cable & Satellite	10.2%	9.3%
Wireless Telecommunication Services	8.6%	7.8%
Electric Utilities	5.8%	5.7%
Independent Power Producers & Energy Traders	5.2%	5.6%
Integrated Telecommunication Services	5.1%	4.1%
Multi-Sector Holdings	4.3%	3.5%
Specialized Finance	4.1%	-
Real Estate Operating Companies	3.9%	3.7%
Airlines	2.8%	2.0%
Other Net Assets (Liabilities)	0.1%	3.2%
Trucking	-	1.4%
Trading Companies & Distributors	-	0.4%
Construction and Engineering	-	0.2%
Total	100.0%	100.0%

Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2017

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Swedish Krona	-	251,033	251,033	-	12,552	12,552
U.S. Dollar	9,396	1,940,845	1,950,241	470	97,042	97,512
Total	9,396	2,191,878	2,201,274	470	109,594	110,064
% of net assets attributable to holders of redeemable units	0.2%	39.6%	39.8%	-	2.0%	2.0%

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

September 30, 2016

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

Interest Rate Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

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

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

As at March 31, 2017 and September 30, 2016, the Fund did not have any borrowings.

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

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2017 and September 30, 2016.

	Assets at fair value as at March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,302,626	-	-	5,302,626
Bonds - Long	-	228,575	-	228,575
Total	5,302,626	228,575	-	5,531,201

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

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

(d) STRUCTURED ENTITIES

As at March 31, 2017 and September 30, 2016 the Fund did not have any investments in ETFs.

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

Statements of Financial Position (Unaudited)

	As at March 31, 2017	As at September 30, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 800,205	\$ 579,321
Subscriptions receivable	50,330	8,550
Receivable for investments sold	-	146,210
Dividends receivable	14,442	13,478
Investments (note 5)	6,809,402	4,935,764
	<u>7,674,379</u>	<u>5,683,323</u>
Liabilities		
Current Liabilities		
Management fees payable	8,813	6,438
Expenses payable	3,656	2,678
Redemptions payable	590	8,952
	<u>13,059</u>	<u>18,068</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 7,661,320</u>	<u>\$ 5,665,255</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	3,570,200	2,525,072
Series F	4,091,120	3,139,072
Series G (note 1 (c))	-	1,111
	<u>\$ 7,661,320</u>	<u>5,665,255</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	241,302	188,496
Series F	269,217	227,788
Series G (note 1 (c))	-	91
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	14.80	13.40
Series F	15.20	13.78
Series G (note 1 (c))	-	12.22

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

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 91,869	\$ 65,075
Interest for distribution purposes	3,726	297
Net realized gain (loss) on investments	172,167	(2,742)
Change in unrealized appreciation (depreciation) on investments	578,373	83,631
	<u>846,135</u>	<u>146,261</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(3,210)	(3,927)
Total income (net)	<u>842,925</u>	<u>142,334</u>
Expenses		
Management fees (note 8)	47,732	35,737
Unitholder reporting costs	46,222	48,290
Audit fees	6,264	9,605
Legal fees	2,243	2,305
Independent review committee fees	1,774	2,068
Withholding tax expense	1,446	1,446
Custodial fees	1,143	310
Transaction costs	719	811
Total operating expenses	<u>107,543</u>	<u>100,572</u>
Less: expenses absorbed by Manager	<u>(39,295)</u>	<u>(52,151)</u>
Net operating expenses	<u>68,248</u>	<u>48,421</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 774,677</u>	<u>\$ 93,913</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	327,787	66,014
Series F	446,742	30,990
Series G	148	(3,091)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	1.63	0.31
Series F	1.80	0.42
Series G	1.84	(0.41)

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

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

for the periods ended March 31,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	2,525,072	\$	2,738,271
Series F		3,139,072		822,922
Series G		1,111		107,888
		<u>5,665,255</u>		<u>3,669,081</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		327,787		66,014
Series F		446,742		30,990
Series G		148		(3,091)
		<u>774,677</u>		<u>93,913</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		-		-
Series F		(31,169)		(7,303)
Series G		-		-
		<u>(31,169)</u>		<u>(7,303)</u>
From net realized gains on investments				
Series A		(56,613)		(93,731)
Series F		(71,648)		(38,127)
Series G		(25)		(3,552)
		<u>(128,286)</u>		<u>(135,410)</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(159,455)</u>		<u>(142,713)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		798,716		190,977
Series F		616,913		678,639
Series G		-		1,001
		<u>1,415,629</u>		<u>870,617</u>
Reinvestments of distributions				
Series A		51,039		86,726
Series F		101,955		44,820
Series G		25		3,552
		<u>153,019</u>		<u>135,098</u>
Redemptions of redeemable units				
Series A		(75,801)		(253,654)
Series F		(110,745)		(54,399)
Series G		(1,259)		(104,761)
		<u>(187,805)</u>		<u>(412,814)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>1,380,843</u>		<u>592,901</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		3,570,200		2,734,603
Series F		4,091,120		1,477,542
Series G (note 1 (c))		-		1,037
	\$	<u>7,661,320</u>	\$	<u>4,213,182</u>

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

Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	774,677	\$	93,913
Adjustments for:				
Net realized (gain) loss on investments		(172,167)		2,742
Change in unrealized (appreciation) depreciation on investments		(578,373)		(83,631)
Unrealized foreign exchange (gain) loss on cash		(340)		28
(Increase) decrease in interest receivable		-		48
(Increase) decrease in dividends receivable		(964)		996
Increase (decrease) in management fees and expenses payable		3,353		549
Purchase of investments		(2,078,359)		(1,134,102)
Proceeds from sale of investments		1,101,471		1,292,282
Net Cash Generated (Used) by Operating Activities		(950,702)		172,825
Cash Flows from Financing Activities				
Distributions to holders of redeemable units, net of reinvested distributions		(6,436)		(7,615)
Proceeds from redeemable units issued		1,369,821		870,567
Amount paid on redemption of redeemable units		(192,139)		(412,814)
Net Cash Generated (Used) by Financing Activities		1,171,246		450,138
Net increase (decrease) in cash and cash equivalents		220,544		622,963
Unrealized foreign exchange gain (loss) on cash		340		(28)
Cash and cash equivalents - beginning of period		579,321		363,671
Cash and cash equivalents - end of period		800,205		986,606
Cash and cash equivalents comprise:				
Cash at bank		200,327		586,633
Short-term investments		599,878		399,973
	\$	800,205	\$	986,606
From operating activities				
Interest received, net of withholding tax	\$	3,726	\$	345
Dividends received, net of withholding tax	\$	89,459	\$	64,625

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

Schedule of Investment Portfolio (Unaudited)

As at March 31, 2017

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Canada				
3,000	Bank of Montreal	\$ 226,160	\$ 297,990	
32,000	BMO Laddered Preferred Share Index ETF	318,805	365,440	
3,700	Canadian Imperial Bank of Commerce	357,000	424,279	
13,965	Emera Incorporated	626,009	656,075	
17,400	Fortis Inc.	683,087	766,818	
39,000	Horizons Active Preferred Share ETF	323,838	363,285	
26,000	iShares S&P/TSX Canadian Preferred Share Index ETF	329,265	366,600	
13,100	Power Financial Corporation	415,323	460,727	
4,500	Royal Bank of Canada	353,561	436,005	
9,500	The Bank of Nova Scotia	697,337	739,100	
11,200	The Toronto-Dominion Bank	658,559	746,032	
		<u>4,988,944</u>	<u>5,622,351</u>	<u>73.4%</u>
United States				
4,100	Aflac Incorporated	312,259	394,862	
1,600	Berkshire Hathaway Inc., Class B	277,320	354,655	
5,500	Citigroup Inc.	292,984	437,534	
		<u>882,563</u>	<u>1,187,051</u>	<u>15.5%</u>
	Total equities	5,871,507	6,809,402	88.9%
	Transaction costs	(1,519)		
		<u>\$ 5,869,988</u>	<u>6,809,402</u>	<u>88.9%</u>
	Other assets less liabilities		851,918	11.1%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 7,661,320</u>	<u>100.0%</u>

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	800,205	800,205
Subscriptions receivable	-	-	50,330	50,330
Dividends receivable	-	-	14,442	14,442
Investments	-	6,809,402	-	6,809,402
Total	-	6,809,402	864,977	7,674,379

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	8,813	8,813
Expenses payable	-	-	3,656	3,656
Redemptions payable	-	-	590	590
Total	-	-	13,059	13,059

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six months ended March 31, 2017 and March 31, 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL		
Held for Trading	-	(6,414)
Designated at Inception	844,246	146,261
Total	844,246	139,847

(b) RISK MANAGEMENT**Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$340,470 (September 30, 2016: \$246,788). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by industry sector as at March 31, 2017 and September 30, 2016.

By Industry Sector	March 31, 2017	September 30, 2016
Financials	56.0%	66.6%
Utilities	18.6%	8.2%
Exchange Traded Funds	14.3%	12.3%
Other Net Assets (Liabilities)	11.1%	12.9%
Total	100.0%	100.0%

Currency Risk

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

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

The tables below indicate the foreign currencies to which the Fund had significant direct exposure at March 31, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2017

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	1,187,051	1,187,051	-	59,353	59,353
Total	-	1,187,051	1,187,051	-	59,353	59,353
% of net assets attributable to holders of redeemable units	-	15.5%	15.5%	-	0.8%	0.8%

September 30, 2016

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

Interest Rate Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk. The Fund has indirect exposure to interest rate risk through its investments in bond ETFs.

Credit Risk

As at March 31, 2017 and September 30, 2016, 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 fees payable, expenses payable, payable for investments purchased, redemptions payable and distributions payable, as applicable.

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

As at March 31, 2017 and September 30, 2016, the Fund did not have any borrowings.

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

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

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2017 and September 30, 2016.

	Assets at fair value as at March 31, 2017			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	6,809,402	-	-	6,809,402
Total	6,809,402	-	-	6,809,402

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

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

(d) STRUCTURED ENTITIES

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

The Fund's investments in ETFs as at March 31, 2017 and September 30, 2016 are summarized below.

