



**PORTLAND**  
INVESTMENT COUNSEL®

PORTLAND MUTUAL FUNDS  
**INTERIM FINANCIAL REPORT**

MARCH 31, 2018

# PORTLAND MUTUAL FUNDS INTERIM FINANCIAL REPORT

MARCH 31, 2018

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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, Portland Value Fund and Portland 15 of 15 Fund (the Funds) have been prepared by Portland Investment Counsel Inc. in its capacity as manager (the 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 15, 2018**

*"Robert Almeida"*

**Robert Almeida,  
Director  
May 15, 2018**

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 30, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 9,616	\$ 35,886
Subscriptions receivable	263	333
Dividends receivable	7,802	8,604
Investments (note 5)	3,844,832	4,666,466
	<u>3,862,513</u>	<u>4,711,289</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	5,572	6,065
Expenses payable	1,915	2,151
Redemptions payable	17,908	-
	<u>25,395</u>	<u>8,216</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 3,837,118</u>	<u>\$ 4,703,073</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	2,096,211	2,424,788
Series F	1,740,907	2,278,285
Series G (note 1 (c))	-	-
	<u>\$ 3,837,118</u>	<u>\$ 4,703,073</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	184,521	203,582
Series F	149,623	185,761
Series G (note 1 (c))	-	-
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	11.36	11.91
Series F	11.64	12.26
Series G (note 1 (c))	-	-

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,	2018	2017
<b>Income</b>		
Net gain (loss) on investments		
Dividends	\$ 48,108	\$ 46,307
Interest for distribution purposes	4,588	16,809
Net realized gain (loss) on investments	(33,438)	(164,573)
Change in unrealized appreciation (depreciation) on investments	(139,258)	301,183
	<u>(120,000)</u>	<u>199,726</u>
<b>Other income</b>		
Foreign exchange gain (loss) on cash and other net assets	(539)	(329)
<b>Total income (net)</b>	<u>(120,539)</u>	<u>199,397</u>
<b>Expenses</b>		
Unitholder reporting costs	54,186	59,810
Management fees (note 8)	37,107	45,719
Audit fees	6,936	6,266
Legal fees	1,755	1,549
Independent review committee fees	1,576	1,775
Transaction costs	1,053	1,769
Custodial fees	939	1,032
Interest expense	71	7
Withholding tax expense	-	185
Total operating expenses	<u>103,623</u>	<u>118,112</u>
Less: expenses absorbed by Manager	(52,799)	(54,409)
Net operating expenses	<u>50,824</u>	<u>63,703</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ (171,363)</u>	<u>\$ 135,694</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	(101,357)	56,867
Series F	(70,006)	78,792
Series G	-	35
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	(0.52)	0.24
Series F	(0.40)	0.32
Series G	-	0.38

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,	2018	2017
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Series A	\$ 2,424,788	\$ 2,770,840
Series F	2,278,285	3,102,977
Series G	-	1,109
	<u>4,703,073</u>	<u>5,874,926</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Series A	(101,357)	56,867
Series F	(70,006)	78,792
Series G	-	35
	<u>(171,363)</u>	<u>135,694</u>
<b>Distributions to Holders of Redeemable Units</b>		
From net investment income		
Series A	(17)	(15,134)
Series F	(25,813)	(52,846)
Series G	-	-
	<u>(25,830)</u>	<u>(67,980)</u>
From net realized gains on investments		
Series A	-	(25,093)
Series F	-	(25,540)
Series G	-	(10)
	<u>-</u>	<u>(50,643)</u>
<b>Net Decrease from Distributions to Holders of Redeemable Units</b>	<u>(25,830)</u>	<u>(118,623)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Series A	29,426	48,341
Series F	4,705	30,011
Series G	-	-
	<u>34,131</u>	<u>78,352</u>
Reinvestments of distributions		
Series A	17	39,678
Series F	25,335	77,165
Series G	-	10
	<u>25,352</u>	<u>116,853</u>
Redemptions of redeemable units		
Series A	(256,646)	(64,380)
Series F	(471,599)	(487,643)
Series G	-	(1,144)
	<u>(728,245)</u>	<u>(553,167)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(668,762)</u>	<u>(357,962)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	2,096,211	2,811,119
Series F	1,740,907	2,722,916
Series G	-	-
	<u>\$ 3,837,118</u>	<u>\$ 5,534,035</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2018		2017	
<b>Cash Flows from Operating Activities</b>				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	(171,363)	\$	135,694
Adjustments for:				
Net realized (gain) loss on investments		33,438		164,573
Change in unrealized (appreciation) depreciation on investments		139,258		(301,183)
Unrealized foreign exchange (gain) loss on cash		-		2
(Increase) decrease in dividends receivable		802		1,090
Increase (decrease) in management fees and expenses payable		(729)		169
Purchase of investments		(67,925)		(453,459)
Proceeds from sale of investments		716,863		747,938
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>650,344</b>		<b>294,824</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(478)		(1,770)
Proceeds from redeemable units issued		34,201		78,977
Amount paid on redemption of redeemable units		(710,337)		(518,426)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>(676,614)</b>		<b>(441,219)</b>
Net increase (decrease) in cash and cash equivalents		(26,270)		(146,395)
Unrealized foreign exchange gain (loss) on cash		-		(2)
Cash and cash equivalents - beginning of period		35,886		178,864
<b>Cash and cash equivalents - end of period</b>		<b>9,616</b>		<b>32,467</b>
Cash and cash equivalents comprise:				
Cash at bank	\$	9,616	\$	32,467
<b>From operating activities:</b>				
Interest received, net of withholding tax	\$	4,588	\$	16,809
Dividends received, net of withholding tax	\$	48,910	\$	47,212
<b>From financing activities:</b>				
Interest paid	\$	(71)	\$	(7)

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Bermuda</b>				
3,660	Brookfield Infrastructure Partners L.P.	\$ 92,909	\$ 196,348	
7,325	Brookfield Property Partners L.P.	169,790	181,147	
5,690	Invesco Ltd.	207,794	234,656	
8,105	Liberty Latin America Ltd. Class A	303,541	203,098	
10,610	Liberty Latin America Ltd. Class C	444,394	260,949	
		<u>1,218,428</u>	<u>1,076,198</u>	<u>28.1%</u>
<b>Canada</b>				
38,780	Baytex Energy Corp.	215,854	136,893	
3,585	BCE Inc.	182,150	198,752	
10,200	Brookfield Asset Management Inc. Class A	365,812	512,244	
4,496	CI Financial Corp.	145,619	124,090	
23,277	Crescent Point Energy Corp.	578,730	203,907	
63,600	ECN Capital Corp.	200,207	218,784	
5,120	IGM Financial Inc.	238,741	192,870	
3,528	Northland Power Inc.	60,183	81,179	
2,860	The Bank of Nova Scotia	179,547	226,970	
3,215	The Toronto-Dominion Bank	159,051	235,049	
		<u>2,325,894</u>	<u>2,130,738</u>	<u>55.5%</u>
<b>Luxembourg</b>				
2,760	Millicom International Cellular SA	203,766	242,527	6.3%
<b>Panama</b>				
928	Copa Holdings SA Class A	124,634	153,789	4.0%
<b>United States</b>				
940	Berkshire Hathaway Inc. Class B	134,263	241,580	6.3%
	Total investment portfolio	4,006,985	3,844,832	100.2%
	Transaction costs	(13,477)	-	-
		<u>\$ 3,993,508</u>	<u>3,844,832</u>	<u>100.2%</u>
	Other assets less liabilities		(7,714)	(0.2%)
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 3,837,118</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, 2018:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	9,616	9,616
Subscriptions receivable	-	263	263
Dividends receivable	-	7,802	7,802
Investments	3,844,832	-	3,844,832
<b>Total</b>	<b>3,844,832</b>	<b>17,681</b>	<b>3,862,513</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	5,572	5,572
Expenses payable	-	1,915	1,915
Redemptions payable	-	17,908	17,908
<b>Total</b>	<b>-</b>	<b>25,395</b>	<b>25,395</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	35,886	35,886
Subscriptions receivable	-	333	333
Dividends receivable	-	8,604	8,604
Investments	4,666,466	-	4,666,466
<b>Total</b>	<b>4,666,466</b>	<b>44,823</b>	<b>4,711,289</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	6,065	6,065
Expenses payable	-	2,151	2,151
<b>Total</b>	<b>-</b>	<b>8,216</b>	<b>8,216</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the periods ended March 31, 2018 and March 31, 2017:

Category	Net gains (losses) (\$)	
	2018	2017
Financial assets at FVTPL:		
Designated at Inception	(120,000)	199,726
<b>Total</b>	<b>(120,000)</b>	<b>199,726</b>

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

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

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

If the price of investments held by the Fund on March 31, 2018 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 \$192,242 (September 30, 2017: \$233,323). 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, 2018 and September 30, 2017:

By Geographic Region	March 31, 2018	September 30, 2017
Canada	55.5%	54.5%
Bermuda	28.1%	19.2%
United States	6.3%	4.5%
Luxembourg	6.3%	5.9%
Panama	4.0%	3.4%
Other Net Assets (Liabilities)	(0.2%)	0.8%
United Kingdom	-	11.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2018	September 30, 2017
Asset Management & Custody Banks	27.7%	24.6%
Cable & Satellite	12.2%	11.7%
Diversified Banks	12.0%	9.9%
Oil & Gas Exploration & Production	8.9%	10.4%
Wireless Telecommunication Services	6.3%	5.9%
Multi-Sector Holdings	6.3%	4.5%
Specialized Finance	5.7%	5.4%
Integrated Telecommunication Services	5.2%	4.9%
Electric Utilities	5.1%	4.2%
Real Estate Operating Companies	4.7%	4.5%
Airlines	4.0%	3.4%
Independent Power Producers & Energy Traders	2.1%	4.6%
Other Net Assets (Liabilities)	(0.2%)	0.8%
Corporate Bonds	-	5.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Swedish Krona	-	242,528	242,528	-	12,126	12,126
United States Dollar	2,216	1,290,419	1,292,635	111	64,521	64,632
<b>Total</b>	<b>2,216</b>	<b>1,532,947</b>	<b>1,535,163</b>	<b>111</b>	<b>76,647</b>	<b>76,758</b>
% of net assets attributable to holders of redeemable units	0.1%	39.9%	40.0%	-	2.0%	2.0%

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

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Swedish Krona	-	278,727	278,727	-	13,936	13,936
United States Dollar	12,280	1,613,056	1,625,336	614	80,653	81,267
<b>Total</b>	<b>12,280</b>	<b>1,891,783</b>	<b>1,904,063</b>	<b>614</b>	<b>94,589</b>	<b>95,203</b>
% of net assets attributable to holders of redeemable units	0.3%	40.2%	40.5%	-	2.0%	2.0%

### Interest Rate Risk

As at March 31, 2018 and September 30, 2017, the Fund did not have significant direct exposure to interest rate risk.

### Credit Risk

As at March 31, 2018 and September 30, 2017, 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 and payable for investments purchased, 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.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, 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, 2018 and September 30, 2017:

	Assets at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	3,844,832	-	-	3,844,832
<b>Total</b>	<b>3,844,832</b>	<b>-</b>	<b>-</b>	<b>3,844,832</b>

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	4,422,686	-	-	4,422,686
Bonds - Long	-	243,780	-	243,780
<b>Total</b>	<b>4,422,686</b>	<b>243,780</b>	<b>-</b>	<b>4,666,466</b>

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

### (d) STRUCTURED ENTITIES

As at March 31, 2018 and September 30, 2017, the Fund did not have any investments in structured entities.

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 30, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 104,684	\$ 510,065
Subscriptions receivable	59,636	39,657
Dividends receivable	17,650	20,775
Investments (note 5)	9,492,304	7,613,920
	<u>9,674,274</u>	<u>8,184,417</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	11,546	9,310
Expenses payable	4,680	3,712
Redemptions payable	2,131	-
	<u>18,357</u>	<u>13,022</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 9,655,917</u>	<u>\$ 8,171,395</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	4,234,956	3,810,804
Series F	5,420,961	4,360,591
Series G (note 1 (c))	-	-
	<u>\$ 9,655,917</u>	<u>\$ 8,171,395</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	288,567	254,066
Series F	359,740	281,449
Series G (note 1 (c))	-	-
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	14.68	15.00
Series F	15.07	15.49
Series G (note 1 (c))	-	-

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,	2018	2017
<b>Income</b>		
Net gain (loss) on investments		
Dividends	\$ 133,866	\$ 91,869
Interest for distribution purposes	19,096	3,726
Net realized gain (loss) on investments	203,604	172,167
Change in unrealized appreciation (depreciation) on investments	(204,934)	578,373
	<u>151,632</u>	<u>846,135</u>
<b>Other income</b>		
Foreign exchange gain (loss) on cash and other net assets	(2,737)	(3,210)
<b>Total income (net)</b>	<u>148,895</u>	<u>842,925</u>
<b>Expenses</b>		
Management fees (note 8)	69,253	47,732
Unitholder reporting costs	43,496	46,222
Audit fees	6,931	6,264
Withholding tax expense	1,956	1,446
Custodial fees	1,819	1,143
Legal fees	1,755	2,243
Independent review committee fees	1,575	1,774
Transaction costs	427	719
Total operating expenses	<u>127,212</u>	<u>107,543</u>
Less: expenses absorbed by Manager	(29,196)	(39,295)
Net operating expenses	<u>98,016</u>	<u>68,248</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 50,879</u>	<u>\$ 774,677</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	22,894	327,787
Series F	27,985	446,742
Series G	-	148
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.08	1.63
Series F	0.08	1.80
Series G	-	1.84

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,	2018		2017	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	3,810,804	\$	2,525,072
Series F		4,360,591		3,139,072
Series G		-		1,111
		<u>8,171,395</u>		<u>5,665,255</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		22,894		327,787
Series F		27,985		446,742
Series G		-		148
		<u>50,879</u>		<u>774,677</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income				
Series A		(3,084)		-
Series F		(54,503)		(31,169)
Series G		-		-
		<u>(57,587)</u>		<u>(31,169)</u>
From net realized gains on investments				
Series A		(122,227)		(56,613)
Series F		(166,009)		(71,648)
Series G		-		(25)
		<u>(288,236)</u>		<u>(128,286)</u>
<b>Net Decrease from Distributions to Holders of Redeemable Units</b>		<u>(345,823)</u>		<u>(159,455)</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		717,238		798,716
Series F		2,027,720		616,913
Series G		-		-
		<u>2,744,958</u>		<u>1,415,629</u>
Reinvestments of distributions				
Series A		111,065		51,039
Series F		218,064		101,955
Series G		-		25
		<u>329,129</u>		<u>153,019</u>
Redemptions of redeemable units				
Series A		(301,734)		(75,801)
Series F		(992,887)		(110,745)
Series G		-		(1,259)
		<u>(1,294,621)</u>		<u>(187,805)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>1,779,466</u>		<u>1,380,843</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>				
Series A		4,234,956		3,570,200
Series F		5,420,961		4,091,120
Series G		-		-
	\$	<u>9,655,917</u>	\$	<u>7,661,320</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2018		2017	
<b>Cash Flows from Operating Activities</b>				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	50,879	\$	774,677
Adjustments for:				
Net realized (gain) loss on investments		(203,604)		(172,167)
Change in unrealized (appreciation) depreciation on investments		204,934		(578,373)
Unrealized foreign exchange (gain) loss on cash		-		(340)
(Increase) decrease in dividends receivable		3,125		(964)
Increase (decrease) in management fees and expenses payable		3,204		3,353
Purchase of investments		(2,569,890)		(2,078,359)
Proceeds from sale of investments		690,176		1,101,471
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>(1,821,176)</b>		<b>(950,702)</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(16,694)		(6,436)
Proceeds from redeemable units issued		2,707,783		1,369,821
Amount paid on redemption of redeemable units		(1,275,294)		(192,139)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>1,415,795</b>		<b>1,171,246</b>
Net increase (decrease) in cash and cash equivalents		(405,381)		220,544
Unrealized foreign exchange gain (loss) on cash		-		340
Cash and cash equivalents - beginning of period		510,065		579,321
<b>Cash and cash equivalents - end of period</b>		<b>104,684</b>		<b>800,205</b>
Cash and cash equivalents comprise:				
Cash at bank		104,684		200,327
Short-term investments		-		599,878
	\$	<b>104,684</b>	\$	<b>800,205</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax	\$	19,096	\$	3,726
Dividends received, net of withholding tax	\$	135,035	\$	89,459