March 31, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
BMO Laddered Preferred Share Index ETF	365,440	2,012	-
Horizons Active Preferred Share ETF	363,285	1,073	-
iShares S&P/TSX Canadian Preferred Share Index ETF	366,600	1,381	-

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

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

Statements of Financial Position (Unaudited)

	As at March 31, 2017	As at September 30, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,095,866	\$ 264,695
Subscriptions receivable	51,188	1,648
Receivable for investments sold	-	275,727
Dividends receivable	24,274	25,281
Investments (note 5)	11,363,216	9,214,391
	<u>13,534,544</u>	<u>9,781,742</u>
Liabilities		
Current Liabilities		
Management fees payable	13,117	8,740
Expenses payable	6,557	4,638
Redemptions payable	44,590	-
	<u>64,264</u>	<u>13,378</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 13,470,280</u>	<u>\$ 9,768,364</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	2,950,717	1,777,168
Series F	10,504,436	7,976,763
Series G	15,127	14,433
	<u>\$ 13,470,280</u>	<u>\$ 9,768,364</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	203,140	133,584
Series F	691,090	569,929
Series G	1,065	1,110
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	14.53	13.30
Series F	15.20	14.00
Series G	14.20	13.01

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

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 160,953	\$ 132,485
Interest for distribution purposes	3,762	488
Net realized gain (loss) on investments	384,986	99,105
Change in unrealized appreciation (depreciation) on investments	1,018,365	188,067
	<u>1,568,066</u>	<u>420,145</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(7,018)	(4,913)
Total income (net)	<u>1,561,048</u>	<u>415,232</u>
Expenses		
Management fees (note 8)	71,664	47,175
Unitholder reporting costs	42,790	53,339
Audit fees	6,261	9,605
Withholding tax expense	3,992	1,742
Legal fees	2,242	2,305
Independent review committee fees	1,773	2,068
Custodial fees	1,464	1,090
Transaction costs	802	795
Total operating expenses	<u>130,988</u>	<u>118,119</u>
Less: expenses absorbed by Manager	<u>(21,873)</u>	<u>(47,859)</u>
Net operating expenses	<u>109,115</u>	<u>70,260</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 1,451,933</u>	<u>\$ 344,972</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	259,694	66,796
Series F	1,190,232	279,962
Series G	2,007	(1,786)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	1.63	0.50
Series F	1.90	0.63
Series G	1.79	(0.22)

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

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

for the periods ended March 31,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	1,777,168	\$	1,652,985
Series F		7,976,763		5,559,835
Series G		14,433		119,655
		<u>9,768,364</u>		<u>7,332,475</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		259,694		66,796
Series F		1,190,232		279,962
Series G		2,007		(1,786)
		<u>1,451,933</u>		<u>344,972</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		-		-
Series F		(104,607)		(56,594)
Series G		-		-
		<u>(104,607)</u>		<u>(56,594)</u>
From net realized gains on investments				
Series A		(83,708)		(80,877)
Series F		(385,771)		(194,611)
Series G		(658)		(4,183)
		<u>(470,137)</u>		<u>(279,671)</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(574,744)</u>		<u>(336,265)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		1,118,271		156,911
Series F		1,828,969		953,359
Series G		-		1,000
		<u>2,947,240</u>		<u>1,111,270</u>
Reinvestments of distributions				
Series A		83,708		80,877
Series F		488,857		249,625
Series G		658		4,183
		<u>573,223</u>		<u>334,685</u>
Redemptions of redeemable units				
Series A		(204,416)		(249,866)
Series F		(490,007)		(435,357)
Series G		(1,313)		(105,569)
		<u>(695,736)</u>		<u>(790,792)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>2,824,727</u>		<u>655,163</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		2,950,717		1,626,826
Series F		10,504,436		6,356,219
Series G		15,127		13,300
	\$	<u>13,470,280</u>	\$	<u>7,996,345</u>

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

Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	1,451,933	\$	344,972
Adjustments for:				
Net realized (gain) loss on investments		(384,986)		(99,105)
Change in unrealized (appreciation) depreciation on investments		(1,018,365)		(188,067)
Unrealized foreign exchange (gain) loss on cash		(641)		9
(Increase) decrease in interest receivable		-		48
(Increase) decrease in dividends receivable		1,007		2,337
Increase (decrease) in management fees and expenses payable		6,296		(94)
Purchase of investments		(2,807,243)		(1,103,974)
Proceeds from sale of investments		2,337,496		1,882,254
Net Cash Generated (Used) by Operating Activities		(414,503)		838,380
Cash Flows from Financing Activities				
Distributions to holders of redeemable units, net of reinvested distributions		(1,521)		(1,580)
Proceeds from redeemable units issued		2,831,146		1,068,733
Amount paid on redemption of redeemable units		(584,592)		(835,749)
Net Cash Generated (Used) by Financing Activities		2,245,033		231,404
Net increase (decrease) in cash and cash equivalents		1,830,530		1,069,784
Unrealized foreign exchange gain (loss) on cash		641		(9)
Cash and cash equivalents - beginning of period		264,695		447,770
Cash and cash equivalents - end of period		2,095,866		1,517,545
Cash and cash equivalents comprise:				
Cash at bank		346,222		617,605
Short-term investments		1,749,644		899,940
	\$	2,095,866	\$	1,517,545
From operating activities				
Interest received, net of withholding tax	\$	3,762	\$	536
Dividends received, net of withholding tax	\$	157,968	\$	133,080

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

Schedule of Investment Portfolio (Unaudited)

As at March 31, 2017

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Canada				
9,110	Bank of Montreal	\$ 702,281	\$ 904,896	
9,000	Canadian Imperial Bank of Commerce	875,157	1,032,030	
25,805	Emera Incorporated	1,156,408	1,212,319	
30,800	Fortis Inc.	1,199,458	1,357,356	
24,600	Power Financial Corporation	779,781	865,182	
10,900	Royal Bank of Canada	851,303	1,056,101	
16,900	The Bank of Nova Scotia	1,218,879	1,314,820	
19,900	The Toronto-Dominion Bank	1,125,827	1,325,539	
		<u>7,909,094</u>	<u>9,068,243</u>	<u>67.3%</u>
United States				
8,700	Aflac Incorporated	662,598	837,878	
3,200	Berkshire Hathaway Inc.	554,639	709,310	
9,400	Citigroup Inc.	500,737	747,785	
		<u>1,717,974</u>	<u>2,294,973</u>	<u>17.1%</u>
	Total equities	9,627,068	11,363,216	84.4%
	Transaction costs	(1,423)	-	-
		<u>\$ 9,625,645</u>	<u>11,363,216</u>	<u>84.4%</u>
	Other assets less liabilities		2,107,064	15.6%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		<u>\$ 13,470,280</u>	<u>100.0%</u>

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	2,095,866	2,095,866
Subscriptions receivable	-	-	51,188	51,188
Dividends receivable	-	-	24,274	24,274
Investments	-	11,363,216	-	11,363,216
Total	-	11,363,216	2,171,328	13,534,544

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	13,117	13,117
Expenses payable	-	-	6,557	6,557
Redemptions payable	-	-	44,590	44,590
Total	-	-	64,264	64,264

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month periods ended March 31, 2017 and March 31, 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL		
Held for Trading	-	(2,417)
Designated at Inception	1,564,775	420,145
Total	1,564,775	417,728

(b) RISK MANAGEMENT**Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$568,161 (September 30, 2016: \$460,720). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2017 and September 30, 2016.

By Geographic Region	March 31, 2017	September 30, 2016
Canada	67.3%	55.6%
United States	17.1%	38.7%
Other Net Assets (Liabilities)	15.6%	5.7%
Total	100.0%	100.0%

By Industry Sector	March 31, 2017	September 30, 2016
Financials	65.3%	85.4%
Utilities	19.1%	8.9%
Other Net Assets (Liabilities)	15.6%	5.7%
Total	100.0%	100.0%

Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2017

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	2,294,973	2,294,973	-	114,749	114,749
Total	-	2,294,973	2,294,973	-	114,749	114,749
% of net assets attributable to holders of redeemable units	-	17.1%	17.1%	-	0.9%	0.9%

September 30, 2016

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

Interest Rate Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to credit risk.

Liquidity Risk

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

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

As at March 31, 2017 and September 30, 2016, the Fund did not have any borrowings.

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

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

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2017 and September 30, 2016.

	Assets at fair value as at March 31, 2017			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	11,363,216	-	-	11,363,216
Total	11,363,216	-	-	11,363,216

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

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

(d) STRUCTURED ENTITIES

As at March 31, 2017 and September 30, 2016 the Fund did not have any investments in ETFs.

Statements of Financial Position (Unaudited)

	As at March 31, 2017	As at September 30, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 28,282	\$ 73,814
Margin accounts (note 11)	655	3
Subscriptions receivable	-	1,500
Receivable for investments sold	32,192	65,212
Dividends receivable	11,165	2,904
Investments (note 5)	6,905,503	5,812,034
Investments - pledged as collateral (note 5 and 11)	298,777	306,117
Derivative assets	9,974	2,361
	<u>7,286,548</u>	<u>6,263,945</u>
Liabilities		
Current Liabilities		
Management fees payable	12,083	9,827
Expenses payable	3,463	2,826
Redemptions payable	10,515	6,094
Payable for investments purchased	-	53,357
Distributions payable	1,590	1,882
Derivative liabilities	12,607	17,251
	<u>40,258</u>	<u>91,237</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 7,246,290</u>	<u>\$ 6,172,708</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	456,852	316,018
Series A2	6,588,809	5,660,292
Series F	200,629	196,398
	<u>\$ 7,246,290</u>	<u>\$ 6,172,708</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	40,622	35,744
Series A2	579,851	634,956
Series F	17,181	21,532
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	11.25	8.84
Series A2	11.36	8.91
Series F	11.68	9.12

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

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2017	2016
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 60,190	\$ 73,829
Interest for distribution purposes	285	-
Net realized gain (loss) on investments and options	398,414	10,777
Net realized gain (loss) on currency forward contracts	1,065	(12,732)
Change in unrealized appreciation (depreciation) on investments and derivatives	1,482,303	(1,613,936)
	<u>1,942,257</u>	<u>(1,542,062)</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(5,721)	(22,486)
Total income (net)	<u>1,936,536</u>	<u>(1,564,548)</u>
Expenses		
Unitholder reporting costs	73,925	83,867
Management fees (note 8)	68,548	78,121
Withholding tax expense	6,578	8,466
Audit fees	6,073	9,350
Legal fees	2,175	2,244
Transaction costs	1,798	5,800
Independent review committee fees	1,721	2,013
Interest expense	104	3
Custodial fees	-	3,362
Total operating expenses	160,922	193,226
Less: expenses absorbed by Manager	(64,230)	(80,081)
Net operating expenses	96,692	113,145
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 1,839,844</u>	<u>\$ (1,677,693)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	95,657	(75,526)
Series A2	1,692,883	(1,546,639)
Series F	51,304	(55,528)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	2.57	(2.90)
Series A2	2.79	(2.07)
Series F	2.88	(2.32)

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

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

for the periods ended March 31,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	316,018	\$	150,723
Series A2		5,660,292		8,712,264
Series F		196,398		232,358
		<u>6,172,708</u>		<u>9,095,345</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		95,657		(75,526)
Series A2		1,692,883		(1,546,639)
Series F		51,304		(55,528)
		<u>1,839,844</u>		<u>(1,677,693)</u>
Distributions to Holders of Redeemable Units				
From return of capital				
Series A		(10,159)		(7,013)
Series A2		(162,290)		(191,638)
Series F		(4,653)		(6,308)
Net Decrease from Distributions to Holders of Redeemable Units		<u>(177,102)</u>		<u>(204,959)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		46,150		204,600
Series A2		62,030		35,991
Series F		602		45,084
		<u>108,782</u>		<u>285,675</u>
Reinvestments of distributions				
Series A		9,186		6,864
Series A2		153,907		182,937
Series F		4,653		6,442
		<u>167,746</u>		<u>196,243</u>
Redemptions of redeemable units				
Series A		-		-
Series A2		(818,013)		(1,223,499)
Series F		(47,675)		-
		<u>(865,688)</u>		<u>(1,223,499)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>(589,160)</u>		<u>(741,581)</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		456,852		279,648
Series A2		6,588,809		5,969,416
Series F		200,629		222,048
	\$	<u>7,246,290</u>	\$	<u>6,471,112</u>

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

Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	1,839,844	\$	(1,677,693)
Adjustments for:				
Net realized (gain) loss on investments and options		(398,414)		(10,777)
Change in unrealized (appreciation) depreciation on investments and derivatives		(1,482,303)		1,613,936
Unrealized foreign exchange (gain) loss on cash		(678)		(10,986)
(Increase) decrease in dividends receivable		(8,261)		(15,392)
Increase (decrease) in management fees and expenses payable		2,893		(4,891)
(Increase) decrease in harmonized sales tax recoverable		-		1,325
Purchase of investments		(394,940)		(1,053,449)
Proceeds from sale of investments		1,156,934		2,144,389
Net Cash Generated (Used) by Operating Activities		<u>715,075</u>		<u>986,462</u>
Cash Flows from Financing Activities				
Change in margin cash		(652)		(34,018)
Distributions to holders of redeemable units, net of reinvested distributions		(9,648)		(8,608)
Proceeds from redeemable units issued		110,088		320,675
Amount paid on redemption of redeemable units		(861,073)		(1,215,779)
Net Cash Generated (Used) by Financing Activities		<u>(761,285)</u>		<u>(937,730)</u>
Net increase (decrease) in cash and cash equivalents		(46,210)		48,732
Unrealized foreign exchange gain (loss) on cash		678		10,986
Cash and cash equivalents - beginning of period		73,814		18,469
Cash and cash equivalents - end of period		<u>28,282</u>		<u>78,187</u>
Cash and cash equivalents comprise:				
Cash at bank	\$	28,282	\$	78,187
From operating activities				
Interest received, net of withholding tax	\$	285	\$	-
Dividends received, net of withholding tax	\$	45,351	\$	49,971
From financing activities				
Interest paid	\$	(104)	\$	(3)

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

Schedule of Investment Portfolio (Unaudited)

As at March 31, 2017

No. of Shares/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
France				
600	BNP Paribas S.A.	\$ 42,044	\$ 53,141	
4,000	BNP Paribas S.A. ADR	156,152	177,030	
		198,196	230,171	3.2%
Japan				
5,000	Sumitomo Mitsui Financial Group, Inc. ADR	42,553	48,207	0.7%
Netherlands				
12,000	ING Groep N.V. ADR	175,654	240,809	3.3%
Norway				
5,000	DNB ASA	110,074	105,398	1.4%
Sweden				
9,000	Nordea Bank AB	142,421	136,641	1.9%
United Kingdom				
60,000	Barclays PLC	647,592	225,032	
50,000	Barclays PLC ADR	1,300,827	747,376	
1,000	HSBC Holdings PLC ADR	72,991	54,284	
46,500	Royal Bank of Scotland Group PLC ADR	543,245	375,357	
22,500	Standard Chartered PLC	258,904	286,039	
		2,823,559	1,688,088	23.3%
United States				
23,000	Bank of America Corporation	414,399	721,537	
15,600	Citigroup Inc.	808,153	1,241,005	
3,600	Citizens Financial Group Inc.	112,219	165,407	
2,700	Fifth Third Bancorp	68,824	91,201	
12,000	JPMorgan Chase & Co.	473,217	1,401,768	
2,800	Morgan Stanley	93,192	159,518	
2,000	State Street Corporation	148,023	211,739	
2,400	The Goldman Sachs Group Inc.	436,767	733,183	
400	Wells Fargo & Company	22,554	29,608	
		2,577,348	4,754,966	65.6%
	Total equities	6,069,805	7,204,280	99.4%
DERIVATIVES - WRITTEN OPTIONS				
Written Call Options				
United States				
USD (15)	Citigroup Inc., Call 65, 21/04/2017	(1,079)	(140)	
USD (10)	JPMorgan Chase & Co., Call 95, 21/04/2017	(772)	(80)	
USD (20)	Citigroup Inc., Call 67.5, 19/05/2017	(1,604)	(252)	
USD (10)	Citigroup Inc., Call 70, 19/05/2017	(454)	(40)	
USD (5)	JPMorgan Chase & Co., Call 100, 19/05/2017	(700)	(36)	
	Total written call options	(4,609)	(548)	-
Written Put Options				
United Kingdom				
USD (35)	Royal Bank of Scotland Group PLC ADR, Put 4, 19/05/2017	(650)	(465)	-
United States				
USD (12)	Bank of America Corporation, Put 20, 21/04/2017	(379)	(16)	
USD (10)	State Street Corporation, Put 67.5, 19/05/2017	(1,802)	(459)	
		(2,181)	(475)	-
	Total written put options	(2,831)	(940)	-
	Total written options	(7,440)	(1,488)	-
FORWARD CURRENCY CONTRACTS (Schedule 1)				
	Total unrealized gain on forward currency contracts	-	10,614	0.1%
	Total unrealized loss on forward currency contracts	-	(11,759)	(0.1)%
		-	(1,145)	-
	Net Investments	6,062,365	7,201,647	99.4%
	Transaction costs	(22,340)	-	-
		\$ 6,040,025	7,201,647	99.4%
	Other assets less liabilities		44,643	0.6%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 7,246,290	100.0%

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

Schedule of Investment Portfolio (continued)

As at March 31, 2017

Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at March 31, 2017 (\$)	Currency	Amount (\$)	Value as at March 31, 2017 (\$)	
0.69461	Jun-15-17	Canadian Dollar	215,948	215,948	Euro	150,000	213,328	2,620
0.74377	Jun-15-17	Canadian Dollar	672,250	672,250	United States Dollar	500,000	664,256	7,994
							Unrealized gain	10,614
85.08000	Jun-15-17	Canadian Dollar	35,261	35,261	Japanese Yen	3,000,000	35,901	(640)
0.61357	May-18-17	Canadian Dollar	488,941	488,941	British Pound	300,000	500,060	(11,119)
							Unrealized loss	(11,759)

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

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

The following table presents the gross amount of recognized financial assets and liabilities of the Fund under master netting or similar arrangements as at March 31, 2017 and September 30, 2016.

	TD Securities Inc. (\$)	Bank of New York Mellon (\$)
March 31, 2017		
Gross derivative assets	10,614	-
Gross derivative liabilities	(640)	(11,119)
Net exposure	9,974	(11,119)
September 30, 2016		
Gross derivative assets	-	2,361
Gross derivative liabilities	(12,221)	-
Net exposure	(12,221)	2,361

(b) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	28,282	28,282
Margin accounts	-	-	655	655
Receivable for investments sold	-	-	32,192	32,192
Dividends receivable	-	-	11,165	11,165
Investments	-	6,905,503	-	6,905,503
Investments - pledged as collateral	-	298,777	-	298,777
Derivative assets	9,974	-	-	9,974
Total	9,974	7,204,280	72,294	7,286,548

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	12,083	12,083
Expenses payable	-	-	3,463	3,463
Redemptions payable	-	-	10,515	10,515
Distributions payable	-	-	1,590	1,590
Derivative liabilities	12,607	-	-	12,607
Total	12,607	-	27,651	40,258

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

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six months periods ended March 31, 2017 and March 31, 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL		
Held for Trading	\$ 9,781	49,236
Designated at Inception	1,944,815	(1,591,298)
Total	1,954,596	(1,542,062)
Financial liabilities at FVTPL:		
Held for Trading	(12,624)	-
Total	\$ 1,941,972	(1,542,062)

(c) RISK MANAGEMENT

Price Risk

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

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

If the price of investments held by the Fund on March 31, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$360,140 (September 30, 2016: \$305,656). Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2017 and September 30, 2016.

By Geographic Region	March 31, 2017	September 30, 2016
United States	65.6%	71.7%
United Kingdom	23.3%	21.6%
Netherlands	3.3%	3.2%
France	3.2%	1.5%
Sweden	1.9%	-
Norway	1.4%	-
Japan	0.7%	1.0%
Other Net Assets (Liabilities)	0.6%	1.2%
Forward Currency Contracts	-	(0.2%)
Total	100.0%	100.0%

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

By Industry Sector	March 31, 2017	September 30, 2016
Diversified Banks	80.6%	80.5%
Investment Banking & Brokerage	12.3%	10.1%
Regional Banks	3.6%	4.7%
Asset Management & Custody Banks	2.9%	3.7%
Other Net Assets (Liabilities)	0.6%	1.2%
Forward Currency Contracts	-	(0.2%)
Total	100.0%	100.0%

Currency Risk

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

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

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2017 and September 30, 2016, in Canadian dollar terms, net of the notional amounts of forward currency contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2017

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
British Pound	(498,060)	511,071	13,011	(24,903)	25,554	651
Euro	(213,328)	53,141	(160,187)	(10,666)	2,657	(8,009)
Japanese Yen	(35,901)	-	(35,901)	(1,795)	-	(1,795)
Norwegian Krone	-	105,397	105,397	-	5,270	5,270
Swedish Krona	-	136,641	136,641	-	6,832	6,832
United States Dollar	(620,887)	6,396,540	5,775,653	(31,044)	319,827	288,783
Total	(1,368,176)	7,202,790	5,834,614	(68,408)	360,140	291,732
% of net assets attributable to holders of redeemable units	(18.9%)	99.4%	80.5%	(0.9%)	5.0%	4.1%

September 30, 2016

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

Interest Rate Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

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

Credit Risk

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

As at March 31, 2017 and September 30, 2016 the Fund had forward currency contracts with two counterparties. The following table outlines the exposure and credit rating of each counterparty in an unrealized gain position as of the date of the statements of financial position. The counterparties both have credit ratings which exceed the minimum requirement outlined in securities legislation.

March 31, 2017		
	Net Unrealized Gain (\$)	Credit Rating
TD Securities Inc.	9,974	Standard & Poor's AA-

September 30, 2016		
	Net Unrealized Gain (\$)	Credit Rating
Bank of New York Mellon	2,361	Standard & Poor's A-1

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

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

Liquidity Risk

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

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

As at March 31, 2017 and September 30, 2016, the Fund did not have any borrowings.

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

Value of securities or cash required to satisfy written put options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
March 31, 2017	31,916	108,383	-	140,299
September 30, 2016	26,239	98,396	69,534	194,169

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

(d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2017 and September 30, 2016.

	Assets at fair value as at March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	7,204,280	-	-	7,204,280
Forward currency contracts	-	10,614	-	10,614
Total	7,204,280	10,614	-	7,214,894

	Liabilities at fair value as at March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(1,488)	-	-	(1,488)
Forward currency contracts	-	(11,759)	-	(11,759)
Total	(1,488)	(11,759)	-	(13,247)

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

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

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

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

(e) STRUCTURED ENTITIES

As at March 31, 2017 and September 30, 2016 the Fund did not have any investments in ETFs.