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES - Preferred</b>				
<b>Canada</b>				
32,000	BMO Laddered Preferred Share Index ETF	\$ 317,857	\$ 371,520	
39,000	Horizons Active Preferred Share ETF	321,854	373,620	
26,000	iShares S&P/TSX Canadian Preferred Share Index ETF	329,194	368,420	
	Total equities - preferred	968,905	1,113,560	11.5%
<b>EQUITIES</b>				
<b>Canada</b>				
8,100	Canadian Imperial Bank of Commerce	\$ 842,783	\$ 921,132	
14,675	Emera Incorporated	656,800	598,153	
3,000	Bank of Montreal	226,160	291,960	
18,280	Fortis Inc.	720,464	794,997	
13,100	Power Financial Corporation	415,322	422,606	
37,400	RioCan Real Estate Investment Trust	923,195	884,136	
9,500	Royal Bank of Canada	859,731	945,440	
11,900	The Bank of Nova Scotia	889,420	944,384	
12,600	The Toronto-Dominion Bank	764,814	921,186	
		6,298,689	6,723,994	69.7%
<b>United States</b>				
600	Berkshire Hathaway Inc. Class B	103,995	154,200	
5,600	Time Warner Inc.	656,961	682,372	
9,700	Walgreens Boots Alliance, Inc.	814,794	818,178	
		1,575,750	1,654,750	17.1%
	Total equities - common	7,874,439	8,378,744	86.8%
	Total investment portfolio	8,843,344	9,492,304	98.3%
	Transaction costs	(1,191)	-	-
		\$ 8,842,153	9,492,304	98.3%
	Other assets less liabilities		163,613	1.7%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 9,655,917	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, 2018:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	104,684	104,684
Subscriptions receivable	-	59,636	59,636
Dividends receivable	-	17,650	17,650
Investments	9,492,304	-	9,492,304
<b>Total</b>	<b>9,492,304</b>	<b>181,970</b>	<b>9,674,274</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	11,546	11,546
Expenses payable	-	4,680	4,680
Redemptions payable	-	2,131	2,131
<b>Total</b>	<b>-</b>	<b>18,357</b>	<b>18,357</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	510,065	510,065
Subscriptions receivable	-	39,657	39,657
Dividends receivable	-	20,775	20,775
Investments	7,613,920	-	7,613,920
<b>Total</b>	<b>7,613,920</b>	<b>570,497</b>	<b>8,184,417</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	9,310	9,310
Expenses payable	-	3,712	3,712
<b>Total</b>	<b>-</b>	<b>13,022</b>	<b>13,022</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the periods ended March 31, 2018 and March 31, 2017:

Category	Net gains (losses) (\$)	
	2018	2017
Financial assets at FVTPL:		
Designated at Inception	149,845	844,246
<b>Total</b>	<b>149,845</b>	<b>844,246</b>

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

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

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

If the price of investments held by the Fund on March 31, 2018 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 \$474,615 (September 30, 2017: \$380,696). Actual results may differ from the above sensitivity analysis and the difference could be material.

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

### Concentration Risk

The following tables present the Fund's exposure as a percentage of its net assets attributable to holders of redeemable units by geographic region and industry sector as at March 31, 2018 and September 30, 2017:

By Geographic Sector	March 31, 2018	September 30, 2017
Canadian Equity	69.7%	70.0%
Canadian Fixed Income	11.5%	13.6%
U.S. Equity	17.1%	9.6%
Other Net Assets (Liabilities)	1.7%	6.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2018	September 30, 2017
Financials	47.7%	52.3%
Utilities	14.4%	17.8%
Exchange Traded Funds	11.5%	13.5%
Real Estate	9.2%	9.6%
Consumer Staples	8.4%	-
Consumer Discretionary	7.1%	-
Other Net Assets (Liabilities)	1.7%	6.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be directly 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 direct exposure at March 31, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	1,654,750	1,654,750	-	82,738	82,738
<b>Total</b>	-	<b>1,654,750</b>	<b>1,654,750</b>	-	<b>82,738</b>	<b>82,738</b>
% of net assets attributable to holders of redeemable units	-	17.1%	17.1%	-	0.9%	0.9%

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	782,353	782,353	-	39,118	39,118
<b>Total</b>	-	<b>782,353</b>	<b>782,353</b>	-	<b>39,118</b>	<b>39,118</b>
% of net assets attributable to holders of redeemable units	-	9.6%	9.6%	-	0.5%	0.5%

### Interest Rate Risk

As at March 31, 2018 and September 30, 2017, 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 preferred share ETFs.

### Credit Risk

As at March 31, 2018 and September 30, 2017, 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 redemptions 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.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, 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, 2018 and September 30, 2017:

	Assets at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	9,492,304	-	-	9,492,304
<b>Total</b>	<b>9,492,304</b>	<b>-</b>	<b>-</b>	<b>9,492,304</b>

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	7,613,920	-	-	7,613,920
<b>Total</b>	<b>7,613,920</b>	<b>-</b>	<b>-</b>	<b>7,613,920</b>

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

## (d) STRUCTURED ENTITIES

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

The Fund's investments in ETFs as at March 31, 2018 and September 30, 2017 are summarized below:

	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$)	% of ETF's Net Assets
<b>March 31, 2018</b>			
Horizons Active Preferred Share ETF	373,620	1,649,600,000	-
BMO Laddered Preferred Share Index ETF	371,520	2,139,040,000	-
iShares S&P/TSX Canadian Preferred Share Index ETF	368,420	1,521,150,000	-

	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$)	% of ETF's Net Assets
<b>September 30, 2017</b>			
BMO Laddered Preferred Share Index ETF	370,560	2,232,620,000	-
Horizons Active Preferred Share ETF	369,330	1,360,730,000	-
iShares S&P/TSX Canadian Preferred Share Index ETF	368,160	1,485,040,000	-

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 30, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 416,560	\$ 2,566,984
Subscriptions receivable	42,642	34,510
Dividends receivable	26,335	33,294
Investments (note 5)	16,248,799	12,544,917
	<u>16,734,336</u>	<u>15,179,705</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	18,286	15,171
Expenses payable	7,997	6,861
Redemptions payable	1,500	-
	<u>27,783</u>	<u>22,032</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 16,706,553</u>	<u>\$ 15,157,673</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	4,891,327	4,270,287
Series F	11,815,226	10,887,386
Series G (note 1 (c))	-	-
	<u>\$ 16,706,553</u>	<u>\$ 15,157,673</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	343,022	291,969
Series F	782,273	707,465
Series G (note 1 (c))	-	-
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	14.26	14.63
Series F	15.10	15.39
Series G (note 1 (c))	-	-

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,	2018	2017
<b>Income</b>		
Net gain (loss) on investments		
Dividends	\$ 219,750	\$ 160,953
Interest for distribution purposes	35,209	3,762
Net realized gain (loss) on investments	291,737	384,986
Change in unrealized appreciation (depreciation) on investments	(252,647)	1,018,365
	<u>294,049</u>	<u>1,568,066</u>
<b>Other income</b>		
Foreign exchange gain (loss) on cash and other net assets	(8,961)	(7,018)
<b>Total income (net)</b>	<u>285,088</u>	<u>1,561,048</u>
<b>Expenses</b>		
Management fees (note 8)	111,568	71,664
Unitholder reporting costs	51,974	42,790
Audit fees	6,927	6,261
Withholding tax expense	4,280	3,992
Custodial fees	3,021	1,464
Legal fees	1,753	2,242
Independent review committee fees	1,575	1,773
Transaction costs	845	802
Total operating expenses	<u>181,943</u>	<u>130,988</u>
Less: expenses absorbed by Manager	(19,210)	(21,873)
Net operating expenses	<u>162,733</u>	<u>109,115</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 122,355</u>	<u>\$ 1,451,933</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	14,282	259,694
Series F	108,073	1,190,232
Series G	-	2,007
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.04	1.63
Series F	0.15	1.90
Series G	-	1.79

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,	2018		2017	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	4,270,287	\$	1,777,168
Series F		10,887,386		7,976,763
Series G		-		14,433
		<u>15,157,673</u>		<u>9,768,364</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		14,282		259,694
Series F		108,073		1,190,232
Series G		-		2,007
		<u>122,355</u>		<u>1,451,933</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income				
Series A		(14,985)		-
Series F		(79,636)		(104,607)
Series G		-		-
		<u>(94,621)</u>		<u>(104,607)</u>
From net realized gains on investments				
Series A		(139,834)		(83,708)
Series F		(283,855)		(385,771)
Series G		-		(658)
		<u>(423,689)</u>		<u>(470,137)</u>
<b>Net Decrease from Distributions to Holders of Redeemable Units</b>		<u>(518,310)</u>		<u>(574,744)</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		851,922		1,118,271
Series F		2,891,264		1,828,969
Series G		-		-
		<u>3,743,186</u>		<u>2,947,240</u>
Reinvestments of distributions				
Series A		153,908		83,708
Series F		360,908		488,857
Series G		-		658
		<u>514,816</u>		<u>573,223</u>
Redemptions of redeemable units				
Series A		(244,253)		(204,416)
Series F		(2,068,914)		(490,007)
Series G		-		(1,313)
		<u>(2,313,167)</u>		<u>(695,736)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>1,944,835</u>		<u>2,824,727</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>				
Series A		4,891,327		2,950,717
Series F		11,815,226		10,504,436
Series G (note 1 (c))		-		15,127
	\$	<u>16,706,553</u>	\$	<u>13,470,280</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2018		2017	
<b>Cash Flows from Operating Activities</b>				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	122,355	\$	1,451,933
Adjustments for:				
Net realized (gain) loss on investments		(291,737)		(384,986)
Change in unrealized (appreciation) depreciation on investments		252,647		(1,018,365)
Unrealized foreign exchange (gain) loss on cash		-		(641)
(Increase) decrease in dividends receivable		6,959		1,007
Increase (decrease) in management fees and expenses payable		4,251		6,296
Purchase of investments		(4,618,347)		(2,807,243)
Proceeds from sale of investments		953,555		2,337,496
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>(3,570,317)</b>		<b>(414,503)</b>
<b>Cash Flows from Financing Activities</b>				
Distributions to holders of redeemable units, net of reinvested distributions		(3,494)		(1,521)
Proceeds from redeemable units issued		3,651,186		2,831,146
Amount paid on redemption of redeemable units		(2,227,799)		(584,592)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>1,419,893</b>		<b>2,245,033</b>
Net increase (decrease) in cash and cash equivalents		(2,150,424)		1,830,530
Unrealized foreign exchange gain (loss) on cash		-		641
Cash and cash equivalents - beginning of period		2,566,984		264,695
<b>Cash and cash equivalents - end of period</b>		<b>416,560</b>		<b>2,095,866</b>
Cash and cash equivalents comprise:				
Cash at bank		416,560		346,222
Short-term investments		-		1,749,644
	\$	<b>416,560</b>	\$	<b>2,095,866</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax	\$	35,209	\$	3,762
Dividends received, net of withholding tax	\$	222,429	\$	157,968

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Canada</b>				
9,110	Bank of Montreal	\$ 702,280	\$ 886,585	
13,900	Canadian Imperial Bank of Commerce	1,418,831	1,580,708	
27,120	Emera Incorporated	1,213,442	1,105,411	
31,118	Fortis Inc.	1,212,521	1,353,322	
42,100	Power Financial Corporation	1,368,791	1,358,146	
65,400	RioCan Real Estate Investment Trust	1,616,233	1,546,056	
16,100	Royal Bank of Canada	1,377,720	1,602,272	
20,300	The Bank of Nova Scotia	1,490,996	1,611,008	
21,400	The Toronto-Dominion Bank	1,239,671	1,564,554	
		<u>11,640,485</u>	<u>12,608,062</u>	<u>75.5%</u>
<b>United States</b>				
3,200	Berkshire Hathaway Inc. Class B	554,640	822,400	
10,600	Time Warner Inc.	1,242,962	1,291,633	
18,100	Walgreens Boots Alliance, Inc.	1,520,056	1,526,704	
		<u>3,317,658</u>	<u>3,640,737</u>	<u>21.8%</u>
	Total investment portfolio	14,958,143	16,248,799	97.3%
	Transaction costs	(2,304)	-	-
		<u>\$ 14,955,839</u>	<u>16,248,799</u>	<u>97.3%</u>
	Other assets less liabilities		457,754	2.7%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 16,706,553</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, 2018:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	416,560	416,560
Subscriptions receivable	-	42,642	42,642
Dividends receivable	-	26,335	26,335
Investments	16,248,799	-	16,248,799
<b>Total</b>	<b>16,248,799</b>	<b>485,537</b>	<b>16,734,336</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	18,286	18,286
Expenses payable	-	7,997	7,997
Redemptions payable	-	1,500	1,500
<b>Total</b>	<b>-</b>	<b>27,783</b>	<b>27,783</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	2,566,984	2,566,984
Subscriptions receivable	-	34,510	34,510
Dividends receivable	-	33,294	33,294
Investments	12,544,917	-	12,544,917
<b>Total</b>	<b>12,544,917</b>	<b>2,634,788</b>	<b>15,179,705</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	15,171	15,171
Expenses payable	-	6,861	6,861
<b>Total</b>	<b>-</b>	<b>22,032</b>	<b>22,032</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the periods ended March 31, 2018 and March 31, 2017:

Category	Net gains (losses) (\$)	
	2018	2017
Financial assets at FVTPL:		
Designated at Inception	289,924	1,564,775
<b>Total</b>	<b>289,924</b>	<b>1,564,775</b>

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

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

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

If the price of investments held by the Fund on March 31, 2018 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 \$812,440 (September 30, 2017: \$627,246). 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, 2018 and September 30, 2017:

By Geographic Region	March 31, 2018	September 30, 2017
Canada	75.5%	72.1%
United States	21.8%	10.7%
Other Net Assets (Liabilities)	2.7%	17.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2018	September 30, 2017
Financials	56.4%	55.9%
Utilities	14.7%	17.3%
Real Estate	9.3%	9.6%
Consumer Staples	9.2%	-
Consumer Discretionary	7.7%	-
Other Net Assets (Liabilities)	2.7%	17.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	3,640,737	3,640,737	-	182,037	182,037
<b>Total</b>	<b>-</b>	<b>3,640,737</b>	<b>3,640,737</b>	<b>-</b>	<b>182,037</b>	<b>182,037</b>
% of net assets attributable to holders of redeemable units	-	21.8%	21.8%	-	1.1%	1.1%

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	-	1,615,483	1,615,483	-	80,774	80,774
<b>Total</b>	<b>-</b>	<b>1,615,483</b>	<b>1,615,483</b>	<b>-</b>	<b>80,774</b>	<b>80,774</b>
% of net assets attributable to holders of redeemable units	-	10.7%	10.7%	-	0.5%	0.5%

## Interest Rate Risk

As at March 31, 2018 and September 30, 2017, the Fund did not have significant direct exposure to interest rate risk.