Statements of Financial Position (Unaudited)

	As at March 31, 2017	As at September 30, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 228,408	\$ 234,295
Margin accounts (note 11)	6,721	3,749
Subscriptions receivable	85,557	-
Receivable for investments sold	668	17,391
Interest receivable	2,394	2,367
Dividends receivable	8,621	8,376
Investments (note 5)	5,326,073	5,046,071
Investments - pledged as collateral (note 5 and 11)	58,407	103,697
Derivative assets	4,477	1,763
	<u>5,721,326</u>	<u>5,417,709</u>
Liabilities		
Current Liabilities		
Management fees payable	7,723	7,084
Expenses payable	2,625	2,445
Redemptions payable	1,238	9,996
Payable for investments purchased	53,841	29,643
Distributions payable	2,943	2,250
Derivative liabilities	12,965	22,058
	<u>81,335</u>	<u>73,476</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 5,639,991</u>	<u>\$ 5,344,233</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	967,672	753,528
Series A2	3,532,885	3,475,041
Series F	1,139,434	1,115,664
	<u>\$ 5,639,991</u>	<u>\$ 5,344,233</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	95,722	79,618
Series A2	346,524	364,590
Series F	108,249	113,958
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	10.11	9.46
Series A2	10.20	9.53
Series F	10.53	9.79

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

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2017	2016
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 82,413	\$ 123,835
Interest for distribution purposes	22,284	4,587
Net realized gain (loss) on investments and options	(3,089)	64,936
Net realized gain (loss) on currency forward contracts	4,924	(29,380)
Change in unrealized appreciation (depreciation) on investments and derivatives	450,157	(89,351)
	<u>556,689</u>	<u>74,627</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(4,151)	(2,507)
Total income (net)	<u>552,538</u>	<u>72,120</u>
Expenses		
Unitholder reporting costs	66,219	91,368
Management fees (note 8)	43,506	47,883
Audit fees	6,236	9,576
Withholding tax expense	3,739	9,994
Legal fees	1,879	3,148
Independent review committee fees	1,766	2,061
Transaction costs	937	2,271
Custodial fees	672	3,151
Interest expense	19	43
Total operating expenses	<u>124,973</u>	<u>169,495</u>
Less: expenses absorbed by Manager	(61,894)	(92,981)
Net operating expenses	<u>63,079</u>	<u>76,514</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 489,459</u>	<u>\$ (4,394)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	73,600	(2,345)
Series A2	308,159	(4,461)
Series F	107,700	2,412
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	0.88	(0.04)
Series A2	0.90	(0.02)
Series F	0.98	0.02

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

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

for the periods ended March 31,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	753,528	\$	776,845
Series A2		3,475,041		4,102,794
Series F		1,115,664		1,176,728
		<u>5,344,233</u>		<u>6,056,367</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		73,600		(2,345)
Series A2		308,159		(4,461)
Series F		107,700		2,412
		<u>489,459</u>		<u>(4,394)</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		(8,792)		-
Series A2		(33,856)		-
Series F		(16,006)		-
		<u>(58,654)</u>		<u>-</u>
From return of capital				
Series A		(12,635)		(21,132)
Series A2		(51,205)		(104,421)
Series F		(11,345)		(30,599)
		<u>(75,185)</u>		<u>(156,152)</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(133,839)</u>		<u>(156,152)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		149,496		5,347
Series A2		273,076		20,204
Series F		67,466		15,635
		<u>490,038</u>		<u>41,186</u>
Reinvestments of distributions				
Series A		15,608		17,144
Series A2		78,738		98,391
Series F		24,549		30,573
		<u>118,895</u>		<u>146,108</u>
Redemptions of redeemable units				
Series A		(3,133)		(11,612)
Series A2		(517,068)		(471,851)
Series F		(148,594)		(100,486)
		<u>(668,795)</u>		<u>(583,949)</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>(59,862)</u>		<u>(396,655)</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		967,672		764,247
Series A2		3,532,885		3,640,656
Series F		1,139,434		1,094,263
	\$	<u>5,639,991</u>	\$	<u>5,499,166</u>

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

Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	489,459	\$	(4,394)
Adjustments for:				
Net realized (gain) loss on investments and options		3,089		(64,936)
Change in unrealized (appreciation) depreciation on investments and derivatives		(450,157)		89,351
Unrealized foreign exchange (gain) loss on cash		(298)		(145)
(Increase) decrease in interest receivable		(27)		470
(Increase) decrease in dividends receivable		(245)		2,464
Increase (decrease) in management fees and expenses payable		819		(1,021)
(Increase) decrease in harmonized sales tax recoverable		-		116
Purchase of investments		(504,913)		(745,630)
Proceeds from sale of investments		746,383		1,368,422
Net Cash Generated (Used) by Operating Activities		284,110		644,697
Cash Flows from Financing Activities				
Change in margin cash		(2,972)		12,146
Distributions to holders of redeemable units, net of reinvested distributions		(14,251)		(9,967)
Proceeds from redeemable units issued		403,462		41,186
Amount paid on redemption of redeemable units		(676,534)		(598,977)
Net Cash Generated (Used) by Financing Activities		(290,295)		(555,612)
Net increase (decrease) in cash and cash equivalents		(6,185)		89,085
Unrealized foreign exchange gain (loss) on cash		298		145
Cash and cash equivalents - beginning of period		234,295		58,435
Cash and cash equivalents - end of period		228,408		147,665
Cash and cash equivalents comprise:				
Cash at bank	\$	228,408	\$	147,665
From operating activities				
Interest received, net of withholding tax	\$	22,257	\$	5,057
Dividends received, net of withholding tax	\$	78,429	\$	116,305
From financing activities				
Interest paid	\$	(19)	\$	(43)

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

Schedule of Investment Portfolio (Unaudited)

As at March 31, 2017

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
BONDS				
Canada				
100,000	Northland Power Inc. 5.000%, Convertible, Callable, June 30, 2019	\$ 100,000	\$ 116,000	
100,000	Valeant Pharmaceuticals International Inc. 6.750%, Callable, August 15, 2018	126,307	133,151	
		<u>226,307</u>	<u>249,151</u>	<u>4.4%</u>
EQUITIES				
Australia				
5,000	Amcors Limited	52,817	76,505	
40,000	AusNet Services	46,061	68,479	
5,000	Super Retail Group Ltd.	41,925	52,070	
		<u>140,803</u>	<u>197,054</u>	<u>3.5%</u>
Bermuda				
3,000	Brookfield Infrastructure Partners L.P., Preferred, Series 5, Fixed-Reset	75,000	77,760	
7,000	Brookfield Property Partners L.P.	162,300	207,620	
2,000	Brookfield Renewable Partners L.P., Preferred, Series 11, Fixed-Reset	50,000	49,800	
5,000	Cheung Kong Infrastructure Holdings Limited	35,125	52,191	
		<u>322,425</u>	<u>387,371</u>	<u>6.9%</u>
Canada				
2,000	AltaGas Ltd. Preferred, Series K, Fixed-Reset	50,000	51,300	
3,500	Barrick Gold Corporation	73,928	88,388	
15,000	BCE Inc., Preferred, Series AE, Floating Rate	307,274	256,650	
1,000	Brookfield Asset Management Inc., Preferred, Series 46, Fixed-Reset	25,000	25,900	
3,000	Brookfield Asset Management Inc., Preferred, Series 8, Floating Rate	69,418	51,780	
1,000	Brookfield Office Properties Inc., Preferred, Series EE, Fixed-Reset	25,000	25,240	
13,500	Brookfield Office Properties Inc., Preferred, Series V, Floating Rate	178,825	153,900	
5,000	Brookfield Renewable Power Inc., Preferred, Series 2, Floating Rate	92,541	93,000	
1,000	Crescent Point Energy Corp.	24,220	14,370	
3,000	Enbridge Inc., Preferred, Series 11, Fixed-Reset	73,730	63,000	
1,000	Enbridge Inc., Preferred, Series 17, Fixed-Reset	25,000	26,000	
9,000	First National Financial Corporation, Preferred, Series 1, Fixed-Reset	142,003	136,260	
2,000	iShares 1-5 Year Laddered Corporate Bond Index ETF	39,457	37,900	
2,000	iShares S&P/TSX Canadian Preferred Share Index ETF	28,768	28,200	
6,000	Northland Power Inc., Preferred, Series 1, Fixed-Reset	137,354	115,050	
697	Pacific Exploration and Production Corporation	39,729	29,623	
5,000	Power Financial Corporation, Preferred, Series A, Floating Rate	81,760	72,050	
6,000	The Bank of Nova Scotia, Preferred, Series 19, Floating Rate	154,455	146,580	
12,500	Thomson Reuters Corporation, Preferred, Series B, Floating Rate	225,533	172,500	
7,000	TransAlta Corporation, Preferred, Series E, Fixed-Reset	168,439	137,620	
2,000	TransAlta Renewables Inc.	19,580	31,500	
1,500	TransCanada Corporation, Preferred, Series 15, Fixed-Reset	37,500	39,000	
4,800	TransCanada Corporation, Preferred, Series 2, Floating Rate	86,332	90,720	
		<u>2,105,846</u>	<u>1,886,531</u>	<u>33.4%</u>
France				
1,515	Total SA ADR	94,797	101,582	1.8%
Sweden				
5,000	Nordea Bank AB	41,852	75,912	1.4%
Switzerland				
1,700	ABB Ltd	44,650	52,902	
1,000	Aryzta AG	36,623	42,684	
800	Nestlé SA	61,706	81,625	
200	Roche Holding AG	57,129	67,923	
700	Syngenta AG	52,637	82,384	
		<u>252,745</u>	<u>327,518</u>	<u>5.8%</u>
United Kingdom				
7,000	Barclays PLC ADR	129,834	104,633	
3,500	BHP Billiton PLC	192,747	144,987	
800	BP PLC ADR	34,139	36,725	
1,500	Bunzl PLC	43,158	57,983	
3,000	Compass Group PLC	64,338	75,277	
1,000	Johnson Matthey PLC	59,118	51,318	
2,800	Royal Dutch Shell PLC ADR	195,924	196,344	
		<u>719,258</u>	<u>667,267</u>	<u>11.8%</u>

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

Schedule of Investment Portfolio (continued)

As at March 31, 2017

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
United States				
4,000	Ares Capital Corporation	74,197	92,451	
800	AT&T Inc.	39,563	44,204	
4,000	BlackRock Capital Investment Corporation	39,301	40,161	
750	Chevron Corporation	99,577	107,090	
1,500	Energy Select Sector SPDR Fund	138,480	139,435	
14,000	Fifth Street Senior Floating Rate Corp.	183,921	164,210	
300	Gilead Sciences, Inc.	29,799	27,097	
100	iShares iBoxx \$ Investment Grade Corporate Bond ETF	14,256	15,680	
1,500	iShares India 50 ETF	55,519	64,491	
6,000	iShares International Select Dividend ETF	234,964	251,023	
500	JPMorgan Chase & Co.	22,724	58,407	
1,000	PowerShares Fundamental High Yield Corporate Bond Portfolio	20,796	25,015	
600	SPDR S&P 500 ETF Trust	156,069	188,099	
700	SPDR S&P Global Dividend ETF	58,565	60,145	
1,500	Technology Select Sector SPDR Fund ETF	69,638	106,341	
400	The Walt Disney Company	49,103	60,317	
500	Wal-Mart Stores, Inc.	40,684	47,928	
	Total equities	1,327,156	1,492,094	26.5%
	Total investment portfolio	5,231,189	5,384,480	95.5%
DERIVATIVES - WRITTEN OPTIONS				
Written Call Options				
Canada				
USD (10)	Barrick Gold Corporation, Call 23, 19/05/2017	(467)	(134)	-
United States				
USD (5)	JPMorgan Chase & Co., Call 95, 21/04/2017	(386)	(40)	
USD (3)	Gilead Sciences, Inc., Call 77.5, 19/05/2017	(324)	(80)	
	Total written call options	(1,177)	(254)	-
Written Put Options				
Bermuda				
CAD (5)	Brookfield Property Partners LP., Put 28, 21/04/2017	(370)	(40)	-
Canada				
USD (15)	Barrick Gold Corporation, Put 15, 21/04/2017	(707)	(20)	
CAD (10)	Crescent Point Energy Corp., Put 13, 19/01/2018	(1,340)	(1,160)	
		(2,047)	(1,180)	-
Switzerland				
USD (8)	ABB Ltd ADR, Put 22, 16/06/2017	(361)	(372)	-
United Kingdom				
USD (10)	BP PLC ADR, Put 32, 19/05/2017	(306)	(319)	-
	Total written put options	(3,084)	(1,911)	-
	Total written options	(4,261)	(2,165)	-
FORWARD CURRENCY CONTRACTS (Schedule 1)				
	Total unrealized gain on forward currency contracts	-	4,477	0.1%
	Total unrealized loss on forward currency contracts	-	(10,800)	(0.2%)
		-	(6,323)	(0.1%)
	Net investments	5,226,928	5,375,992	95.4%
	Transaction costs	(4,208)	-	-
		\$ 5,222,720	5,375,992	95.4%
	Other assets less liabilities		263,999	4.6%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	\$	5,639,991	100.0%

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

Schedule of Investment Portfolio (continued)

As at March 31, 2017

Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at March 31, 2017 (\$)	Currency	Amount (\$)	Value as at March 31, 2017 (\$)	
0.74377	Jun-15-17	Canadian Dollar	376,460	376,460	United States Dollar	280,000	371,983	4,477
							Unrealized gain	<u>4,477</u>
0.61357	May-18-17	Canadian Dollar	146,682	146,682	British Pound	90,000	150,018	(3,336)
1.03327	Apr-19-17	Canadian Dollar	135,492	135,492	Australian Dollar	140,000	142,172	(6,680)
0.76020	Apr-19-17	Canadian Dollar	78,927	78,927	Swiss Franc	60,000	79,711	(784)
							Unrealized loss	<u>(10,800)</u>

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

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

The following table presents the gross amount of recognized financial assets and liabilities of the Fund that are offset under master netting or similar arrangements as at March 31, 2017 and September 30, 2016.

	TD Securities Inc. (\$)	National Bank of Canada (\$)	Bank of New York Mellon (\$)
March 31, 2017			
Gross derivative assets	4,477	-	-
Gross derivative liabilities	-	(7,465)	(3,336)
Net exposure	4,477	(7,465)	(3,336)
September 30, 2016			
Gross derivative assets	105	-	1,763
Gross derivative liabilities	(5,669)	(11,775)	-
Net exposure	(5,564)	(11,775)	1,763

(b) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	228,408	228,408
Margin accounts	-	-	6,721	6,721
Subscriptions receivable	-	-	85,557	85,557
Receivable for investments sold	-	-	668	668
Interest receivable	-	-	2,394	2,394
Dividends receivable	-	-	8,621	8,621
Investments	-	5,326,073	-	5,326,073
Investments - pledged as collateral	-	58,407	-	58,407
Derivative assets	4,477	-	-	4,477
Total	4,477	5,384,480	332,369	5,721,326

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	7,723	7,723
Expenses payable	-	-	2,625	2,625
Redemptions payable	-	-	1,238	1,238
Payable for investments purchased	-	-	53,841	53,841
Distributions payable	-	-	2,943	2,943
Derivative liabilities	12,965	-	-	12,965
Total	12,965	-	68,370	81,335

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

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six months period ended March 31, 2017 and March 31, 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL		
Held for Trading	14,176	5,015
Designated at Inception	534,303	69,612
Total	548,479	74,627
Financial liabilities at FVTPL:		
Held for Trading	8,191	-
Total	556,670	74,627

(c) RISK MANAGEMENT

Price Risk

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

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

If the price of investments held by the Fund on March 31, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$256,658 (September 30, 2016: \$243,306). Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and industry sector, as at March 31, 2017 and September 30, 2016.

By Geographic Region	March 31, 2017	September 30, 2016
Canada	37.8%	33.4%
United States	26.5%	29.8%
United Kingdom	11.8%	12.4%
Bermuda	6.9%	6.4%
Switzerland	5.8%	6.0%
Other Net Assets (Liabilities)	4.6%	4.0%
Australia	3.5%	5.3%
France	1.8%	1.8%
Sweden	1.4%	1.2%
Forward Currency Contracts	(0.1%)	(0.3%)
Total	100.0%	100.0%

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

By Industry Sector	March 31, 2017	September 30, 2016
Financials	23.8%	24.3%
Exchange Traded Funds	16.3%	21.0%
Energy	13.5%	10.4%
Utilities	11.0%	9.3%
Materials	8.0%	8.0%
Consumer Discretionary	6.4%	6.5%
Telecommunication Services	5.4%	4.0%
Other Net Assets (Liabilities)	4.6%	4.0%
Corporate Bonds	4.5%	5.3%
Consumer Staples	3.0%	3.7%
Industrials	1.9%	2.0%
Health Care	1.7%	1.8%
Forward Currency Contracts	(0.1%)	(0.3%)
Total	100.0%	100.0%

Currency Risk

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

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

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

The tables below indicate the foreign currencies to which the Fund had significant direct exposure at March 31, 2017 and September 30, 2016, in Canadian dollar terms, net of the notional amounts of forward currency contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2017

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(141,080)	197,054	55,974	(7,054)	9,853	2,799
British Pound	(150,018)	184,578	34,560	(7,501)	9,229	1,728
Hong Kong Dollar	-	52,191	52,191	-	2,610	2,610
Swedish Krona	-	75,911	75,911	-	3,796	3,796
Swiss Franc	(79,711)	192,232	112,521	(3,986)	9,612	5,626
United States Dollar	(410,371)	2,432,226	2,021,855	(20,519)	121,611	101,092
Total	(781,180)	3,134,192	2,353,012	(39,060)	156,711	117,651
% of net assets attributable to holders of redeemable units	(13.9%)	55.7%	41.8%	(0.7%)	2.8%	2.1%

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

September 30, 2016

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

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

Interest Rate Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk. The Fund is also exposed to indirect interest rate risk as it holds units of exchange traded funds and other investment funds that invest in debt securities.

Credit Risk

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

As at March 31, 2017 and September 30, 2016 the Fund had forward currency contracts with three counterparties. The following table outlines the exposure and credit rating of each counterparty in an unrealized gain position as of the date of the statements of financial position. The counterparties both have credit ratings which exceed the minimum requirement outlined in securities legislation.

March 31, 2017		
	Net Unrealized Gain (\$)	Credit Rating
TD Securities Inc.	4,477	Standard & Poor's AA-

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

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

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

Liquidity Risk

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

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

As at March 31, 2017 and September 30, 2016, the Fund did not have any borrowings.

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

Value of securities or cash required to satisfy written put options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
March 31, 2017	43,923	65,960	13,000	122,883
September 30, 2016	-	115,451	87,735	203,186

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

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

(d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2017 and September 30, 2016.

	Assets at fair value as at March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	4,999,069	136,260	-	5,135,329
Bonds - Long	-	249,151	-	249,151
Forward currency contracts	-	4,477	-	4,477
Total	4,999,069	389,888	-	5,388,957

	Liabilities at fair value as at March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(2,165)	-	-	(2,165)
Forward currency contracts	-	(10,800)	-	(10,800)
Total	(2,165)	(10,800)	-	(12,965)

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

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

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

As at March 31, 2017, the Fund did not hold any investments which were classified as Level 3. During the period ended September 30, 2016, the Fund disposed its only Level 3 position – units of Portland Global Energy Efficiency and Renewable Energy Fund LP, a closed-end investment fund that has the same Manager as the Fund. Units were redeemed at NAV per unit for a gain of \$27,565.

Reconciliation of Level 3 Fair Value Measurement of Financial Instruments

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

September 30, 2016	Investment Funds (\$)	Total (\$)
Balance, Beginning of Period	146,208	146,208
Investment purchases during the period	-	-
Proceeds from disposals during the period	(151,765)	(151,765)
Net transfers in (out) during the period	-	-
Net realized gain (loss) on disposals of investments	27,565	27,565
Change in unrealized appreciation (depreciation) in value of investments	(22,008)	(22,008)
Balance at End of Period	-	-
Change in unrealized appreciation (depreciation) in value of investments held at end of period	-	-

(e) STRUCTURED ENTITIES

The Fund's investments in ETFs are 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.

The Fund's investments in ETFs as at March 31, 2017 and September 30, 2016 are summarized below:

March 31, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Energy Select Sector SPDR Fund	139,435	17,309	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	37,900	1,918	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	15,680	30,763	-
iShares India 50 ETF	64,491	849	-
iShares International Select Dividend ETF	251,023	3,893	-
iShares S&P/TSX Canadian Preferred Share Index ETF	28,200	1,381	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	25,015	1,159	-
SPDR S&P 500 ETF Trust	188,099	240,038	-
SPDR S&P Global Dividend ETF	60,145	126	-
Technology Select Sector SPDR Fund ETF	106,341	17,030	-

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

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

Statements of Financial Position (Unaudited)

	As at March 31, 2017	As at September 30, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 67,080	\$ 58,045
Margin accounts (note 11)	4,521	2,551
Subscriptions receivable	-	500
Receivable for investments sold	758	-
Dividends receivable	16,109	8,846
Investments (note 5)	6,153,997	6,965,536
Investments - pledged as collateral (note 5 and 11)	45,730	141,560
Derivative assets	9,076	21,979
	<u>6,297,271</u>	<u>7,199,017</u>
Liabilities		
Current Liabilities		
Management fees payable	9,227	10,023
Expenses payable	2,934	3,273
Redemptions payable	3,499	19,699
Distributions payable	4,461	4,860
Derivative liabilities	35,739	40,872
	<u>55,860</u>	<u>78,727</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 6,241,411</u>	<u>\$ 7,120,290</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	61,644	120,767
Series A2	4,881,244	5,357,629
Series F	1,298,523	1,641,894
	<u>\$ 6,241,411</u>	<u>\$ 7,120,290</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	6,648	13,402
Series A2	524,745	593,551
Series F	137,464	179,954
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	9.27	9.01
Series A2	9.30	9.03
Series F	9.45	9.12