## Credit Risk

As at March 31, 2018 and September 30, 2017, 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 and payable for investments purchased, 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.

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

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, 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, 2018 and September 30, 2017:

	Assets at fair value as at March 31, 2018			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	16,248,799	-	-	16,248,799
<b>Total</b>	<b>16,248,799</b>	<b>-</b>	<b>-</b>	<b>16,248,799</b>

	Assets at fair value as at September 30, 2017			Total (\$)
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	
Equities - Long	12,544,917	-	-	12,544,917
<b>Total</b>	<b>12,544,917</b>	<b>-</b>	<b>-</b>	<b>12,544,917</b>

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

### (d) STRUCTURED ENTITIES

As at March 31, 2018 and September 30, 2017, the Fund did not have any investments in structured entities.

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 30, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 70,752	\$ 137,038
Margin accounts (note 11)	-	6,668
Subscriptions receivable	49	-
Interest receivable	6	2
Dividends receivable	25,485	1,349
Investments (note 5)	6,567,587	6,538,737
Investments - pledged as collateral (note 5 and 11)	33,720	447,608
Derivative assets	4,555	-
	<u>6,702,154</u>	<u>7,131,402</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	11,290	10,669
Expenses payable	3,249	3,054
Redemptions payable	-	7,044
Derivative liabilities	19,171	35,330
	<u>33,710</u>	<u>56,097</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 6,668,444</u>	<u>\$ 7,075,305</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	468,734	504,601
Series A2	5,977,988	6,396,290
Series F	221,722	174,414
	<u>\$ 6,668,444</u>	<u>\$ 7,075,305</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	39,471	44,370
Series A2	496,082	555,479
Series F	17,742	14,672
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	11.88	11.37
Series A2	12.05	11.51
Series F	12.50	11.89

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,	2018	2017
<b>Income</b>		
Net gain (loss) on investments and derivatives		
Dividends	\$ 60,461	\$ 60,190
Interest for distribution purposes	358	285
Net realized gain (loss) on investments and options	419,672	398,414
Net realized gain (loss) on forward currency contracts	(92,667)	1,065
Change in unrealized appreciation (depreciation) on investments and derivatives	175,421	1,482,303
	<u>563,245</u>	<u>1,942,257</u>
<b>Other income</b>		
Foreign exchange gain (loss) on cash and other net assets	1,808	(5,721)
<b>Total income (net)</b>	<u>565,053</u>	<u>1,936,536</u>
<b>Expenses</b>		
Unitholder reporting costs	73,591	73,925
Management fees (note 8)	66,985	68,548
Audit fees	6,718	6,073
Custodial fees	2,596	-
Legal fees	1,700	2,175
Independent review committee fees	1,527	1,721
Transaction costs	1,191	1,798
Interest expense	9	104
Withholding tax expense (reclaims)	(14,052)	6,578
Total operating expenses	<u>140,265</u>	<u>160,922</u>
Less: expenses absorbed by Manager	(66,916)	(64,230)
Net operating expenses	<u>73,349</u>	<u>96,692</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 491,704</u>	<u>\$ 1,839,844</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	31,633	95,657
Series A2	447,100	1,692,883
Series F	12,971	51,304
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.79	2.57
Series A2	0.86	2.79
Series F	0.81	2.88

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,	2018		2017	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	504,601	\$	316,018
Series A2		6,396,290		5,660,292
Series F		174,414		196,398
		<u>7,075,305</u>		<u>6,172,708</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		31,633		95,657
Series A2		447,100		1,692,883
Series F		12,971		51,304
		<u>491,704</u>		<u>1,839,844</u>
<b>Distributions to Holders of Redeemable Units</b>				
From return of capital				
Series A		(11,267)		(10,159)
Series A2		(147,647)		(162,290)
Series F		(4,611)		(4,653)
<b>Net Decrease from Distributions to Holders of Redeemable Units</b>		<u>(163,525)</u>		<u>(177,102)</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		-		46,150
Series A2		52,954		62,030
Series F		63,233		602
		<u>116,187</u>		<u>108,782</u>
Reinvestments of distributions				
Series A		9,881		9,186
Series A2		140,528		153,907
Series F		3,678		4,653
		<u>154,087</u>		<u>167,746</u>
Redemptions of redeemable units				
Series A		(66,114)		-
Series A2		(911,237)		(818,013)
Series F		(27,963)		(47,675)
		<u>(1,005,314)</u>		<u>(865,688)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>(735,040)</u>		<u>(589,160)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>				
Series A		468,734		456,852
Series A2		5,977,988		6,588,809
Series F		221,722		200,629
	\$	<u>6,668,444</u>	\$	<u>7,246,290</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2018		2017	
<b>Cash Flows from Operating Activities</b>				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	491,704	\$	1,839,844
Adjustments for:				
Net realized (gain) loss on investments and options		(419,672)		(398,414)
Change in unrealized (appreciation) depreciation on investments and derivatives		(175,421)		(1,482,303)
Unrealized foreign exchange (gain) loss on cash		(151)		(678)
(Increase) decrease in interest receivable		(4)		-
(Increase) decrease in dividends receivable		(24,136)		(8,261)
Increase (decrease) in management fees and expenses payable		816		2,893
Purchase of investments		(58,249)		(394,940)
Proceeds from sale of investments		1,017,666		1,156,934
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>832,553</b>		<b>715,075</b>
<b>Cash Flows from Financing Activities</b>				
Change in margin cash		6,668		(652)
Distributions to holders of redeemable units, net of reinvested distributions		(9,438)		(9,648)
Proceeds from redeemable units issued		106,305		110,088
Amount paid on redemption of redeemable units		(1,002,525)		(861,073)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>(898,990)</b>		<b>(761,285)</b>
Net increase (decrease) in cash and cash equivalents		(66,437)		(46,210)
Unrealized foreign exchange gain (loss) on cash		151		678
Cash and cash equivalents - beginning of period		137,038		73,814
<b>Cash and cash equivalents - end of period</b>		<b>70,752</b>		<b>28,282</b>
Cash and cash equivalents comprise:				
Cash at bank	\$	70,752	\$	28,282
<b>From operating activities:</b>				
Interest received, net of withholding tax	\$	354	\$	285
Dividends received, net of withholding tax	\$	50,377	\$	45,351
<b>From financing activities:</b>				
Interest paid	\$	(9)	\$	(104)

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>France</b>				
600	BNP Paribas S.A.	\$ 42,044	\$ 57,231	
4,000	BNP Paribas S.A. ADR	156,152	191,938	
		198,196	249,169	3.7%
<b>Netherlands</b>				
12,000	ING Groep N.V. ADR	175,654	261,741	3.9%
<b>Norway</b>				
8,500	DNB ASA	200,071	212,557	3.2%
<b>Sweden</b>				
8,000	Nordea Bank AB	125,602	109,983	1.7%
<b>United Kingdom</b>				
60,000	Barclays PLC	647,592	223,955	
50,000	Barclays PLC ADR	1,300,827	761,415	
100	HSBC Holdings PLC ADR	7,299	6,142	
34,000	Standard Chartered PLC	413,055	438,002	
5,000	The Royal Bank of Scotland Group PLC	20,171	23,390	
46,500	The Royal Bank of Scotland Group PLC ADR	543,245	443,321	
		2,932,189	1,896,225	28.4%
<b>United States</b>				
19,000	Bank of America Corporation	342,251	734,115	
11,000	Citigroup Inc.	569,852	956,600	
2,000	Fifth Third Bancorp	50,981	81,810	
7,000	JPMorgan Chase & Co.	275,472	991,759	
2,800	Morgan Stanley	93,191	194,654	
2,000	State Street Corporation	148,023	256,974	
2,000	The Goldman Sachs Group Inc.	363,973	648,968	
100	Wells Fargo & Company	5,638	6,752	
		1,849,381	3,871,632	58.1%
	<b>Total equities</b>	\$ 5,481,093	\$ 6,601,307	99.0%
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Put Options</b>				
<b>United Kingdom</b>				
USD (45)	The Royal Bank of Scotland Group PLC ADR, Put 6, 17/08/2018	(812)	(580)	-
<b>United States</b>				
USD (10)	Wells Fargo & Company, Put 50, 18/05/2018	(544)	(1,456)	-
	<b>Total written put options</b>	(1,356)	(2,036)	-
	<b>Total written options</b>	(1,356)	(2,036)	-
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
	Total unrealized gain on forward currency contracts	-	4,555	0.1%
	Total unrealized loss on forward currency contracts	-	(17,135)	(0.3%)
		-	(12,580)	(0.2%)
	Net Investments	5,479,737	6,586,691	98.8%
	Transaction costs	(35,380)	-	-
		\$ 5,444,357	6,586,691	98.8%
	Other assets less liabilities		81,753	1.2%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 6,668,444	100.0%

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



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

as at March 31, 2018

## Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at March 31, 2018 (\$)	Currency	Amount (\$)	Value as at March 31, 2018 (\$)	
0.62458	Jun-12-18	Canadian Dollar	160,109	160,109	Euro	100,000	159,139	970
0.61732	Jun-12-18	Canadian Dollar	64,796	64,796	Euro	40,000	63,656	1,140
0.77525	Jun-12-18	Canadian Dollar	967,425	967,425	United States Dollar	750,000	964,980	2,445
							<b>Unrealized gain</b>	<u>4,555</u>
0.56685	May-14-18	Canadian Dollar	670,369	670,369	British Pound	380,000	687,504	(17,135)
							<b>Unrealized loss</b>	<u>(17,135)</u>

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

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

The Fund uses two counterparties for the execution of forward currency contracts. The Fund has master netting or similar arrangements in place with both counterparties. This means that in the event of default or bankruptcy, 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 that settle on the same date have been offset and presented as a net figure in the statements of financial position of the Fund and the table below, where there is a legally enforceable right and an intention to settle the contracts on a net basis. 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, 2018 and September 30, 2017:

	TD Securities Inc. (\$)	Bank of New York Mellon (\$)
March 31, 2018		
Gross derivative assets	4,555	-
Gross derivative liabilities	-	(17,135)
<b>Net exposure</b>	<b>4,555</b>	<b>(17,135)</b>
September 30, 2017		
Gross derivative assets	-	-
Gross derivative liabilities	(18,144)	(12,885)
<b>Net exposure</b>	<b>(18,144)</b>	<b>(12,885)</b>

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2018:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	70,752	70,752
Subscriptions receivable	-	-	49	49
Interest receivable	-	-	6	6
Dividends receivable	-	-	25,485	25,485
Investments	-	6,567,587	-	6,567,587
Investments - pledged as collateral	-	33,720	-	33,720
Derivative assets	4,555	-	-	4,555
<b>Total</b>	<b>4,555</b>	<b>6,601,307</b>	<b>96,292</b>	<b>6,702,154</b>

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	11,290	11,290
Expenses payable	-	-	3,249	3,249
Derivative liabilities	19,171	-	-	19,171
<b>Total</b>	<b>19,171</b>	<b>-</b>	<b>14,539</b>	<b>33,710</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	137,038	137,038
Margin accounts	-	-	6,668	6,668
Interest receivable	-	-	2	2
Dividends receivable	-	-	1,349	1,349
Investments	-	6,538,737	-	6,538,737
Investments - pledged as collateral	-	447,608	-	447,608
<b>Total</b>	<b>-</b>	<b>6,986,345</b>	<b>145,057</b>	<b>7,131,402</b>

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	10,669	10,669
Expenses payable	-	-	3,054	3,054
Redemptions payable	-	-	7,044	7,044
Derivative liabilities	35,330	-	-	35,330
<b>Total</b>	<b>35,330</b>	<b>-</b>	<b>20,767</b>	<b>56,097</b>

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

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended March 31, 2018 and March 31, 2017:

Category	Net gains (losses) (\$)	
	2018	2017
Financial assets at FVTPL:		
Held for Trading	(74,216)	9,781
Designated at Inception	627,498	1,944,815
<b>Total</b>	<b>553,282</b>	<b>1,954,596</b>
Financial liabilities at FVTPL:		
Held for Trading	9,605	(12,624)
<b>Total</b>	<b>562,887</b>	<b>1,941,972</b>

### (c) RISK MANAGEMENT

#### Price Risk

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

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

If the price of investments held by the Fund on March 31, 2018 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 \$329,964 (September 30, 2017: \$349,102). 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, 2018 and September 30, 2017:

By Geographic Region	March 31, 2018	September 30, 2017
United States	58.1%	59.0%
United Kingdom	28.4%	25.0%
Netherlands	3.9%	3.9%
France	3.7%	3.7%
Norway	3.2%	2.1%
Sweden	1.7%	1.9%
Other Net Assets (Liabilities)	1.2%	1.8%
Forward Currency Contracts	(0.2%)	(0.4%)
Italy	-	3.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2018	September 30, 2017
Diversified Banks	81.3%	79.6%
Investment Banking & Brokerage	12.6%	12.4%
Asset Management & Custody Banks	3.9%	3.4%
Regional Banks	1.2%	3.3%
Other Net Assets (Liabilities)	1.2%	1.8%
Forward Currency Contracts	(0.2%)	(0.4%)
Short Positions - Derivatives	-	(0.1%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

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

## Currency Risk

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

The 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, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
British Pound	(685,335)	685,347	12	(34,267)	34,267	-
Euro	(212,759)	57,231	(155,528)	(10,638)	2,862	(7,776)
Norwegian Krone	-	212,557	212,557	-	10,628	10,628
Swedish Krona	-	109,983	109,983	-	5,499	5,499
United States Dollar	(948,974)	5,534,154	4,585,180	(47,449)	276,708	229,259
<b>Total</b>	<b>(1,847,068)</b>	<b>6,599,272</b>	<b>4,752,204</b>	<b>(92,354)</b>	<b>329,964</b>	<b>237,610</b>
% of net assets attributable to holders of redeemable units	(27.7%)	99.0%	71.3%	(1.4%)	5.0%	3.6%

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
British Pound	(502,135)	637,976	135,841	(25,107)	31,899	6,792
Euro	(148,006)	272,983	124,977	(7,400)	13,649	6,249
Norwegian Krone	-	150,868	150,868	-	7,543	7,543
Swedish Krona	-	135,301	135,301	-	6,765	6,765
United States Dollar	(736,084)	5,784,917	5,048,833	(36,804)	289,246	252,442
<b>Total</b>	<b>(1,386,225)</b>	<b>6,982,045</b>	<b>5,595,820</b>	<b>(69,311)</b>	<b>349,102</b>	<b>279,791</b>
% of net assets attributable to holders of redeemable units	(19.6%)	98.6%	79.0%	(1.0%)	4.9%	3.9%

## Interest Rate Risk

As at March 31, 2018 and September 30, 2017, 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 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 or bankruptcy. 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 outlined below including the effect of master netting or similar arrangements in place with all counterparties.

As at March 31, 2018, the Fund had forward currency contracts with two counterparties, one of which was in a net unrealized gain position. The counterparty, TD Securities Inc., had a Standard & Poor's credit rating of A-1+ which exceeds the minimum requirement outlined in securities legislation. As at September 30, 2017, the Fund did not have any forward currency contracts in a net unrealized gain position.

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

The Fund's cash and margin accounts are maintained at financial institutions with a Standard & Poor's credit rating of A 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.

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, 2018	-	64,418	34,785	99,203
September 30, 2017	-	132,136	-	132,136

All other obligations including management fees payable, expenses payable, redemptions payable, derivative liabilities associated with forward currency 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, 2018 and September 30, 2017:

	Assets at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,601,307	-	-	6,601,307
Forward currency contracts	-	4,555	-	4,555
<b>Total</b>	<b>6,601,307</b>	<b>4,555</b>	<b>-</b>	<b>6,605,862</b>

	Liabilities at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(2,036)	-	-	(2,036)
Forward currency contracts	-	(17,135)	-	(17,135)
<b>Total</b>	<b>(2,036)</b>	<b>(17,135)</b>	<b>-</b>	<b>(19,171)</b>

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,986,345	-	-	6,986,345
<b>Total</b>	<b>6,986,345</b>	<b>-</b>	<b>-</b>	<b>6,986,345</b>

	Liabilities at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(4,301)	-	-	(4,301)
Forward currency contracts	-	(31,029)	-	(31,029)
<b>Total</b>	<b>(4,301)</b>	<b>(31,029)</b>	<b>-</b>	<b>(35,330)</b>

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

### (e) STRUCTURED ENTITIES

As at March 31, 2018 and September 30, 2017, the Fund did not have any investments in structured entities.

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 31, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 213,017	\$ 513,672
Margin accounts (note 11)	1,975	15,479
Subscriptions receivable	-	750
Receivable for investments sold	73,220	-
Interest receivable	1,454	1,361
Dividends receivable	17,705	15,312
Investments (note 5)	7,790,082	6,744,570
Investments - pledged as collateral (note 5 and 11)	170,703	173,116
Derivative assets	1,304	6,608
	<u>8,269,460</u>	<u>7,470,868</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	11,782	9,765
Expenses payable	3,933	3,350
Redemptions payable	85,763	142
Payable for investments purchased	40,312	21,690
Derivative liabilities	22,894	17,701
	<u>164,684</u>	<u>52,648</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 8,104,776</u>	<u>\$ 7,418,220</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	1,380,196	1,284,568
Series A2	5,406,587	4,491,787
Series F	1,317,993	1,641,865
	<u>\$ 8,104,776</u>	<u>\$ 7,418,220</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	138,677	127,113
Series A2	537,027	440,052
Series F	125,501	155,028
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	9.95	10.11
Series A2	10.07	10.21
Series F	10.50	10.59

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,	2018	2017
<b>Income</b>		
Net gain (loss) on investments and derivatives		
Dividends	\$ 153,188	\$ 82,413
Interest for distribution purposes	16,467	22,284
Net realized gain (loss) on investments and options	110,910	(3,089)
Net realized gain (loss) on forward currency contracts	(28,539)	4,924
Change in unrealized appreciation (depreciation) on investments and derivatives	(115,160)	450,157
	<u>136,866</u>	<u>556,689</u>
<b>Other income</b>		
Foreign exchange gain (loss) on cash and other net assets	(145)	(4,151)
<b>Total income (net)</b>	<u>136,721</u>	<u>552,538</u>
<b>Expenses</b>		
Management fees (note 8)	65,766	43,506
Unitholder reporting costs	59,303	66,219
Audit fees	6,906	6,236
Transaction costs	4,467	937
Custodial fees	3,714	672
Legal fees	1,748	1,879
Independent review committee fees	1,570	1,766
Interest expense	12	19
Withholding tax expense (reclaims)	(25,008)	3,739
Total operating expenses	<u>118,478</u>	<u>124,973</u>
Less: expenses absorbed by Manager	(51,185)	(61,894)
Net operating expenses	<u>67,293</u>	<u>63,079</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 69,428</u>	<u>\$ 489,459</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	10,367	73,600
Series A2	39,892	308,159
Series F	19,169	107,700
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.08	0.88
Series A2	0.08	0.90
Series F	0.14	0.98

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,	2018	2017
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Series A	\$ 1,284,568	\$ 753,528
Series A2	4,491,787	3,475,041
Series F	1,641,865	1,115,664
	<u>7,418,220</u>	<u>5,344,233</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Series A	10,367	73,600
Series A2	39,892	308,159
Series F	19,169	107,700
	<u>69,428</u>	<u>489,459</u>
<b>Distributions to Holders of Redeemable Units</b>		
From net investment income		
Series A	(10,030)	(8,792)
Series A2	(40,362)	(33,856)
Series F	(16,847)	(16,006)
	<u>(67,239)</u>	<u>(58,654)</u>
From return of capital		
Series A	(24,309)	(12,635)
Series A2	(83,510)	(51,205)
Series F	(16,449)	(11,345)
	<u>(124,268)</u>	<u>(75,185)</u>
<b>Net Decrease from Distributions to Holders of Redeemable Units</b>	<u>(191,507)</u>	<u>(133,839)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Series A	154,487	149,496
Series A2	1,438,872	273,076
Series F	206,145	67,466
	<u>1,799,504</u>	<u>490,038</u>
Reinvestments of distributions		
Series A	27,632	15,608
Series A2	116,196	78,738
Series F	28,233	24,549
	<u>172,061</u>	<u>118,895</u>
Redemptions of redeemable units		
Series A	(62,519)	(3,133)
Series A2	(556,288)	(517,068)
Series F	(544,123)	(148,594)
	<u>(1,162,930)</u>	<u>(668,795)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>808,635</u>	<u>(59,862)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	1,380,196	967,672
Series A2	5,406,587	3,532,885
Series F	1,317,993	1,139,434
	<u>\$ 8,104,776</u>	<u>\$ 5,639,991</u>

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



## Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2018		2017	
<b>Cash Flows from Operating Activities</b>				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	69,428	\$	489,459
Adjustments for:				
Net realized (gain) loss on investments and options		(110,910)		3,089
Change in unrealized (appreciation) depreciation on investments and derivatives		115,160		(450,157)
Unrealized foreign exchange (gain) loss on cash		(51)		(298)
(Increase) decrease in interest receivable		(93)		(27)
(Increase) decrease in dividends receivable		(2,393)		(245)
Increase (decrease) in management fees and expenses payable		2,600		819
Purchase of investments		(1,708,765)		(504,913)
Proceeds from sale of investments		617,315		746,383
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>(1,017,709)</b>		<b>284,110</b>
<b>Cash Flows from Financing Activities</b>				
Change in margin cash		13,504		(2,972)
Distributions to holders of redeemable units, net of reinvested distributions		(19,446)		(14,251)
Proceeds from redeemable units issued		1,760,411		403,462
Amount paid on redemption of redeemable units		(1,037,466)		(676,534)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>717,003</b>		<b>(290,295)</b>
Net increase (decrease) in cash and cash equivalents		(300,706)		(6,185)
Unrealized foreign exchange gain (loss) on cash		51		298
Cash and cash equivalents - beginning of period		513,672		234,295
<b>Cash and cash equivalents - end of period</b>		<b>213,017</b>		<b>228,408</b>
Cash and cash equivalents comprise:				
Cash at bank		88,146		228,408
Short-term investments		124,871		-
	\$	<b>213,017</b>	\$	<b>228,408</b>
<b>From operating activities:</b>				
Interest received, net of withholding tax	\$	16,374	\$	22,257
Dividends received, net of withholding tax	\$	175,803	\$	78,429
<b>From financing activities:</b>				
Interest paid	\$	(12)	\$	(19)

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>BONDS</b>				
<b>Bermuda</b>				
200,000	Digicel Group Limited Callable 6.75% March 1, 2023	\$ 249,628	\$ 232,194	
	<b>Total bonds</b>	<b>249,628</b>	<b>232,194</b>	<b>2.9%</b>
<b>EQUITIES - Preferred</b>				
<b>Bermuda</b>				
3,000	Brookfield Infrastructure Partners L.P., Preferred, Series 5, Fixed-Reset	75,000	76,440	
3,000	Brookfield Infrastructure Partners L.P., Preferred, Series 9, Fixed-Reset	75,000	75,000	
2,000	Brookfield Renewable Partners L.P., Preferred, Series 11, Fixed-Reset	50,000	50,380	
2,200	Brookfield Renewable Partners L.P., Preferred, Series 13, Fixed-Reset	55,000	55,352	
		<b>255,000</b>	<b>257,172</b>	<b>3.2%</b>
<b>Canada</b>				
2,000	AltaGas Ltd. Preferred, Series K, Fixed-Reset	50,000	50,740	
3,000	Artis Real Estate Investment Trust, Preferred, Series I, Fixed-Reset	75,000	75,540	
5,000	Bank of Montreal, Preferred, Series 42, Fixed-Reset	125,000	125,500	
15,000	BCE Inc., Preferred, Series AE, Floating Rate	307,274	316,500	
1,000	Brookfield Asset Management Inc., Preferred, Series 46, Fixed-Reset	25,000	25,800	
2,000	Brookfield Asset Management Inc., Preferred, Series 48, Fixed-Reset	50,000	50,800	
4,000	Brookfield Asset Management Inc., Preferred, Series 8, Floating Rate	88,483	87,600	
1,000	Brookfield Office Properties Inc., Preferred, Series EE, Fixed-Reset	25,000	25,120	
3,000	Brookfield Office Properties Inc., Preferred, Series GG, Fixed-Reset	75,000	73,260	
12,000	Brookfield Office Properties Inc., Preferred, Series V, Floating Rate	158,956	181,860	
5,000	Brookfield Renewable Power Inc., Preferred, Series 2, Floating Rate	92,541	111,900	
3,000	Canadian Imperial Bank of Commerce, Preferred, Series 45, Fixed-Reset	75,000	75,120	
2,000	Capital Power Corp, Preferred, Series 9, Fixed-Reset	50,000	50,960	
7,400	ECN Capital Corp., Preferred, Series C, Fixed-Reset	175,804	157,990	
3,000	Enbridge Inc., Preferred, Series 11, Fixed-Reset	73,730	61,020	
1,000	Enbridge Inc., Preferred, Series 17, Fixed-Reset	25,000	25,340	
3,000	Enbridge Inc., Preferred, Series 19, Fixed-Reset	75,000	73,350	
9,000	First National Financial Corporation, Preferred, Series 1, Fixed-Reset	142,003	128,970	
3,000	Kinder Morgan Canada Ltd, Preferred, Series 1, Fixed-Reset	75,000	76,110	
3,000	National Bank of Canada, Preferred, Series 38, Fixed-Reset	75,000	75,510	
6,000	Northland Power Inc., Preferred, Series 1, Fixed-Reset	137,354	118,140	
3,000	Pembina Pipeline Corporation, Preferred, Series 21, Fixed-Reset	75,000	75,540	
5,000	Power Financial Corporation, Preferred, Series A, Floating Rate	81,760	105,000	
6,000	The Bank of Nova Scotia, Preferred, Series 19, Floating Rate	154,455	150,900	
3,000	The Toronto-Dominion Bank, Preferred, Series 16, Fixed-Reset	75,000	75,840	
14,000	Thomson Reuters Corporation, Preferred, Series B, Floating Rate	246,492	269,640	
5,000	TransAlta Corporation, Preferred, Series B, Floating Rate	69,340	75,700	
7,000	TransAlta Corporation, Preferred, Series E, Fixed-Reset	168,439	150,500	
1,500	TransCanada Corporation, Preferred, Series 15, Fixed-Reset	37,500	39,075	
4,800	TransCanada Corporation, Preferred, Series 2, Floating Rate	86,332	98,208	
		<b>2,970,463</b>	<b>3,007,533</b>	<b>37.1%</b>
	<b>Total equities - preferred</b>	<b>3,225,463</b>	<b>3,264,705</b>	<b>40.3%</b>
<b>EQUITIES - Common</b>				
<b>Australia</b>				
5,000	Amcor Limited	52,817	70,107	
40,000	AusNet Services	46,061	66,298	
9,000	Super Retail Group Ltd.	71,564	60,558	
		<b>170,442</b>	<b>196,963</b>	<b>2.4%</b>
<b>Bermuda</b>				
14,000	Brookfield Property Partners L.P.	355,547	346,220	
5,000	CK Infrastructure Holdings Ltd	35,125	52,654	
		<b>390,672</b>	<b>398,874</b>	<b>4.9%</b>
<b>Canada</b>				
3,500	Barrick Gold Corporation	73,928	56,140	
4,000	Crescent Point Energy Corp.	55,726	35,040	
1,009	Fortis Inc.	45,273	43,881	
100	iShares 1-5 Year Laddered Corporate Bond Index ETF	1,973	1,835	
2,000	iShares S&P/TSX Canadian Preferred Share Index ETF	28,749	28,340	
5,000	RioCan Real Estate Investment Trust	118,194	118,200	
6,000	TransAlta Renewables Inc.	77,780	71,100	
		<b>401,623</b>	<b>354,536</b>	<b>4.4%</b>

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

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

as at March 31, 2018

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>France</b>				
1,573	TOTAL SA ADR	98,760	116,913	1.4%
<b>Jersey</b>				
800	WPP PLC ADR	101,291	81,991	1.0%
<b>Sweden</b>				
5,000	Nordea Bank AB	41,853	68,740	0.9%
<b>Switzerland</b>				
3,537	Aryzta AG	126,411	101,291	
1,000	Dufry AG	179,039	168,658	
400	Nestlé SA	30,853	40,763	
200	Roche Holding AG	57,129	59,054	
		393,432	369,766	4.6%
<b>United Kingdom</b>				
7,000	Barclays PLC ADR	129,834	106,598	
3,500	BHP Billiton PLC	192,748	179,151	
4,000	Bunzl PLC	130,789	151,473	
2,500	Compass Group PLC	55,759	65,772	
9,500	Dignity PLC	247,502	150,167	
500	Reckitt Benckiser Group PLC	52,384	54,534	
2,800	Royal Dutch Shell PLC ADR Class A	195,924	230,187	
		1,004,940	937,882	11.6%
<b>United States</b>				
6,000	Ares Capital Corporation	118,019	122,677	
1,800	AT&T Inc.	83,595	82,673	
8,000	BlackRock Capital Investment Corporation	75,538	62,150	
750	Chevron Corporation	99,577	110,193	
2,000	Energy Select Sector SPDR Fund	184,557	173,695	
50	iShares iBoxx \$ Investment Grade Corporate Bond ETF	7,128	7,562	
1,500	iShares India 50 ETF	55,519	68,334	
6,000	iShares International Select Dividend ETF	234,964	255,171	
2,500	iShares MSCI Japan ETF	180,230	195,443	
400	JPMorgan Chase & Co.	18,179	56,672	
15,300	Oaktree Strategic Income Corporation	196,223	155,526	
100	PowerShares Fundamental High Yield Corporate Bond Portfolio	2,080	2,385	
2,000	PowerShares S&P 500 Enhanced Value Factor Portfolio ETF	79,073	87,105	
700	SPDR S&P Global Dividend ETF	58,565	62,037	
100	Technology Select Sector SPDR Fund ETF	4,520	8,428	
1,000	The Kraft Heinz Company	83,462	80,251	
500	The Walt Disney Company	61,008	64,701	
1,000	Vanguard FTSE Europe ETF	71,511	74,918	
750	Vanguard S&P 500 ETF	238,818	233,913	
300	Wal-Mart Stores, Inc.	27,018	34,387	
		1,879,584	1,938,221	23.9%
	Total equities - common	4,482,597	4,463,886	55.1%
	<b>Total investment portfolio</b>	7,957,688	7,960,785	98.3%
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Call Options</b>				
<b>United Kingdom</b>				
USD (5)	BHP Billiton PLC ADR, Call 50, 15/06/2018	(454)	(81)	-
<b>United States</b>				
USD (3)	Chevron Corporation, Call 145, 20/04/2018	(301)	(4)	-
	<b>Total written call options</b>	(755)	(85)	-