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

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2017	2016
Income		
Net gain (loss) on investments and derivatives		
Dividends	\$ 84,624	\$ 156,343
Interest for distribution purposes	847	-
Net realized gain (loss) on investments and options	153,616	(234,002)
Net realized gain (loss) on currency forward contracts	37,641	(59,791)
Change in unrealized appreciation (depreciation) on investments and derivatives	188,200	106,798
	<u>464,928</u>	<u>(30,652)</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	(8,147)	(2,340)
Total income (net)	<u>456,781</u>	<u>(32,992)</u>
Expenses		
Unitholder reporting costs	69,866	76,023
Management fees (note 8)	58,218	77,042
Audit fees	6,054	9,344
Transaction costs	2,295	6,362
Withholding tax expense	2,200	19,007
Legal fees	1,824	3,071
Independent review committee fees	1,715	2,011
Custodial fees	723	3,907
Interest expense	76	-
Total operating expenses	<u>142,971</u>	<u>196,767</u>
Less: expenses absorbed by Manager	(62,218)	(70,906)
Net operating expenses	<u>80,753</u>	<u>125,861</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ 376,028</u>	<u>\$ (158,853)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	6,278	(2,846)
Series A2	278,529	(118,588)
Series F	91,221	(37,419)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	0.51	(0.22)
Series A2	0.51	(0.17)
Series F	0.56	(0.14)

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

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

for the periods ended March 31,	2017	2016
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period		
Series A	\$ 120,767	\$ 111,996
Series A2	5,357,629	6,886,194
Series F	1,641,894	2,272,210
	<u>7,120,290</u>	<u>9,270,400</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	6,278	(2,846)
Series A2	278,529	(118,588)
Series F	91,221	(37,419)
	<u>376,028</u>	<u>(158,853)</u>
Distributions to Holders of Redeemable Units		
From net investment income		
Series A	(176)	(3,148)
Series A2	(18,455)	(198,137)
Series F	(11,589)	(99,928)
	<u>(30,220)</u>	<u>(301,213)</u>
From return of capital		
Series A	(2,907)	(543)
Series A2	(117,280)	(31,335)
Series F	(29,756)	(10,368)
	<u>(149,943)</u>	<u>(42,246)</u>
Net Decrease from Distributions to Holders of Redeemable Units	<u>(180,163)</u>	<u>(343,459)</u>
Redeemable Unit Transactions		
Proceeds from redeemable units issued		
Series A	-	10,001
Series A2	3,340	3,989
Series F	506	77,430
	<u>3,846</u>	<u>91,420</u>
Reinvestments of distributions		
Series A	1,637	1,737
Series A2	110,282	185,199
Series F	39,579	109,523
	<u>151,498</u>	<u>296,459</u>
Redemptions of redeemable units		
Series A	(63,955)	(4,507)
Series A2	(732,801)	(996,085)
Series F	(433,332)	(307,304)
	<u>(1,230,088)</u>	<u>(1,307,896)</u>
Net Increase (Decrease) from Redeemable Unit Transactions	<u>(1,074,744)</u>	<u>(920,017)</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period		
Series A	61,644	112,690
Series A2	4,881,244	5,731,237
Series F	1,298,523	2,004,144
	<u>\$ 6,241,411</u>	<u>\$ 7,848,071</u>

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

Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2017	2016
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 376,028	\$ (158,853)
Adjustments for:		
Net realized (gain) loss on investments and options	(153,616)	234,002
Change in unrealized (appreciation) depreciation on investments and derivatives	(188,200)	(106,798)
Unrealized foreign exchange (gain) loss on cash	(198)	(1,498)
(Increase) decrease in interest receivable	-	1,600
(Increase) decrease in dividends receivable	(7,263)	(15,223)
Increase (decrease) in management fees and expenses payable	(1,135)	(3,269)
(Increase) decrease in harmonized sales tax recoverable	-	932
Purchase of investments	(252,367)	(1,156,652)
Proceeds from sale of investments	1,508,564	2,408,978
Net Cash Generated (Used) by Operating Activities	1,281,813	1,203,219
Cash Flows from Financing Activities		
Change in margin cash	(1,970)	8,545
Distributions to holders of redeemable units, net of reinvested distributions	(29,064)	(48,021)
Proceeds from redeemable units issued	4,346	91,350
Amount paid on redemption of redeemable units	(1,246,288)	(1,332,072)
Net Cash Generated (Used) by Financing Activities	(1,272,976)	(1,280,198)
Net increase (decrease) in cash and cash equivalents	8,837	(76,979)
Unrealized foreign exchange gain (loss) on cash	198	1,498
Cash and cash equivalents - beginning of period	58,045	130,824
Cash and cash equivalents - end of period	67,080	55,343
Cash and cash equivalents comprise:		
Cash at bank	\$ 67,080	\$ 55,343
From operating activities		
Interest received, net of withholding tax	\$ 847	\$ 1,600
Dividends received, net of withholding tax	\$ 75,161	\$ 122,113
From financing activities		
Interest paid	\$ (76)	\$ -

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

Schedule of Investment Portfolio (Unaudited)

As at March 31, 2017

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Australia				
14,000	Arcor Limited	\$ 153,136	\$ 214,215	
120,000	AusNet Services	113,915	205,436	
5,000	South32 Limited ADR	44,360	69,684	
		311,411	489,335	7.8%
Canada				
14,500	Canfor Corporation	333,035	262,885	
1,000	Crescent Point Energy Corp.	24,220	14,370	
		357,255	277,255	4.4%
France				
600	LVMH Moet Hennessy Louis Vuitton SE	130,859	175,222	
4,000	Total SA ADR	235,349	268,204	
		366,208	443,426	7.1%
Germany				
6,500	GEA Group AG	201,268	367,384	5.9%
Netherlands				
3,000	NN Group NV	115,416	129,746	2.1%
Switzerland				
4,000	ABB Ltd	73,802	124,474	
5,200	Aryzta AG	230,902	221,958	
20	Barry Callebaut AG	29,169	34,758	
2,200	Dufry AG	367,028	445,722	
2,000	Nestlé SA	118,443	204,061	
1,500	Novartis AG ADR	131,778	148,152	
400	Roche Holding AG	74,626	135,846	
800	Roche Holding AG ADR	29,411	34,076	
3,700	Syngenta AG	219,723	435,460	
		1,274,882	1,784,507	28.6%
United Kingdom				
18,000	Barclays PLC ADR	434,419	269,055	
8,500	BHP Billiton PLC	469,259	352,111	
4,000	BP PLC ADR	175,488	183,626	
8,000	Compass Group PLC	170,491	200,740	
500	Diageo PLC ADR	66,816	76,852	
3,800	Johnson Matthey PLC	150,592	195,008	
7,500	Prudential PLC	93,411	210,687	
40,000	Rentokil Initial PLC	91,312	164,417	
5,500	Royal Dutch Shell PLC ADR	385,307	385,676	
		2,037,095	2,038,172	32.7%
United States				
11,000	Fifth Street Senior Floating Rate Corp.	140,720	129,022	
1,500	JPMorgan Chase & Co.	93,009	175,221	
4,000	Mondelez International Inc.	171,168	229,160	
1,500	Technology Select Sector SPDR Fund ETF	69,638	106,341	
200	The Walt Disney Company	24,752	30,158	
		499,287	669,902	10.7%
	Total equities	5,162,822	6,199,727	99.3%
DERIVATIVES - WRITTEN OPTIONS				
Written Call Options				
United States				
USD (5)	JPMorgan Chase & Co., Call 95, 21/04/2017	(386)	(40)	-
	Total written call options	(386)	(40)	-
Written Put Options				
Bermuda				
CAD (5)	Brookfield Property Partners LP., Put 28, 21/04/2017	(370)	(40)	-
Canada				
CAD (10)	Crescent Point Energy Corp., Put 13, 19/01/2018	(1,340)	(1,160)	-
Switzerland				
USD (10)	ABB Ltd ADR, Put 22, 16/06/2017	(452)	(465)	-

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

Schedule of Investment Portfolio (continued)

As at March 31, 2017

No. of Shares/Par Value/ (Contract Size)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
United Kingdom				
USD (5)	Diageo PLC ADR, Put 105, 21/04/2017	(615)	(27)	
USD (10)	BP PLC ADR, Put 32, 19/05/2017	(306)	(319)	
		(921)	(346)	-
	Total written put options	(3,083)	(2,011)	-
	Total written options	(3,469)	(2,051)	-
FORWARD CURRENCY CONTRACTS (Schedule 1)				
	Total unrealized gain on forward currency contracts	-	9,076	0.2%
	Total unrealized loss on forward currency contracts	-	(33,688)	(0.6%)
		-	(24,612)	(0.4%)
	Net investments	5,159,353	6,173,064	98.9%
	Transaction costs	(11,022)	-	-
		\$ 5,148,331	6,173,064	98.9%
	Other assets less liabilities		68,347	1.1%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		\$ 6,241,411	100.0%

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

Schedule of Investment Portfolio (continued)

As at March 31, 2017

Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at March 31, 2017 (\$)	Currency	Amount (\$)	Value as at March 31, 2017 (\$)	
0.69461	Jun-15-17	Canadian Dollar	431,895	431,895	Euro	300,000	426,656	5,239
0.74377	Jun-15-17	Canadian Dollar	322,680	322,680	United States Dollar	240,000	318,843	3,837
							Unrealized gain	9,076
0.61357	May-18-17	Canadian Dollar	692,667	692,667	British Pound	425,000	708,418	(15,751)
1.03327	Apr-19-17	Canadian Dollar	270,984	270,984	Australian Dollar	280,000	284,345	(13,361)
0.76020	Apr-19-17	Canadian Dollar	460,405	460,405	Swiss Franc	350,000	464,981	(4,576)
							Unrealized gain	(33,688)

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

(a) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

The following table presents the gross amount of recognized financial assets and liabilities of the Fund that are offset under master netting or similar arrangements as at March 31, 2017 and September 30, 2016.

	TD Securities Inc. (\$)	National Bank of Canada (\$)	Bank of New York Mellon (\$)
March 31, 2017			
Gross derivative assets			9,076
Gross derivative liabilities	(17,937)	(15,751)	
Net exposure	(17,937)	(15,751)	9,076
September 30, 2016			
Gross derivative assets	-	-	7,055
Gross derivative liabilities	(9,406)	(25,526)	-
Net exposure	(9,406)	(25,526)	7,055

(b) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	67,080	67,080
Margin accounts	-	-	4,521	4,521
Subscriptions receivable	-	-	758	758
Dividends receivable	-	-	16,109	16,109
Investments	-	6,153,997	-	6,153,997
Investments - pledged as collateral	-	45,730	-	45,730
Derivative assets	9,076	-	-	9,076
Total	9,076	6,199,727	88,468	6,297,271

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	9,227	9,227
Expenses payable	-	-	2,934	2,934
Redemptions payable	-	-	3,499	3,499
Distributions payable	-	-	4,461	4,461
Derivative liabilities	35,739	-	-	35,739
Total	35,739	-	20,121	55,860

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

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month periods ended March 31, 2017 and March 31, 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL		
Held for Trading	40,906	28,294
Designated at Inception	409,713	(58,946)
Total	450,619	(30,652)
Financial liabilities at FVTPL:		
Held for Trading	14,305	-
Total	464,924	(30,652)

(c) RISK MANAGEMENT

Price Risk

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

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

If the price of investments held by the Fund on March 31, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$309,884 (September 30, 2016: \$354,287). Actual results may differ from the above sensitivity analysis and the difference could be material.