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

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

as at March 31, 2018

No. of Shares/Par Value/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>Written Put Options</b>				
<b>Bermuda</b>				
USD (10)	Brookfield Property Partners L.P., Put 17.5, 18/05/2018	(309)	(258)	
USD (10)	Brookfield Property Partners L.P., Put 17.5, 15/06/2018	(301)	(483)	
		(610)	(741)	-
<b>Canada</b>				
CAD (25)	Crescent Point Energy Corp., Put 7, 20/04/2018	(600)	(100)	
USD (20)	Barrick Gold Corporation, Put 12, 20/04/2018	(553)	(412)	
CAD (20)	TransAlta Renewables Inc., Put 13, 20/04/2018	(680)	(2,500)	
		(1,833)	(3,012)	-
<b>Jersey</b>				
USD (10)	WPP PLC ADR, Put 75, 18/05/2018	(825)	(3,253)	(0.1%)
<b>United States</b>				
USD (10)	Ares Capital Corporation, Put 15, 15/06/2018	(932)	(354)	
USD (7)	AT&T Inc., Put 33, 20/04/2018	(317)	(99)	
USD (5)	Walgreens Boots Alliance, Inc., Put 60, 20/04/2018	(308)	(161)	
USD (10)	The Kraft Heinz Company, Put 62.5, 20/04/2018	(696)	(1,880)	
USD (4)	The Walt Disney Company, Put 92.5, 20/04/2018	(271)	(129)	
		(2,524)	(2,623)	-
	<b>Total written put options</b>	(5,792)	(9,629)	(0.1%)
	<b>Total written options</b>	(6,547)	(9,714)	(0.1%)
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
	Total unrealized gain on forward currency contracts	-	1,304	-
	Total unrealized loss on forward currency contracts	-	(13,180)	(0.2%)
		-	(11,876)	(0.2%)
	Net investments	7,951,141	7,939,195	98.0%
	Transaction costs	(18,128)	-	-
		\$ 7,933,013	7,939,195	98.0%
	Other assets less liabilities		165,581	2.0%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 8,104,776	100.0%

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

## Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at March 31, 2018 (\$)	Currency	Amount (\$)	Value as at March 31, 2018 (\$)	
0.77525	Jun-12-18	Canadian Dollar	515,960	515,960	United States Dollar	400,000	514,656	1,304
							<b>Unrealized gain</b>	<b>1,304</b>
82.58673	Jul-17-18	Canadian Dollar	84,759	84,759	Japanese Yen	7,000,000	85,201	(442)
0.55854	May-14-18	Canadian Dollar	429,694	429,694	British Pound	240,000	434,214	(4,520)
1.02902	Apr-10-18	Canadian Dollar	126,334	126,334	Australian Dollar	130,000	128,620	(2,286)
0.78220	Apr-10-18	Canadian Dollar	108,668	108,668	Swiss Franc	85,000	114,600	(5,932)
							<b>Unrealized loss</b>	<b>(13,180)</b>

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. The Fund has master netting or similar arrangements in place with all counterparties. This means that in the event of default or bankruptcy, 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 that settle on the same date have been offset and presented as a net figure in the statements of financial position of the Fund and the table below, where there is a legally enforceable right and an intention to settle the contracts on a net basis. 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, 2018 and September 30, 2017:

	TD Securities Inc. (\$)	National Bank of Canada (\$)	Bank of New York Mellon (\$)
<b>March 31, 2018</b>			
Gross derivative assets	1,304	-	-
Gross derivative liabilities	(442)	(8,218)	(4,520)
<b>Net exposure</b>	<b>862</b>	<b>(8,218)</b>	<b>(4,520)</b>
<b>September 30, 2017</b>			
Gross derivative assets	2,115	4,493	-
Gross derivative liabilities	(8,146)	-	(3,866)
<b>Net exposure</b>	<b>(6,031)</b>	<b>4,493</b>	<b>(3,866)</b>

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2018:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	213,017	213,017
Margin accounts	-	-	1,975	1,975
Receivable for investments sold	-	-	73,220	73,220
Interest receivable	-	-	1,454	1,454
Dividends receivable	-	-	17,705	17,705
Investments	-	7,790,082	-	7,790,082
Investments - pledged as collateral	-	170,703	-	170,703
Derivative assets	1,304	-	-	1,304
<b>Total</b>	<b>1,304</b>	<b>7,960,785</b>	<b>307,371</b>	<b>8,269,460</b>

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	11,782	11,782
Expenses payable	-	-	3,933	3,933
Redemptions payable	-	-	85,763	85,763
Payable for investments purchased	-	-	40,312	40,312
Derivative liabilities	22,894	-	-	22,894
<b>Total</b>	<b>22,894</b>	<b>-</b>	<b>141,790</b>	<b>164,684</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	513,672	513,672
Margin accounts	-	-	15,479	15,479
Subscriptions receivable	-	-	750	750
Interest receivable	-	-	1,361	1,361
Dividends receivable	-	-	15,312	15,312
Investments	-	6,744,570	-	6,744,570
Investments - pledged as collateral	-	173,116	-	173,116
Derivative assets	6,608	-	-	6,608
<b>Total</b>	<b>6,608</b>	<b>6,917,686</b>	<b>546,574</b>	<b>7,470,868</b>

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

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	9,765	9,765
Expenses payable	-	-	3,350	3,350
Redemptions payable	-	-	142	142
Payable for investments purchased	-	-	21,690	21,690
Derivative liabilities	17,701	-	-	17,701
<b>Total</b>	<b>17,701</b>	<b>-</b>	<b>34,947</b>	<b>52,648</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the periods ended March 31, 2018 and March 31, 2017.

Category	Net gains (losses) (\$)	
	2018	2017
Financial assets at FVTPL:		
Held for Trading	(35,011)	14,176
Designated at Inception	161,211	534,303
<b>Total</b>	<b>126,200</b>	<b>548,479</b>
Financial liabilities at FVTPL:		
Held for Trading	9,091	8,191
<b>Total</b>	<b>135,291</b>	<b>556,670</b>

### (c) RISK MANAGEMENT

#### Price Risk

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, 2018 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 \$385,944 (September 30, 2017: \$345,600). 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, 2018 and September 30, 2017.

By Geographic Region	March 31, 2018	September 30, 2017
Canada	41.5%	40.3%
United States	23.9%	24.7%
United Kingdom	11.6%	9.9%
Bermuda	11.0%	8.9%
Switzerland	4.6%	3.5%
Australia	2.4%	2.9%
Other Net Assets (Liabilities)	2.0%	6.9%
France	1.4%	1.4%
Jersey	0.9%	0.5%
Sweden	0.9%	1.1%
Forward Currency Contracts	(0.2%)	(0.1%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

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

By Industry Sector	March 31, 2018	September 30, 2017
Financials	20.0%	21.5%
Exchange Traded Funds	14.6%	14.3%
Utilities	12.3%	11.8%
Energy	12.0%	12.1%
Consumer Discretionary	10.6%	6.4%
Real Estate	10.4%	7.5%
Telecommunication Services	5.2%	5.0%
Consumer Staples	3.9%	3.7%
Materials	3.8%	5.1%
Corporate Bonds	2.9%	3.3%
Other Net Assets (Liabilities)	2.0%	6.9%
Industrials	1.9%	1.3%
Health Care	0.7%	1.3%
Short Positions - Derivatives	(0.1%)	(0.1%)
Forward Currency Contracts	(0.2%)	(0.1%)
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

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

The 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, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(125,410)	196,963	71,553	(6,270)	9,848	3,578
British Pound	(434,213)	421,946	(12,267)	(21,711)	21,098	(613)
Euro	2,867	-	2,867	143	-	143
Hong Kong Dollar	-	52,654	52,654	-	2,633	2,633
Japanese Yen	(85,201)	-	(85,201)	(4,260)	-	(4,260)
Swedish Krona	-	68,740	68,740	-	3,437	3,437
Swiss Franc	(114,600)	369,766	255,166	(5,730)	18,488	12,758
United States Dollar	(464,898)	2,934,280	2,469,382	(23,245)	146,714	123,469
<b>Total</b>	<b>(1,221,455)</b>	<b>4,044,349</b>	<b>2,822,894</b>	<b>(61,073)</b>	<b>202,218</b>	<b>141,145</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>(15.1%)</b>	<b>49.9%</b>	<b>34.8%</b>	<b>(0.8%)</b>	<b>2.5%</b>	<b>1.7%</b>

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

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(123,555)	211,681	88,126	(6,178)	10,584	4,406
British Pound	(150,641)	213,243	62,602	(7,532)	10,662	3,130
Hong Kong Dollar	-	53,669	53,669	-	2,684	2,684
Japanese Yen	(55,552)	-	(55,552)	(2,778)	-	(2,778)
Swedish Krona	-	84,563	84,563	-	4,228	4,228
Swiss Franc	(83,790)	223,947	140,157	(4,190)	11,197	7,007
United States Dollar	(349,528)	2,844,592	2,495,064	(17,475)	142,230	124,755
<b>Total</b>	<b>(763,066)</b>	<b>3,631,695</b>	<b>2,868,629</b>	<b>(38,153)</b>	<b>181,585</b>	<b>143,432</b>
% of net assets attributable to holders of redeemable units	(10.3%)	49.0%	38.7%	(0.5%)	2.4%	1.9%

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

### Interest Rate Risk

As at March 31, 2018 and September 30, 2017, the Fund had direct exposure to interest rate risk from its holdings of preferred shares which pay a fixed rate of interest (with periodic rate resets). If there had been a parallel upward shift of interest rates of 25 basis points on March 31, 2018, the net assets of the Fund would have been lower by approximately \$22,446 (September 30, 2017: \$5,576). Similarly, if there had been a parallel downward shift of interest rates of 25 basis points the net assets of the Fund would have been higher by approximately \$19,071 (September 30, 2017: \$5,858).

The Fund has indirect exposure to interest rate risk through its investments in fixed income ETFs.

### Credit Risk

The Fund's exposure to credit risk arises primarily from investments in forward currency contracts. The Fund limits its exposure to credit losses on forward currency contracts by ensuring there are netting arrangements with each counterparty to the forward currency contracts, such that any gains (amounts owing to the Fund) on individual contracts can be set off against any losses (amounts owing to the counterparty) even in the event of default or bankruptcy. 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 outlined in the table below including the effect of master netting or similar arrangements in place with all counterparties.

As at March 31, 2018 and September 30, 2017, 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 have credit ratings which exceed the minimum requirement outlined in securities legislation.

March 31, 2018		
	Net Unrealized Gain (\$)	Credit Rating
TD Securities Inc.	862	Standard & Poor's A-1+

  

September 30, 2017		
	Net Unrealized Gain (\$)	Credit Rating
National Bank of Canada	4,493	Standard & Poor's A

The Fund's cash and margin accounts are maintained at financial institutions with a Standard & Poor's credit rating of A 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.

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, 2018	271,023	161,043	-	432,066
September 30, 2017	355,546	138,188	13,000	506,734

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, 2018 and September 30, 2017:

	Assets at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	7,305,861	422,730	-	7,728,591
Bonds - Long	-	232,194	-	232,194
Forward currency contracts	-	1,304	-	1,304
<b>Total</b>	<b>7,305,861</b>	<b>656,228</b>	<b>-</b>	<b>7,962,089</b>

	Liabilities at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Forward currency contracts	-	(13,180)	-	(13,180)
Options - Short	(9,714)	-	-	(9,714)
<b>Total</b>	<b>(9,714)</b>	<b>(13,180)</b>	<b>-</b>	<b>(22,894)</b>

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	6,416,132	256,995	-	6,673,127
Bonds - Long	-	244,559	-	244,559
Forward currency contracts	-	6,608	-	6,608
<b>Total</b>	<b>6,416,132</b>	<b>508,162</b>	<b>-</b>	<b>6,924,294</b>

	Liabilities at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(5,689)	-	-	(5,689)
Forward currency contracts	-	(12,012)	-	(12,012)
<b>Total</b>	<b>(5,689)</b>	<b>(12,012)</b>	<b>-</b>	<b>(17,701)</b>

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

#### (e) STRUCTURED ENTITIES

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

The Fund's investments in ETFs as at March 31, 2018 and September 30, 2017 are summarized below:

March 31, 2018	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$)	% of ETF's Net Assets
iShares International Select Dividend ETF	255,171	6,279,327,716	-
Vanguard S&P 500 ETF	233,913	111,376,955,655	-
iShares MSCI Japan ETF	195,443	27,545,696,010	-
Energy Select Sector SPDR Fund	173,695	22,356,737,550	-
PowerShares S&P 500 Enhanced Value Factor Portfolio ETF	87,105	32,664,568	0.3%
Vanguard FTSE Europe ETF	74,918	24,254,219,430	-
iShares India 50 ETF	68,334	1,457,793,792	-
SPDR S&P Global Dividend ETF	62,037	234,854,610	-
iShares S&P/TSX Canadian Preferred Share Index ETF	28,340	1,521,150,000	-
Technology Select Sector SPDR Fund ETF	8,428	26,263,401,256	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	7,562	41,409,372,690	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	2,385	1,251,986,321	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	1,835	1,411,120,000	-

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

September 30, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$)	% of ETF's Net Assets
iShares International Select Dividend ETF	252,744	5,884,725,893	-
Energy Select Sector SPDR Fund	170,892	20,739,850,950	-
SPDR S&P 500 ETF Trust	156,736	303,497,719,000	-
iShares MSCI Japan ETF	139,024	19,988,206,350	-
PowerShares S&P 500 Enhanced Value Factor Portfolio ETF	81,528	65,222,388	0.1%
Vanguard FTSE Europe ETF	72,781	22,155,173,775	-
iShares India 50 ETF	63,860	1,395,583,420	-
SPDR S&P Global Dividend ETF	59,332	207,661,785	-
iShares S&P/TSX Canadian Preferred Share Index ETF	28,320	1,485,040,000	-
iShares iBoxx \$ Investment Grade Corporate Bond ETF	15,126	47,300,455,650	-
Technology Select Sector SPDR Fund ETF	14,748	22,241,018,975	-
PowerShares Fundamental High Yield Corporate Bond Portfolio	11,904	1,490,325,078	-
iShares 1-5 Year Laddered Corporate Bond Index ETF	1,858	1,759,530,000	-

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 30, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 44,783	\$ 363,363
Margin accounts (note 11)	-	9,707
Subscriptions receivable	-	70,078
Receivable for investments sold	104,601	-
Interest receivable	7	3
Dividends receivable	32,542	6,547
Investments (note 5)	5,296,855	5,604,372
Investments - pledged as collateral (note 5 and 11)	111,719	115,812
Derivative assets	6,772	22,573
	<u>5,597,279</u>	<u>6,192,455</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	8,417	8,543
Expenses payable	2,620	2,667
Derivative liabilities	45,666	31,793
	<u>56,703</u>	<u>43,003</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 5,540,576</u>	<u>\$ 6,149,452</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	141,538	141,388
Series A2	4,247,325	4,777,254
Series F	1,151,713	1,230,810
	<u>\$ 5,540,576</u>	<u>\$ 6,149,452</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	15,357	14,964
Series A2	457,982	503,264
Series F	121,124	127,077
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	9.22	9.45
Series A2	9.27	9.49
Series F	9.51	9.69