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2017 and September 30, 2016.

By Geographic Region	March 31, 2017	September 30, 2016
United Kingdom	32.7%	34.1%
Switzerland	28.6%	26.1%
United States	10.7%	12.2%
Australia	7.8%	8.7%
France	7.1%	6.0%
Germany	5.9%	5.6%
Canada	4.4%	3.5%
Netherlands	2.1%	1.7%
Other Net Assets (Liabilities)	1.1%	0.5%
Forward Currency Contracts	(0.4%)	(0.4%)
Japan	-	1.1%
Cayman Islands	-	0.9%
Total	100.0%	100.0%

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

By Industry Sector	March 31, 2017	September 30, 2016
Materials	24.4%	22.1%
Financials	14.7%	15.9%
Consumer Discretionary	13.6%	15.1%
Energy	13.6%	11.4%
Consumer Staples	12.4%	12.3%
Industrials	10.5%	12.3%
Health Care	5.1%	5.6%
Utilities	3.3%	3.2%
Exchange Traded Funds	1.7%	1.3%
Other Net Assets (Liabilities)	1.1%	0.6%
Forward Currency Contracts	(0.4%)	(0.4%)
Corporate Bonds	-	0.4%
Long Positions - Derivatives	-	0.2%
Total	100.0%	100.0%

Currency Risk

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

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

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2017 and September 30, 2016, in Canadian dollar terms, net of the notional amounts of forward currency contracts. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2017

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(284,345)	419,651	135,306	(14,217)	20,983	6,766
British Pound	(704,598)	770,851	66,253	(35,230)	38,543	3,313
Euro	(426,656)	672,352	245,696	(21,333)	33,618	12,285
Swiss Franc	(464,981)	1,042,345	577,364	(23,249)	52,117	28,868
United States Dollar	(297,680)	3,016,422	2,718,742	(14,884)	150,821	135,937
Total	(2,178,260)	5,921,621	3,743,361	(108,913)	296,082	187,169
% of net assets attributable to holders of redeemable units	(34.9%)	94.9%	60.0%	(1.7%)	4.7%	3.0%

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

September 30, 2016

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

Interest Rate Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

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

As at March 31, 2017 and September 30, 2016 the Fund had forward currency contracts with three counterparties. The following table outlines the exposure and credit rating of each counterparty in an unrealized gain position as of the date of the statements of financial position. The counterparties both have credit ratings which exceed the minimum requirement outlined in securities legislation.

March 31, 2017		
	Net Unrealized Gain (\$)	Credit Rating
TD Securities Inc.	9,076	Standard & Poor's AA-

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

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

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

Liquidity Risk

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

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

As at March 31, 2017 and September 30, 2016, the Fund did not have any borrowings.

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

Value of securities or cash required to satisfy written put options	Less than 1 month (\$)	1 to 3 months (\$)	Greater than 3 months and less than one year (\$)	Total (\$)
March 31, 2017	83,817	71,812	13,000	168,629
September 30, 2016	-	115,451	100,735	216,186

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

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

(d) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2017 and September 30, 2016.

	Assets at fair value as at March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,199,727	-	-	6,199,727
Forward currency contracts	-	9,076	-	9,076
Total	6,199,727	9,076	-	6,208,803

	Liabilities at fair value as at March 31, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(2,051)	-	-	(2,051)
Forward currency contracts	-	(33,688)	-	(33,688)
Total	(2,051)	(33,688)	-	(35,739)

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

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

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

As at March 31, 2017, the Fund did not hold any investments which were classified as Level 3. During the period ended September 30, 2016, the Fund disposed its only Level 3 position – units of Portland Global Energy Efficiency and Renewable Energy Fund LP, a closed-end investment fund that has the same Manager as the Fund. Units were redeemed at NAV per unit for a gain of \$27,529.

Reconciliation of Level 3 Fair Value Measurement of Financial Instruments

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

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

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

(e) STRUCTURED ENTITIES

The Fund's investments in ETFs are 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.

The Fund's investments in ETFs as at March 31, 2017 and September 30, 2016 are summarized below.

March 31, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$millions)	% of ETF's Net Assets
Technology Select Sector SPDR Fund ETF	106,341	17,030	-

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

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

Statements of Financial Position (Unaudited)

	As at March 31, 2017	As at September 30, 2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 49,922	\$ 116,270
Dividends receivable	402	311
Investments (note 5)	537,270	534,525
	<u>587,594</u>	<u>651,106</u>
Liabilities		
Current Liabilities		
Management fees payable	914	1,015
Expenses payable	1,017	299
Payable for investments purchased	-	8,009
	<u>1,931</u>	<u>9,323</u>
Net Assets Attributable to Holders of Redeemable Units	<u>\$ 585,663</u>	<u>\$ 641,783</u>
Net Assets Attributable to Holders of Redeemable Units Per Series		
Series A	373,784	470,433
Series F	211,879	171,350
	<u>\$ 585,663</u>	<u>\$ 641,783</u>
Number of Redeemable Units Outstanding (note 6)		
Series A	45,832	53,522
Series F	25,767	19,316
Net Assets Attributable to Holders of Redeemable Units Per Unit		
Series A	8.16	8.79
Series F	8.22	8.87

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

"Michael Lee-Chin"

Director

"Robert Almeida"

Director

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

Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2017	2016
Income		
Net gain (loss) on investments		
Dividends	\$ 1,275	\$ 2,475
Interest for distribution purposes	499	-
Net realized gain (loss) on investments	3,859	20
Change in unrealized appreciation (depreciation) on investments	(39,047)	3,117
	<u>(33,414)</u>	<u>5,612</u>
Other income		
Foreign exchange gain (loss) on cash and other net assets	108	(644)
Total income (net)	<u>(33,306)</u>	<u>4,968</u>
Expenses		
Unitholder reporting costs	48,066	34,127
Audit fees	6,273	9,624
Management fees (note 8)	5,744	1,972
Legal fees	1,890	3,164
Independent review committee fees	1,777	2,072
Custodial fees	1,135	710
Minimum Tax	733	-
Transaction costs	105	137
Withholding tax expense	-	25
Total operating expenses	<u>65,723</u>	<u>51,831</u>
Less: expenses absorbed by Manager	<u>(57,447)</u>	<u>(49,034)</u>
Net operating expenses	<u>8,276</u>	<u>2,797</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>\$ (41,582)</u>	<u>\$ 2,171</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	(29,650)	(533)
Series F	(11,932)	2,704
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	(0.59)	(0.04)
Series F	(0.58)	0.18

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

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

for the periods ended March 31,	2017		2016	
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period				
Series A	\$	470,433	\$	46,143
Series F		171,350		111,150
		<u>641,783</u>		<u>157,293</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units				
Series A		(29,650)		(533)
Series F		(11,932)		2,704
		<u>(41,582)</u>		<u>2,171</u>
Distributions to Holders of Redeemable Units				
From net investment income				
Series A		-		(131)
Series F		(49)		(848)
		<u>(49)</u>		<u>(979)</u>
From net realized gains on investments				
Series A		(2,602)		-
Series F		(2,035)		-
		<u>(4,637)</u>		<u>-</u>
Net Decrease from Distributions to Holders of Redeemable Units		<u>(4,686)</u>		<u>(979)</u>
Redeemable Unit Transactions				
Proceeds from redeemable units issued				
Series A		11,559		112,149
Series F		54,919		45,000
		<u>66,478</u>		<u>157,149</u>
Reinvestments of distributions				
Series A		2,602		131
Series F		2,084		848
		<u>4,686</u>		<u>979</u>
Redemptions of redeemable units				
Series A		(78,558)		-
Series F		(2,458)		-
		<u>(81,016)</u>		<u>-</u>
Net Increase (Decrease) from Redeemable Unit Transactions		<u>(9,852)</u>		<u>158,128</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period				
Series A		373,784		157,759
Series F		211,879		158,854
	\$	<u>585,663</u>	\$	<u>316,613</u>

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

Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2017		2016	
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	(41,582)	\$	2,171
Adjustments for:				
Net realized (gain) loss on investments		(3,859)		(20)
Change in unrealized (appreciation) depreciation on investments		39,047		(3,117)
Unrealized foreign exchange (gain) loss on cash		4		-
(Increase) decrease in dividends receivable		(91)		44
Increase (decrease) in management fees and expenses payable		617		379
Purchase of investments		(73,778)		(161,144)
Proceeds from sale of investments		27,836		222
Net Cash Generated (Used) by Operating Activities		<u>(51,806)</u>		<u>(161,465)</u>
Cash Flows from Financing Activities				
Proceeds from redeemable units issued		65,704		179,649
Amount paid on redemption of redeemable units		(80,242)		-
Net Cash Generated (Used) by Financing Activities		<u>(14,538)</u>		<u>179,649</u>
Net increase (decrease) in cash and cash equivalents		(66,344)		18,184
Unrealized foreign exchange gain (loss) on cash		(4)		-
Cash and cash equivalents - beginning of period		116,270		16,753
Cash and cash equivalents - end of period		<u>49,922</u>		<u>34,937</u>
Cash and cash equivalents comprise:				
Cash at bank	\$	49,922	\$	34,937
From operating activities				
Interest received, net of withholding tax	\$	499	\$	-
Dividends received, net of withholding tax	\$	1,184	\$	2,494

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

Schedule of Investment Portfolio (Unaudited)

As at March 31, 2017

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
EQUITIES				
Bermuda				
1,249	Brookfield Business Partners L.P.	\$ 33,738	\$ 40,960	7.0%
British Virgin Islands				
3,650	Nomad Foods Limited	50,094	55,578	9.5%
Canada				
11,410	Baytex Energy Corp.	71,516	51,801	
915	Brookfield Asset Management Inc. Class A	40,133	44,365	
4,073	Crescent Point Energy Corp.	78,437	58,529	
600	Restaurant Brands International Inc.	31,712	44,476	
5,880	Whitecap Resources, Inc.	59,673	60,857	
		281,471	260,028	44.4%
Guernsey				
2,670	Pershing Square Holdings, Ltd.	57,927	53,971	9.2%
United Kingdom				
2,100	Liberty Global PLC LiLAC Class A	92,005	62,109	10.6%
United States				
190	Berkshire Hathaway Inc. Class B	34,727	42,115	
965	Hertz Global Holdings, Inc.	52,706	22,509	
		87,433	64,624	11.0%
	Total investment portfolio	602,668	537,270	91.7%
	Transaction costs	(812)	-	-
		\$ 601,856	537,270	91.7%
	Other assets less liabilities		48,393	8.3%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	\$	585,663	100.0%

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

(a) FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	49,922	49,922
Dividends receivable	-	-	402	402
Investments	-	537,270	-	537,270
Total	-	537,270	50,324	587,594

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	914	914
Expenses payable	-	-	1,017	1,017
Total	-	-	1,931	1,931

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

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

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month period ended March 31, 2017 and 2016.

Category	Net gains (losses) (\$)	
	2017	2016
Financial assets at FVTPL		
Held for Trading	-	70
Designated at Inception	(33,414)	5,612
Total	(33,414)	5,682

(b) RISK MANAGEMENT**Price Risk**

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

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

If the price of investments held by the Fund on March 31, 2017 had been higher or lower by 5%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by \$26,864 (September 30, 2016: \$26,726). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and by industry sector as at March 31, 2017 and September 30, 2016.

By Geographic Region	March 31, 2017	September 30, 2016
Canada	44.4%	39.7%
United States	11.0%	12.5%
United Kingdom	10.6%	10.2%
British Virgin Islands	9.5%	6.0%
Guernsey	9.2%	7.1%
Other Net Assets (Liabilities)	8.3%	16.7%
Bermuda	7.0%	7.8%
Total	100.0%	100.0%

By Industry Sector	March 31, 2017	September 30, 2016
Energy	29.2%	26.7%
Financials	24.0%	19.9%
Consumer Discretionary	18.2%	16.6%
Industrials	10.8%	14.1%
Consumer Staples	9.5%	6.0%
Other Net Assets (Liabilities)	8.3%	16.7%
Total	100.0%	100.0%

Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2017 and September 30, 2016, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 5% in relation to each of the other currencies, with all other variables held constant.

March 31, 2017

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	855	366,082	366,937	43	18,304	18,347
Total	855	366,082	366,937	43	18,304	18,347
% of net assets attributable to holders of redeemable units	0.1%	62.5%	62.6%	-	3.1%	3.1%

September 30, 2016

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

Interest Rate Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to interest rate risk.

Credit Risk

As at March 31, 2017 and September 30, 2016, the Fund did not have significant direct exposure to credit risk.

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

Liquidity Risk

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

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

As at March 31, 2017 and September 30, 2016, the Fund did not have any borrowings.

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

(c) FAIR VALUE MEASUREMENTS

The following tables illustrate the classification of the Fund's financial instruments within the fair value hierarchy as at March 31, 2017 and September 30, 2016.

	Assets at fair value as at March 31, 2017			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	537,270	-	-	537,270
Total	537,270	-	-	537,270

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

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

(d) Structured Entities

As at March 31, 2017 and September 30, 2016 the Fund did not have any investments in ETFs.

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 under the laws of Ontario in Canada and governed by a Master Declaration of Trust as amended and restated from time to time. The Funds offer units to the public under a simplified prospectus dated April 20, 2017, as may be amended from time to time (Prospectus). The Funds were formed and related series commenced operations on the following dates:

Name of Fund	Formation Date of Fund	Commencement of Operations		
		Series A, Series F	Series A2 (note 1b)	Series G (note 1c)
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, Suite 100, Burlington, Ontario L7P 4V7. Effective October 19, 2015, the Funds changed custodians from Citibank Canada to CIBC Mellon Trust Company. These financial statements are presented in Canadian dollars and were authorized for issue by the board of directors of the Manager on May 17, 2017. The Funds are authorized to issue an unlimited number of units in an unlimited number of series.

The statements of financial position of the Funds are as at March 31, 2017 and September 30, 2016. The statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows of the Funds are for the 6 month period ended March 31, 2017 and March 31, 2016.

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 Restructuring

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

c) Effective April 20, 2017 the decision was made to cease offering Series G units. All Series G units of Portland Canadian Balanced Fund and Portland Advantage Fund were redeemed prior to March 31, 2017. All other Series G units were redeemed as of April 28, 2017.

2. BASIS OF PRESENTATION

The financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB).

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 and options' in the statements of comprehensive income.

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

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

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

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

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

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

Fair value measurement

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

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

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

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

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

Structured Entities

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

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

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

Revenue recognition

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

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

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

Cash and cash equivalents

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

Cost of investments

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

Redeemable units

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

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

Expenses

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

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

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

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

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

Distribution to the Unitholders

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

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

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

Collateral

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

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

Future accounting changes

IFRS 9, Financial Instruments

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Fair value measurement of investments not quoted in an active market

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

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

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

Functional and presentation currency

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

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

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

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

Price risk

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

Interest rate risk

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

Currency risk

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

Liquidity risk

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

Credit risk

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

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

Fair value of financial instruments

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

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3 - inputs are unobservable for the asset or liability.

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

6. REDEEMABLE UNITS

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

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

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

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

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

The number of units issued and outstanding for the period ended March 31, 2017 was as follows:

	Balance, Beginning of Period	Units Issued	Units Reinvested	Units Redeemed	Balance, End of Period	Weighted Average Number of Units
Portland Advantage Fund						
Series A Units	235,362	4,093	3,372	5,520	237,307	235,770
Series F Units	255,828	2,529	6,425	40,286	224,496	244,065
Series G Units	102	-	1	103	-	89
Portland Canadian Balanced Fund						
Series A Units	188,496	54,531	3,545	5,270	241,302	200,669
Series F Units	227,788	41,936	6,915	7,422	269,217	248,428
Series G Units	91	-	2	93	-	80
Portland Canadian Focused Fund						
Series A Units	133,584	78,083	5,874	14,401	203,140	158,929
Series F Units	569,929	121,344	32,884	33,067	691,090	627,292
Series G Units	1,110	-	47	92	1,065	1,124
Portland Global Banks Fund						
Series A Units	35,744	4,030	848	-	40,622	40,622
Series A2 Units	634,956	5,385	14,143	74,633	579,851	579,851
Series F Units	21,532	65	417	4,833	17,181	17,181
Portland Global Income Fund						
Series A Units	79,618	14,838	1,586	320	95,722	83,981
Series A2 Units	364,590	26,735	7,963	52,764	346,524	341,856
Series F Units	113,958	6,402	2,408	14,519	108,249	109,623
Portland Global Dividend Fund						
Series A Units	13,402	-	181	6,935	6,648	12,334
Series A2 Units	593,551	364	12,209	81,379	524,745	549,629
Series F Units	179,954	56	4,329	46,875	137,464	163,127
Portland Value Fund						
Series A Units	53,522	1,369	304	9,363	45,832	50,333
Series F Units	19,316	6,497	242	288	25,767	20,550

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

	Balance, Beginning of Period	Units Issued	Units Reinvested	Units Redeemed	Balance, End of Period	Weighted Average Number of Units
Portland Advantage Fund						
Series A Units	244,347	24,347	5,602	38,934	235,362	244,637
Series F Units	227,399	37,355	8,647	17,573	255,828	253,915
Series G Units	600	206	15	719	102	292

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

7. TAXATION

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

Portland Value Fund may incur Minimum Tax (as defined in the Income Tax Act (Canada)) since it is a unit trust. Minimum Tax is reflected as an expense on the statements of comprehensive income, if applicable.

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

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

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

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

	Total (\$)
Portland Global Banks Fund	159,072,011
Portland Global Income Fund	23,140,077
Portland Global Dividend Fund	26,866,722

8. MANAGEMENT FEES AND EXPENSES

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

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

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

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

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

9. SOFT DOLLARS

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

In addition to the foregoing, effective January 1, 2016, the Manager may use third party research, which is generally also available on a subscription basis, the value of which will be used to approximate the value of research and other similar services received from third parties through commission sharing arrangements with executing brokers. The ascertainable value of the third party soft dollar arrangements in connection with portfolio transactions for the periods ended March 31, 2017 and March 31, 2016 are presented in the table below:

For the period ended	March 31, 2017 (\$)	March 31, 2016 (\$)
Portland Advantage Fund	167	80
Portland Canadian Balanced Fund	-	-
Portland Canadian Focused Fund	-	-
Portland Global Banks Fund	18	147
Portland Global Income Fund	31	26
Portland Global Dividend Fund	50	45
Portland Value Fund	23	20

10. RELATED PARTY TRANSACTIONS

The following tables outline the management fees and operating expense reimbursements that were paid to the Manager by the Funds during the periods ended March 31, 2017 and March 31, 2016. The tables include the amount of operating expense reimbursement that was paid to affiliates of the Manager for administrative services provided in managing the day-to-day operation of the Funds and the amount of additional absorbed operating expenses that the Manager chose not to charge to the Funds. All of the dollar amounts in the tables below exclude applicable GST or HST:

Period ended March 31, 2017	Management Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	40,474	14,184	48,165	1,382
Portland Canadian Balanced Fund	42,250	16,252	34,800	1,382
Portland Canadian Focused Fund	63,453	28,936	19,380	1,382
Portland Global Banks Fund	62,609	17,960	58,665	1,382
Portland Global Income Fund	38,702	13,236	55,060	1,382
Portland Global Dividend Fund	53,348	16,461	57,010	1,382
Portland Value Fund	5,079	1,498	50,800	1,349

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

The Funds owed the following amounts to the Manager as at March 31, 2017 and September 30, 2016 (excluding applicable GST or HST):

Period ended March 31, 2017	Management Fees (\$)	Operating Expense Reimbursement (\$)
Portland Advantage Fund	6,942	2,389
Portland Canadian Balanced Fund	8,394	3,174
Portland Canadian Focused Fund	12,931	5,664
Portland Global Banks Fund	11,045	3,165
Portland Global Income Fund	6,878	2,333
Portland Global Dividend Fund	8,720	2,657
Portland Value Fund	818	251

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

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

	March 31, 2017	September 30, 2016
Portland Advantage Fund	12.1%	9.5%
Portland Canadian Balanced Fund	1.7%	1.9%
Portland Canadian Focused Fund	1.3%	1.5%
Portland Global Banks Fund	0.1%	1.3%
Portland Global Income Fund	2.2%	2.4%
Portland Global Dividend Fund	0.1%	0.7%
Portland Value Fund	21.4%	20.8%

11. BROKERAGE FACILITY

As of March 31, 2017 and September 30, 2016, each of Portland Global Banks Fund, Portland Global Income Fund and Portland Global Dividend Fund had a Settlement Services Agreement with RBC Dominion Securities Inc. (RBCDS), and has placed securities and cash on account with RBCDS as collateral for their option writing strategy. In the event of default, including failure to make any payment or delivery to RBCDS, RBCDS may freeze the collateral property and cease the provision of settlement services. In such circumstances, RBCDS has the right to set off the collateral property to reduce or eliminate the amount owed to them. RBCDS also has the right to sell or otherwise dispose of the collateral property held on account for the Funds in order to set off against amounts owing to them from the Funds. Non-cash collateral has been classified separately within the statements of financial position from other assets and is identified as 'Investments - pledged as collateral'. Cash collateral has been classified separately on the statements of financial position as 'Margin accounts'.

12. COMPARISON OF NET ASSET VALUE

As at March 31, 2017 and September 30, 2016, there was no difference between the NAV per unit used for transactional purposes and the net assets attributable to holders of redeemable units per unit in these financial statements.

Statement of Corporate Governance Practices

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



Commissions, service fees, management fees and expenses may be associated with investment funds. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The views and opinions contained in this report are as of March 31, 2017 and this report is not intended to provide legal, accounting, tax or specific investment advice. Please read the prospectus before investing. PORTLAND, PORTLAND INVESTMENT COUNSEL and the Clock Tower Design are registered trademarks of Portland Holdings Inc. Used under licence by Portland Investment Counsel Inc.

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