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,	2018	2017
<b>Income</b>		
Net gain (loss) on investments and derivatives		
Dividends	\$ 84,055	\$ 84,624
Interest for distribution purposes	1,915	847
Net realized gain (loss) on investments and options	324,756	153,616
Net realized gain (loss) on forward currency contracts	(50,313)	37,641
Change in unrealized appreciation (depreciation) on investments and derivatives	(292,263)	188,200
	<u>68,150</u>	<u>464,928</u>
<b>Other income</b>		
Foreign exchange gain (loss) on cash and other net assets	(4,623)	(8,147)
<b>Total income (net)</b>	<u>63,527</u>	<u>456,781</u>
<b>Expenses</b>		
Unitholder reporting costs	61,518	69,866
Management fees (note 8)	53,784	58,218
Audit fees	6,696	6,054
Transaction costs	5,019	2,295
Custodial fees	3,308	723
Legal fees	1,695	1,824
Independent review committee fees	1,522	1,715
Interest expense	1	76
Withholding tax expense (reclaims)	(58,278)	2,200
Total operating expenses	<u>75,265</u>	<u>142,971</u>
Less: expenses absorbed by Manager	(58,392)	(62,218)
Net operating expenses	<u>16,873</u>	<u>80,753</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 46,654</u>	<u>\$ 376,028</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	151	6,278
Series A2	32,905	278,529
Series F	13,598	91,221
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	0.01	0.51
Series A2	0.07	0.51
Series F	0.11	0.56

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,	2018	2017
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>		
Series A	\$ 141,388	\$ 120,767
Series A2	4,777,254	5,357,629
Series F	1,230,810	1,641,894
	<u>6,149,452</u>	<u>7,120,290</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>		
Series A	151	6,278
Series A2	32,905	278,529
Series F	13,598	91,221
	<u>46,654</u>	<u>376,028</u>
<b>Distributions to Holders of Redeemable Units</b>		
From net investment income		
Series A	(593)	(176)
Series A2	(22,221)	(18,455)
Series F	(11,143)	(11,589)
	<u>(33,957)</u>	<u>(30,220)</u>
From return of capital		
Series A	(3,191)	(2,907)
Series A2	(96,211)	(117,280)
Series F	(20,758)	(29,756)
	<u>(120,160)</u>	<u>(149,943)</u>
<b>Net Decrease from Distributions to Holders of Redeemable Units</b>	<u>(154,117)</u>	<u>(180,163)</u>
<b>Redeemable Unit Transactions</b>		
Proceeds from redeemable units issued		
Series A	-	-
Series A2	42,606	3,340
Series F	13,721	506
	<u>56,327</u>	<u>3,846</u>
Reinvestments of distributions		
Series A	3,783	1,637
Series A2	100,545	110,282
Series F	30,076	39,579
	<u>134,404</u>	<u>151,498</u>
Redemptions of redeemable units		
Series A	-	(63,955)
Series A2	(587,553)	(732,801)
Series F	(104,591)	(433,332)
	<u>(692,144)</u>	<u>(1,230,088)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(501,413)</u>	<u>(1,074,744)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>		
Series A	141,538	61,644
Series A2	4,247,325	4,881,244
Series F	1,151,713	1,298,523
	<u>\$ 5,540,576</u>	<u>\$ 6,241,411</u>

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

## Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2018	2017
<b>Cash Flows from Operating Activities</b>		
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ 46,654	\$ 376,028
Adjustments for:		
Net realized (gain) loss on investments and options	(324,756)	(153,616)
Change in unrealized (appreciation) depreciation on investments and derivatives	292,263	(188,200)
Unrealized foreign exchange (gain) loss on cash	68	(198)
(Increase) decrease in interest receivable	(4)	-
(Increase) decrease in dividends receivable	(25,995)	(7,263)
Increase (decrease) in management fees and expenses payable	(173)	(1,135)
Purchase of investments	(751,262)	(252,367)
Proceeds from sale of investments	1,020,438	1,508,564
<b>Net Cash Generated (Used) by Operating Activities</b>	<b>257,233</b>	<b>1,281,813</b>
<b>Cash Flows from Financing Activities</b>		
Change in margin cash	9,707	(1,970)
Distributions to holders of redeemable units, net of reinvested distributions	(19,713)	(29,064)
Proceeds from redeemable units issued	115,084	4,346
Amount paid on redemption of redeemable units	(680,823)	(1,246,288)
<b>Net Cash Generated (Used) by Financing Activities</b>	<b>(575,745)</b>	<b>(1,272,976)</b>
Net increase (decrease) in cash and cash equivalents	(318,512)	8,837
Unrealized foreign exchange gain (loss) on cash	(68)	198
Cash and cash equivalents - beginning of period	363,363	58,045
<b>Cash and cash equivalents - end of period</b>	<b>44,783</b>	<b>67,080</b>
Cash and cash equivalents comprise:		
Cash at bank	\$ 44,783	\$ 67,080
<b>From operating activities:</b>		
Interest received, net of withholding tax	\$ 1,911	\$ 847
Dividends received, net of withholding tax	\$ 116,338	\$ 75,161
<b>From financing activities:</b>		
Interest paid	\$ 1	\$ (76)

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares/ (Contracts)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Australia</b>				
14,000	AmcOr Limited	\$ 153,136	\$ 196,300	
120,000	AusNet Services	113,915	198,893	
5,000	South32 Limited ADR	44,360	80,135	
		<u>311,411</u>	<u>475,328</u>	<u>8.6%</u>
<b>Bermuda</b>				
5,000	Brookfield Property Partners L.P.	131,992	123,650	2.2%
<b>Canada</b>				
4,000	Crescent Point Energy Corp.	55,726	35,040	0.6%
<b>France</b>				
500	LVMH Moet Hennessy Louis Vuitton SE	109,050	198,315	
4,110	TOTAL SA ADR	242,525	305,475	
		<u>351,575</u>	<u>503,790</u>	<u>9.1%</u>
<b>Germany</b>				
5,500	GEA Group AG	170,304	301,238	5.4%
<b>Netherlands</b>				
3,055	NN Group NV	118,110	174,540	3.2%
<b>Switzerland</b>				
7,081	Aryzta AG	284,660	202,782	
2,600	Dufry AG	438,112	438,511	
1,000	Nestlé SA	59,222	101,909	
1,500	Novartis AG ADR	131,778	156,244	
400	Roche Holding AG	74,625	118,108	
800	Roche Holding AG ADR	29,411	29,503	
		<u>1,017,808</u>	<u>1,047,057</u>	<u>18.9%</u>
<b>United Kingdom</b>				
18,000	Barclays PLC ADR	434,419	274,109	
8,500	BHP Billiton PLC	469,259	435,082	
2,000	BP PLC ADR	87,744	104,460	
7,000	Compass Group PLC	155,147	184,162	
200	Diageo PLC ADR	29,193	34,894	
16,500	Dignity PLC	379,937	260,816	
7,000	Prudential PLC	87,184	225,031	
500	Reckitt Benckiser Group PLC	52,384	54,534	
35,000	Rentokil Initial PLC	79,898	171,889	
5,500	Royal Dutch Shell PLC ADR Class A	385,307	452,153	
		<u>2,160,472</u>	<u>2,197,130</u>	<u>39.7%</u>
<b>United States</b>				
800	JPMorgan Chase & Co.	49,449	113,344	
4,000	Mondelez International Inc. Class A	171,168	215,051	
12,100	Oaktree Strategic Income Corporation	151,025	122,998	
100	Technology Select Sector SPDR Fund ETF	4,397	8,429	
200	The Walt Disney Company	24,752	25,880	
500	Walgreens Boots Alliance, Inc.	43,245	42,174	
200	Wal-Mart Stores, Inc.	19,326	22,925	
		<u>463,362</u>	<u>550,801</u>	<u>9.9%</u>
	<b>Total equities</b>	<u>4,780,760</u>	<u>5,408,574</u>	<u>97.6%</u>
<b>DERIVATIVES - WRITTEN OPTIONS<sup>1</sup></b>				
<b>Written Call Options</b>				
<b>France</b>				
USD (10)	Total SA ADR, Call 62.5, 18/05/2018	(663)	(225)	-
<b>United Kingdom</b>				
USD (10)	BP PLC ADR, Call 46, 20/04/2018	(417)	(26)	
USD (15)	BHP Billiton PLC ADR, Call 50, 15/06/2018	(1,362)	(242)	
		<u>(1,779)</u>	<u>(268)</u>	<u>-</u>
	<b>Total written call options</b>	<u>(2,442)</u>	<u>(493)</u>	<u>-</u>

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

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

as at March 31, 2018

No. of Shares/ (Contract Size)	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>Written Put Options</b>				
<b>Bermuda</b>				
USD (10)	Brookfield Property Partners L.P., Put 17.5, 18/05/2018	(309)	(258)	-
<b>Canada</b>				
CAD (25)	Crescent Point Energy Corp., Put 7, 20/04/2018	(600)	(100)	-
<b>Jersey</b>				
USD (10)	WPP PLC ADR, Put 75, 18/05/2018	(825)	(3,253)	(0.1%)
<b>United States</b>				
USD (5)	Walgreens Boots Alliance, Inc., Put 60, 20/04/2018	(308)	(161)	
USD (5)	The Kraft Heinz Company, Put 62.5, 20/04/2018	(348)	(940)	
USD (4)	The Walt Disney Company, Put 92.5, 20/04/2018	(271)	(129)	
		(927)	(1,230)	-
	<b>Total written put options</b>	(2,661)	(4,841)	(0.1%)
	<b>Total written options</b>	(5,103)	(5,334)	(0.1%)
<b>FORWARD CURRENCY CONTRACTS (Schedule 1)</b>				
	Total unrealized gain on forward currency contracts	-	6,772	0.1%
	Total unrealized loss on forward currency contracts	-	(40,332)	(0.7%)
		-	(33,560)	(0.6%)
	Net Investments	4,775,657	5,369,680	96.9%
	Transaction costs	(23,309)	-	-
		\$ 4,752,348	5,369,680	96.9%
	Other assets less liabilities		170,896	3.1%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 5,540,576	100.0%

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

## Schedule 1

Contract Price	Settlement Date	Purchased Currency			Sold Currency			Unrealized gain (loss) (\$)
		Currency	Amount (\$)	Value as at March 31, 2018 (\$)	Currency	Amount (\$)	Value as at March 31, 2018 (\$)	
0.77525	Jun-12-18	Canadian Dollar	451,465	451,465	United States Dollar	350,000	450,324	1,141
0.62458	Jun-12-18	Canadian Dollar	200,136	200,136	Euro	125,000	198,924	1,212
0.61732	Jun-12-18	Canadian Dollar	251,086	251,086	Euro	155,000	246,667	4,419
							<b>Unrealized gain</b>	<b>6,772</b>
1.02902	Apr-10-18	Canadian Dollar	242,950	242,950	Australian Dollar	250,000	247,346	(4,396)
0.78220	Apr-10-18	Canadian Dollar	319,611	319,611	Swiss Franc	250,000	337,059	(17,448)
0.56426	May-14-18	Canadian Dollar	886,123	886,123	British Pound	500,000	904,611	(18,488)
							<b>Unrealized loss</b>	<b>(40,332)</b>

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. The Fund has master netting or similar arrangements in place with all counterparties. This means that in the event of default or bankruptcy, 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 that settle on the same date have been offset and presented as a net figure in the statements of financial position of the Fund and the table below, where there is a legally enforceable right and an intention to settle the contracts on a net basis. 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, 2018 and September 30, 2017:

	TD Securities Inc. (\$)	National Bank of Canada (\$)	Bank of New York Mellon (\$)
<b>March 31, 2018</b>			
Gross derivative assets	6,772	-	-
Gross derivative liabilities	-	(21,844)	(18,488)
<b>Net exposure</b>	<b>6,772</b>	<b>(21,844)</b>	<b>(18,488)</b>
<b>September 30, 2017</b>			
Gross derivative assets	-	22,573	-
Gross derivative liabilities	(10,925)	-	(15,033)
<b>Net exposure</b>	<b>(10,925)</b>	<b>22,573</b>	<b>(15,033)</b>

**(b) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2018:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	44,783	44,783
Receivable for investments sold	-	-	104,601	104,601
Interest receivable	-	-	7	7
Dividends receivable	-	-	32,542	32,542
Investments	-	5,296,855	-	5,296,855
Investments - pledged as collateral	-	111,719	-	111,719
Derivative assets	6,772	-	-	6,772
<b>Total</b>	<b>6,772</b>	<b>5,408,574</b>	<b>181,933</b>	<b>5,597,279</b>

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	8,417	8,417
Expenses payable	-	-	2,620	2,620
Derivative liabilities	45,666	-	-	45,666
<b>Total</b>	<b>45,666</b>	<b>-</b>	<b>11,037</b>	<b>56,703</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Held for Trading (\$)	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	-	363,363	363,363
Margin accounts	-	-	9,707	9,707
Subscriptions receivable	-	-	70,078	70,078
Interest receivable	-	-	3	3
Dividends receivable	-	-	6,547	6,547
Investments	-	5,604,372	-	5,604,372
Investments - pledged as collateral	-	115,812	-	115,812
Derivative assets	22,573	-	-	22,573
<b>Total</b>	<b>22,573</b>	<b>5,720,184</b>	<b>449,698</b>	<b>6,192,455</b>

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

Liabilities	Held for Trading (\$)	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	-	8,543	8,543
Expenses payable	-	-	2,667	2,667
Derivative liabilities	31,793	-	-	31,793
<b>Total</b>	<b>31,793</b>	<b>-</b>	<b>11,210</b>	<b>43,003</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the years ended March 31, 2018 and March 31, 2017:

Category	Net gains (losses) (\$)	
	2018	2017
Financial assets at FVTPL:		
Held for Trading	(80,488)	40,906
Designated at Inception	136,758	409,713
<b>Total</b>	<b>56,270</b>	<b>450,619</b>
Financial liabilities at FVTPL:		
Held for Trading	10,956	14,305
<b>Total</b>	<b>67,226</b>	<b>464,924</b>

### (c) RISK MANAGEMENT

#### Price Risk

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

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

If the price of investments held by the Fund on March 31, 2018 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 \$270,162 (September 30, 2017: \$285,717). 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, 2018 and September 30, 2017:

By Geographic Region	March 31, 2018	September 30, 2017
United Kingdom	39.7%	32.9%
Switzerland	18.9%	20.6%
United States	9.9%	10.6%
France	9.1%	7.2%
Australia	8.6%	7.9%
Germany	5.4%	6.0%
Netherlands	3.2%	2.6%
Other Net Assets (Liabilities)	3.1%	7.1%
Bermuda	2.2%	-
Canada	0.6%	5.1%
Jersey	(0.1%)	-
Forward Currency Contracts	(0.6%)	-
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

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

By Industry Sector	March 31, 2018	September 30, 2017
Consumer Discretionary	20.1%	13.6%
Energy	16.1%	14.8%
Financials	16.4%	14.9%
Materials	12.9%	18.5%
Consumer Staples	12.1%	12.0%
Industrials	8.5%	10.7%
Health Care	5.4%	5.2%
Utilities	3.7%	3.2%
Other Net Assets (Liabilities)	3.1%	7.1%
Real Estate	2.2%	-
Exchange Traded Funds	0.2%	0.1%
Short Positions - Derivatives	(0.1%)	(0.1%)
Forward Currency Contracts	(0.6%)	-
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Currency Risk

As the Fund will invest in securities traded in foreign currencies, its net assets and cash flows, when measured in Canadian dollars, will, to the extent that they have not been fully hedged, be 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, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(243,721)	395,193	151,472	(12,186)	19,760	7,574
British Pound	(900,498)	896,432	(4,066)	(45,025)	44,822	(203)
Euro	(431,535)	674,092	242,557	(21,577)	33,705	12,128
Swiss Franc	(337,059)	861,309	524,250	(16,853)	43,065	26,212
United States Dollar	(326,541)	2,417,623	2,091,082	(16,327)	120,881	104,554
<b>Total</b>	<b>(2,239,354)</b>	<b>5,244,649</b>	<b>3,005,295</b>	<b>(111,968)</b>	<b>262,233</b>	<b>150,265</b>
<b>% of net assets attributable to holders of redeemable units</b>	<b>(40.4%)</b>	<b>94.7%</b>	<b>54.3%</b>	<b>(2.0%)</b>	<b>4.7%</b>	<b>2.7%</b>

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

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
Australian Dollar	(240,560)	406,899	166,339	(12,028)	20,345	8,317
British Pound	(584,128)	771,569	187,441	(29,206)	38,578	9,372
Euro	(222,008)	700,615	478,607	(11,100)	35,031	23,931
Swiss Franc	(451,177)	964,002	512,825	(22,559)	48,200	25,641
United States Dollar	(349,108)	2,551,354	2,202,246	(17,456)	127,568	110,112
<b>Total</b>	<b>(1,846,981)</b>	<b>5,394,439</b>	<b>3,547,458</b>	<b>(92,349)</b>	<b>269,722</b>	<b>177,373</b>
% of net assets attributable to holders of redeemable units	(30.0%)	87.7%	57.7%	(1.5%)	4.4%	2.9%

## Interest Rate Risk

As at March 31, 2018 and September 30, 2017, 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 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) even in the event of default or bankruptcy. 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 outlined in the table below including the effect of master netting or similar arrangements in place with all counterparties.

As at March 31, 2018 and September 30, 2017, 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 have credit ratings which exceed the minimum requirement outlined in securities legislation.

March 31, 2018		
	Net Unrealized Gain (\$)	Credit Rating
TD Securities Inc.	6,772	Standard & Poor's A-1+

September 30, 2017		
	Net Unrealized Gain (\$)	Credit Rating
National Bank of Canada	22,573	Standard & Poor's A

The Fund's cash and margin accounts are maintained at financial institutions with a Standard & Poor's credit rating of A 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.

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, 2018	144,081	119,172	-	263,253
September 30, 2017	157,215	228,027	13,000	398,242

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, 2018 and September 30, 2017:

	Assets at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,408,574	-	-	5,408,574
Forward currency contracts	-	6,772	-	6,772
<b>Total</b>	<b>4,064,417</b>	<b>6,772</b>	<b>-</b>	<b>5,419,327</b>

	Liabilities at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	-	(40,332)	-	(40,332)
Forward currency contracts	(5,334)	-	-	(5,334)
<b>Total</b>	<b>(5,334)</b>	<b>(40,332)</b>	<b>-</b>	<b>(45,666)</b>

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	5,720,184	-	-	5,720,184
Forward currency contracts	-	22,573	-	22,573
<b>Total</b>	<b>5,720,184</b>	<b>22,573</b>	<b>-</b>	<b>5,742,757</b>

	Liabilities at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Options - Short	(5,835)	-	-	(5,835)
Forward currency contracts	-	(25,958)	-	(25,958)
<b>Total</b>	<b>(5,835)</b>	<b>(25,958)</b>	<b>-</b>	<b>(31,793)</b>

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

**(e) STRUCTURED ENTITIES**

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

The Fund's investments in ETFs as at March 31, 2018 and September 30, 2017 are summarized below:

March 31, 2018	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$)	% of ETF's Net Assets
Technology Select Sector SPDR Fund ETF	8,429	26,263,401,255	-

September 30, 2017	Fair Value of Fund's Investment (\$)	Net Asset Value of ETF (\$)	% of ETF's Net Assets
Technology Select Sector SPDR Fund ETF	7,374	22,241,018,975	-

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

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 30, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 45,651	\$ 54,401
Receivable for investments sold	-	35,871
Dividends receivable	311	380
Investments (note 5)	536,595	505,161
	<u>582,557</u>	<u>595,813</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	918	872
Expenses payable	1,465	270
Payable for investments purchased	849	-
	<u>3,232</u>	<u>1,142</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 579,325</u>	<u>\$ 594,671</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	373,131	383,479
Series F	206,194	211,192
	<u>\$ 579,325</u>	<u>\$ 594,671</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	48,179	48,059
Series F	26,512	26,102
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	7.74	7.98
Series F	7.78	8.09

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

*"Michael Lee-Chin"*

Director

*"Robert Almeida"*

Director

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

## Statements of Comprehensive Income (Unaudited)

for the periods ended March 31,	2018	2017
<b>Income</b>		
Net gain (loss) on investments		
Dividends	\$ 2,207	\$ 1,275
Interest for distribution purposes	250	499
Net realized gain (loss) on investments	2,197	3,859
Change in unrealized appreciation (depreciation) on investments	(12,708)	(39,047)
	<u>(8,054)</u>	<u>(33,414)</u>
<b>Other income</b>		
Foreign exchange gain (loss) on cash and other net assets	(141)	108
<b>Total income (net)</b>	<u>(8,195)</u>	<u>(33,306)</u>
<b>Expenses</b>		
Unitholder reporting costs	42,368	48,066
Audit fees	6,943	6,273
Management fees (note 8)	5,538	5,744
Legal fees	1,757	1,890
Independent review committee fees	1,578	1,777
Minimum Tax	1,181	733
Custodial fees	198	1,135
Withholding tax expense	53	-
Transaction costs	30	105
Total operating expenses	<u>59,646</u>	<u>65,723</u>
Less: expenses absorbed by Manager	<u>(51,145)</u>	<u>(57,447)</u>
Net operating expenses	<u>8,501</u>	<u>8,276</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ (16,696)</u>	<u>\$ (41,582)</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>		
Series A	(11,698)	(29,650)
Series F	(4,998)	(11,932)
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Series A	(0.24)	(0.59)
Series F	(0.19)	(0.58)

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,	2018		2017	
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>				
Series A	\$	383,479	\$	470,433
Series F		211,192		171,350
		<u>594,671</u>		<u>641,783</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>				
Series A		(11,698)		(29,650)
Series F		(4,998)		(11,932)
		<u>(16,696)</u>		<u>(41,582)</u>
<b>Distributions to Holders of Redeemable Units</b>				
From net investment income				
Series A		(53)		-
Series F		-		(49)
		<u>(53)</u>		<u>(49)</u>
From net realized gains on investments				
Series A		(92)		(2,602)
Series F		(3,333)		(2,035)
		<u>(3,425)</u>		<u>(4,637)</u>
<b>Net Decrease from Distributions to Holders of Redeemable Units</b>		<u>(3,478)</u>		<u>(4,686)</u>
<b>Redeemable Unit Transactions</b>				
Proceeds from redeemable units issued				
Series A		5,709		11,559
Series F		-		54,919
		<u>5,709</u>		<u>66,478</u>
Reinvestments of distributions				
Series A		145		2,602
Series F		3,333		2,084
		<u>3,478</u>		<u>4,686</u>
Redemptions of redeemable units				
Series A		(4,359)		(78,558)
Series F		-		(2,458)
		<u>(4,359)</u>		<u>(81,016)</u>
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>		<u>4,828</u>		<u>(9,852)</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>				
Series A		373,131		373,784
Series F		206,194		211,879
	\$	<u>579,325</u>	\$	<u>585,663</u>

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



## Statements of Cash Flows (Unaudited)

for the periods ended March 31,	2018		2017	
<b>Cash Flows from Operating Activities</b>				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$	(16,696)	\$	(41,582)
Adjustments for:				
Net realized (gain) loss on investments		(2,197)		(3,859)
Change in unrealized (appreciation) depreciation on investments		12,708		39,047
Unrealized foreign exchange (gain) loss on cash		-		4
(Increase) decrease in dividends receivable		69		(91)
Increase (decrease) in management fees and expenses payable		1,241		617
Purchase of investments		(51,901)		(73,778)
Proceeds from sale of investments		46,676		27,836
<b>Net Cash Generated (Used) by Operating Activities</b>		<b>(10,100)</b>		<b>(51,806)</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from redeemable units issued		5,709		65,704
Amount paid on redemption of redeemable units		(4,359)		(80,242)
<b>Net Cash Generated (Used) by Financing Activities</b>		<b>1,350</b>		<b>(14,538)</b>
Net increase (decrease) in cash and cash equivalents		(8,750)		(66,344)
Unrealized foreign exchange gain (loss) on cash		-		(4)
Cash and cash equivalents - beginning of period		54,401		116,270
<b>Cash and cash equivalents - end of period</b>		<b>45,651</b>		<b>49,922</b>
Cash and cash equivalents comprise:				
Cash at bank	\$	45,651	\$	49,922
<b>From operating activities:</b>				
Interest received, net of withholding tax	\$	250	\$	499
Dividends received, net of withholding tax	\$	2,225	\$	1,184

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Bermuda</b>				
1,249	Brookfield Business Partners L.P.	\$ 33,588	\$ 57,945	
2,100	Liberty Latin America Ltd. Class A	92,005	52,623	
		125,593	110,568	19.1%
<b>British Virgin Islands</b>				
3,650	Nomad Foods Limited	50,094	74,017	12.7%
<b>Canada</b>				
11,410	Baytex Energy Corp.	71,516	40,277	
515	Brookfield Asset Management Inc. Class A	22,588	25,877	
5,373	Crescent Point Energy Corp.	90,792	47,068	
605	Linamar Corporation	36,149	42,580	
5,880	Whitecap Resources, Inc.	59,673	46,334	
		280,718	202,136	34.9%
<b>Guernsey</b>				
2,995	Pershing Square Holdings, Ltd.	62,099	46,844	8.1%
<b>United States</b>				
190	Berkshire Hathaway Inc. Class B	34,727	48,830	
965	Hertz Global Holdings, Inc.	52,706	24,678	
350	Walgreens Boots Alliance, Inc.	30,084	29,522	
		117,517	103,030	17.8%
	Total investment portfolio	636,021	536,595	92.6%
	Transaction costs	(315)	-	-
		\$ 635,706	536,595	92.6%
	Other assets less liabilities		42,730	7.4%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		\$ 579,325	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, 2018:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	45,651	45,651
Dividends receivable	-	311	311
Investments	536,595	-	536,595
<b>Total</b>	<b>536,595</b>	<b>45,962</b>	<b>582,557</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	918	918
Expenses payable	-	1,465	1,465
Payable for investments purchased	-	849	849
<b>Total</b>	<b>-</b>	<b>3,232</b>	<b>3,232</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	54,401	54,401
Receivable for investments sold	-	35,871	35,871
Dividends receivable	-	380	380
Investments	505,161	-	505,161
<b>Total</b>	<b>505,161</b>	<b>90,652</b>	<b>595,813</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	872	872
Expenses payable	-	270	270
<b>Total</b>	<b>-</b>	<b>1,142</b>	<b>1,142</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the six month period ended March 31, 2018 and March 31, 2017:

Category	Net gains (losses) (\$)	
	2018	2017
Financial assets at FVTPL:		
Designated at Inception	(8,054)	(33,414)
<b>Total</b>	<b>(8,054)</b>	<b>(33,414)</b>

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

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

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

If the price of investments held by the Fund on March 31, 2018 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 \$26,830 (September 30, 2017: \$25,258). 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, 2018 and September 30, 2017:

By Geographic Region	March 31, 2018	September 30, 2017
Canada	34.9%	36.1%
Bermuda	19.1%	7.8%
United States	17.8%	11.8%
British Virgin Islands	12.7%	11.1%
Guernsey	8.1%	7.6%
Other Net Assets (Liabilities)	7.4%	15.1%
United Kingdom	-	10.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2018	September 30, 2017
Energy	23.1%	24.1%
Financials	21.0%	21.1%
Consumer Staples	17.8%	11.1%
Consumer Discretionary	16.4%	16.3%
Industrials	14.3%	12.3%
Other Net Assets (Liabilities)	7.4%	15.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	583	360,336	360,919	29	18,017	18,046
<b>Total</b>	<b>583</b>	<b>360,336</b>	<b>360,919</b>	<b>29</b>	<b>18,017</b>	<b>18,046</b>
% of net assets attributable to holders of redeemable units	0.1%	62.2%	62.3%	-	3.1%	3.1%

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	36,222	327,143	363,365	1,811	16,357	18,168
<b>Total</b>	<b>36,222</b>	<b>327,143</b>	<b>363,365</b>	<b>1,811</b>	<b>16,357</b>	<b>18,168</b>
% of net assets attributable to holders of redeemable units	6.1%	55.0%	61.1%	0.3%	2.8%	3.1%

## Interest Rate Risk

As at March 31, 2018 and September 30, 2017, the Fund did not have significant direct exposure to interest rate risk.

## Credit Risk

As at March 31, 2018 and September 30, 2017, 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 and payable for investments purchased, 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.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, 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, 2018 and September 30, 2017:

	Assets at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	536,595	-	-	536,595
<b>Total</b>	<b>536,595</b>	<b>-</b>	<b>-</b>	<b>536,595</b>

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	505,161	-	-	505,161
<b>Total</b>	<b>505,161</b>	<b>-</b>	<b>-</b>	<b>505,161</b>

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

**(d) STRUCTURED ENTITIES**

As at March 31, 2018 and September 30, 2017, the Fund did not have any investments in structured entities.

## Statements of Financial Position (Unaudited)

	As at March 31, 2018	As at September 30, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 348,319	\$ 369,798
Receivable for investments sold	5,990	16,580
Dividends receivable	270	187
Investments (note 5)	935,906	614,154
	<u>1,290,485</u>	<u>1,000,719</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Management fees payable	2,053	1,390
Expenses payable	607	364
Payable for investments purchased	17,770	42,186
	<u>20,430</u>	<u>43,940</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ 1,270,055</u>	<u>\$ 956,779</u>
<b>Net Assets Attributable to Holders of Redeemable Units Per Series</b>		
Series A	885,783	583,373
Series F	384,272	373,406
	<u>\$ 1,270,055</u>	<u>\$ 956,779</u>
<b>Number of Redeemable Units Outstanding (note 6)</b>		
Series A	90,770	59,160
Series F	38,977	37,693
<b>Net Assets Attributable to Holders of Redeemable Units Per Unit</b>		
Series A	9.76	9.86
Series F	9.86	9.91

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

*"Michael Lee-Chin"*

Director

*"Robert Almeida"*

Director

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

## Statement of Comprehensive Income (Unaudited)

for the period ended March 31,	2018
<b>Income</b>	
Net gain (loss) on investments	
Dividends	\$ 6,661
Interest for distribution purposes	1,317
Net realized gain (loss) on investments	(287)
Change in unrealized appreciation (depreciation) on investments	(7,965)
	<u>(274)</u>
<b>Other income</b>	
Foreign exchange gain (loss) on cash and other net assets	(547)
<b>Total income (net)</b>	<u>(821)</u>
<b>Expenses</b>	
Unitholder reporting costs	31,368
Management fees (note 8)	10,461
Audit fees	6,760
Legal fees	1,730
Independent review committee fees	1,579
Custodial fees	1,431
Withholding tax expense	364
Transaction costs	165
Total operating expenses	<u>53,858</u>
Less: expenses absorbed by Manager	<u>(39,702)</u>
Net operating expenses	14,156
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>\$ (14,977)</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series</b>	
Series A	(13,052)
Series F	(1,925)
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>	
Series A	(0.18)
Series F	(0.05)

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

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

for the period ended March 31,	2018
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Period</b>	
Series A	\$ 583,373
Series F	373,406
	<u>956,779</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	
Series A	(13,052)
Series F	(1,925)
	<u>(14,977)</u>
<b>Redeemable Unit Transactions</b>	
Proceeds from redeemable units issued	
Series A	315,462
Series F	12,791
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>328,253</u>
<b>Net Assets Attributable to Holders of Redeemable Units at End of Period</b>	
Series A	885,783
Series F	384,272
	<u>\$ 1,270,055</u>

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



## Statement of Cash Flows (Unaudited)

for the period ended March 31,	2018
<b>Cash Flows from Operating Activities</b>	
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	\$ (14,977)
Adjustments for:	
Net realized (gain) loss on investments	287
Change in unrealized (appreciation) depreciation on investments	7,965
Unrealized foreign exchange (gain) loss on cash	(56)
(Increase) decrease in dividends receivable	(83)
Increase (decrease) in management fees and expenses payable	906
Purchase of investments	(392,912)
Proceeds from sale of investments	49,082
<b>Net Cash Generated (Used) by Operating Activities</b>	<u>(349,788)</u>
<b>Cash Flows from Financing Activities</b>	
Proceeds from redeemable units issued	328,253
<b>Net Cash Generated (Used) by Financing Activities</b>	<u>328,253</u>
Net increase (decrease) in cash and cash equivalents	(21,535)
Unrealized foreign exchange gain (loss) on cash	56
Cash and cash equivalents - beginning of period	369,798
<b>Cash and cash equivalents - end of period</b>	<u>348,319</u>
Cash and cash equivalents comprise:	
Cash at bank	148,343
Short-term investments	199,976
	<u>\$ 348,319</u>
<b>From operating activities:</b>	
Interest received, net of withholding tax	\$ 1,317
Dividends received, net of withholding tax	\$ 6,214

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

## Schedule of Investment Portfolio (Unaudited)

as at March 31, 2018

No. of Shares	Security Name	Average Cost	Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
<b>EQUITIES</b>				
<b>Bermuda</b>				
946	Brookfield Infrastructure Partners L.P.	\$ 49,468	\$ 50,750	
1,938	Brookfield Property Partners L.P.	55,582	47,914	
2,741	Liberty Latin America Ltd. Class A	77,503	68,685	
		<u>182,553</u>	<u>167,349</u>	13.2%
<b>Canada</b>				
1,023	Brookfield Asset Management Inc. Class A	51,635	51,401	
1,568	Fortis Inc.	70,007	68,193	
803	Linamar Corporation	54,146	56,515	
6,942	Whitecap Resources, Inc.	61,229	54,703	
		<u>237,017</u>	<u>230,812</u>	18.2%
<b>Panama</b>				
541	Carnival Corporation	45,551	45,709	3.6%
<b>United States</b>				
35	Alphabet Inc. Class A	44,330	46,767	
342	Berkshire Hathaway Inc. Class B	78,083	87,894	
73	BlackRock, Inc.	42,384	50,949	
552	Danaher Corporation	61,207	69,631	
714	Fortive Corporation	60,859	71,309	
757	Oracle Corporation	46,731	44,619	
598	The Kraft Heinz Company	60,710	47,990	
864	Walgreens Boots Alliance, Inc.	83,600	72,877	
		<u>477,904</u>	<u>492,036</u>	38.7%
	Total investment portfolio	943,025	935,906	73.7%
	Transaction costs	(409)	-	-
		<u>\$ 942,616</u>	<u>935,906</u>	73.7%
	Other assets less liabilities		334,149	26.3%
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		<u>\$ 1,270,055</u>	100.0%

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

**(a) FINANCIAL INSTRUMENTS BY CATEGORY**

The following tables present the carrying amounts of the Fund's financial instruments by category as at March 31, 2018:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	348,319	348,319
Receivable for investments sold	-	5,990	5,990
Dividends receivable	-	270	270
Investments	935,906	-	935,906
<b>Total</b>	<b>935,906</b>	<b>354,579</b>	<b>1,290,485</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	2,053	2,053
Expenses payable	-	607	607
Payable for investments purchased	-	17,770	17,770
<b>Total</b>	<b>-</b>	<b>20,430</b>	<b>20,430</b>

The following tables present the carrying amounts of the Fund's financial instruments by category as at September 30, 2017:

Assets	Financial assets at FVTPL Designated at Inception (\$)	Financial assets at amortized cost (\$)	Total (\$)
Cash and cash equivalents	-	369,798	369,798
Receivable for investments sold	-	16,580	16,580
Dividends receivable	-	187	187
Investments	614,154	-	614,154
<b>Total</b>	<b>614,154</b>	<b>386,565</b>	<b>1,000,719</b>

Liabilities	Financial liabilities at FVTPL Designated at Inception (\$)	Financial liabilities at amortized cost (\$)	Total (\$)
Management fees payable	-	1,390	1,390
Expenses payable	-	364	364
Payable for investments purchased	-	42,186	42,186
<b>Total</b>	<b>-</b>	<b>43,940</b>	<b>43,940</b>

The following table presents the net gains (losses) on financial instruments at FVTPL by category for the period ended March 31, 2018:

Category	Net gains (losses) (\$) 2018
Financial assets at FVTPL:	
Designated at Inception	(1,174)
<b>Total</b>	<b>(1,174)</b>

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

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

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

If the price of investments held by the Fund on March 31, 2018 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 \$46,795 (September 30, 2017: \$30,707). 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, 2018 and September 30, 2017:

By Geographic Region	March 31, 2018	September 30, 2017
United States	38.7%	32.3%
Other Net Assets (Liabilities)	26.3%	35.8%
Canada	18.2%	18.6%
Bermuda	13.2%	6.4%
Panama	3.6%	3.1%
United Kingdom	-	3.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

By Industry Sector	March 31, 2018	September 30, 2017
Other Net Assets (Liabilities)	26.3%	35.8%
Financials	14.9%	12.0%
Consumer Discretionary	13.4%	10.0%
Consumer Staples	9.5%	10.7%
Utilities	9.5%	9.0%
Information Technology	7.2%	6.1%
Industrials	5.6%	4.9%
Health Care	5.5%	4.9%
Energy	4.3%	3.2%
Real Estate	3.8%	3.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Currency Risk

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

The tables below indicate the foreign currencies to which the Fund had significant exposure at March 31, 2018 and September 30, 2017, 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, 2018:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	(2,666)	756,495	753,829	(133)	37,825	37,692
<b>Total</b>	<b>(2,666)</b>	<b>756,495</b>	<b>753,829</b>	<b>(133)</b>	<b>37,825</b>	<b>37,692</b>
% of net assets attributable to holders of redeemable units	(0.2%)	59.6%	59.4%	-	3.0%	3.0%

September 30, 2017:

	Exposure			Impact on net assets attributable to holders of redeemable units		
	Monetary (\$)	Non-monetary (\$)	Total (\$)	Monetary (\$)	Non-monetary (\$)	Total (\$)
United States Dollar	12,967	467,139	480,106	648	23,357	24,005
<b>Total</b>	<b>12,967</b>	<b>467,139</b>	<b>480,106</b>	<b>648</b>	<b>23,357</b>	<b>24,005</b>
% of net assets attributable to holders of redeemable units	1.4%	48.8%	50.2%	0.1%	2.4%	2.5%

## Interest Rate Risk

As at March 31, 2018 and September 30, 2017, 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**

As at March 31, 2018 and September 30, 2017, 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 and payable for investments purchased, 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.

All other obligations including management fees payable, expenses payable, redemptions payable and payable for investments purchased, 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, 2018 and September 30, 2017.

	Assets at fair value as at March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	935,906	-	-	935,906
<b>Total</b>	<b>935,906</b>	<b>-</b>	<b>-</b>	<b>935,906</b>

	Assets at fair value as at September 30, 2017			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities - Long	614,154	-	-	614,154
<b>Total</b>	<b>614,154</b>	<b>-</b>	<b>-</b>	<b>614,154</b>

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

**(d) STRUCTURED ENTITIES**

As at March 31, 2018 and September 30, 2017, the Fund did not have any investments in structured entities.

## Notes to Financial Statements (Unaudited)

### 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, Portland Value Fund and Portland 15 of 15 Fund (each a Fund and 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 (the Prospectus). The Funds were formed and related series commenced operations on the following dates:

Name of Fund	Formation Date of Fund	Commencement of Operations		
		Series A, Series F	Series A2 (note 1b)	Series G
Portland Advantage Fund	October 1, 2012	October 31, 2012	n/a	March 14, 2013
Portland Canadian Balanced Fund	October 1, 2012	October 31, 2012	n/a	March 14, 2013
Portland Canadian Focused Fund	October 1, 2012	October 31, 2012	n/a	January 24, 2013
Portland Global Banks Fund	June 25, 2007	December 17, 2013	December 17, 2013	n/a
Portland Global Income Fund	January 27, 2005	December 17, 2013	December 17, 2013	n/a
Portland Global Dividend Fund	May 16, 2007	May 29, 2014	May 29, 2014	n/a
Portland Value Fund	April 14, 2015	May 19, 2015	n/a	n/a
Portland 15 of 15 Fund	April 12, 2017	April 28, 2017	n/a	n/a

Portland Investment Counsel Inc. (the 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. These financial statements are presented in Canadian dollars and were authorized for issue by the board of directors of the Manager on May 15, 2018. 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, 2018 and September 30, 2017. The statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows of the Funds are for the six month period ended March 31, 2018 and March 31, 2017 unless the Fund commenced operations during either period, in which case the statements of comprehensive income, changes in net assets attributable to holders of redeemable units, and cash flows are for the period from commencement of operations in the above table to the applicable period end reporting date.

The following table presents the investment objective of each Fund.

Name of Fund	Investment Objective
Portland Advantage Fund	Provide positive long-term total returns, consisting of both income and capital gains, by investing primarily in a portfolio of Canadian equities.
Portland Canadian Balanced Fund	Provide positive long-term total returns, consisting of both income and capital gains by investing primarily in a portfolio of fixed income securities and Canadian equity securities.
Portland Canadian Focused Fund	Provide positive long-term total returns by investing primarily in a portfolio of Canadian equities.
Portland Global Banks Fund	Provide positive long-term total returns by investing primarily in a portfolio of global bank equities.
Portland Global Income Fund	Provide income and long-term total returns by investing primarily in a high-quality portfolio of fixed/floating rate income securities, preferred shares and dividend paying equities of issuers located anywhere in the world
Portland Global Dividend Fund	Provide income and long-term total returns by investing primarily in a portfolio of global dividend paying equities.
Portland Value Fund	Provide positive long-term total returns by investing primarily in a portfolio of global equities.
Portland 15 of 15 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 applicable Funds no longer offered Series G units. All 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). These financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss (FVTPL).

### 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 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.

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' or '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 FVTPL' category are presented in the statements of comprehensive income within 'Change in unrealized appreciation (depreciation) of investments' or '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 currency forward 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 statements of comprehensive income in 'Change in unrealized appreciation (depreciation) of the investments' or '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 statements of financial position based on the debt instruments' stated rates of interest. Dividends on equity investments are recognized as income on the ex-dividend date.

### **Foreign currency translation**

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

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

## 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.

## 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 'Investments – 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

*New standards, amendments and interpretations effective after January 1, 2018 and that have not been early adopted*

IFRS 9 'Financial Instruments' addresses the classification, measurement and derecognition of financial assets and liabilities. It replaces the multiple classification and measurement models in IAS 39 and is effective for reporting periods beginning on or after January 1, 2018. Classification and measurement of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognized at FVTPL. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at FVTPL unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. IFRS 9, also introduces a new expected credit loss (ECL) impairment model. On adoption of IFRS 9, the Funds' investment portfolio will continue to be classified as FVTPL. Other financial assets which are held for collection will continue to be measured at amortized cost with no material impact expected from application of the new impairment model. As a result, the adoption of IFRS 9 is not expected to have a material impact on the Funds' financial statements.

## 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.

### 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

Investors in the Funds 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 price risk, currency risk and interest rate risk), concentration risk, credit risk and liquidity risk. The Funds' risk management goals are to ensure that the outcome of activities involving risk is consistent with the Funds' investment objectives and risk tolerance per the Funds' Prospectus. All investments result in a risk of loss of capital.

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

### Price risk

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

### 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 forward currency contracts to limit their currency exposure.

### 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 Funds will fluctuate due to changes in market interest rates.

### Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, asset type or industry sector.

### 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 forward currency contracts and debt securities represent the main concentration of credit risk in a Fund. The Funds manage their exposure to credit risk by limiting investment in forward currency contracts to those with (i) terms less than 365 days and (ii) counterparties that 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 securities includes consideration of the credit worthiness of the issuer, and accordingly, represents the maximum credit risk exposure of the Funds.

### 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.

## 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, 2018 was as follows:

	Balance, Beginning of Period	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches from Other Series	Balance, End of Period	Weighted Average Number of Units
<b>Portland Advantage Fund</b>						
Series A Units	203,582	2,437	1	21,499	184,521	195,053
Series F Units	185,761	382	2,060	38,580	149,623	173,653
<b>Portland Canadian Balanced Fund</b>						
Series A Units	254,066	47,280	7,285	20,064	288,567	276,442
Series F Units	281,449	128,324	13,973	64,006	359,740	329,651
<b>Portland Canadian Focused Fund</b>						
Series A Units	291,969	57,202	10,355	16,504	343,022	322,580
Series F Units	707,465	184,669	22,998	132,859	782,273	739,014
<b>Portland Global Banks Fund</b>						
Series A Units	44,370	-	818	5,717	39,471	39,963
Series A2 Units	555,479	4,343	11,477	75,217	496,082	522,445
Series F Units	14,672	5,052	290	2,272	17,742	16,039
<b>Portland Global Income Fund</b>						
Series A Units	127,113	15,001	2,713	6,150	138,677	135,907
Series A2 Units	440,052	139,625	11,291	53,941	537,027	486,606
Series F Units	155,028	18,951	2,633	51,111	125,501	136,218
<b>Portland Global Dividend Fund</b>						
Series A Units	14,964	-	393	-	15,357	15,124
Series A2 Units	503,264	4,439	10,365	60,086	457,982	477,013
Series F Units	127,077	1,365	3,030	10,348	121,124	123,842
<b>Portland Value Fund</b>						
Series A Units	48,059	649	18	547	48,179	48,203
Series F Units	26,102	-	410	-	26,512	26,309
<b>Portland 15 of 15 Fund</b>						
Series A Units	59,160	31,610	-	-	90,770	73,580
Series F Units	37,693	1,284	-	-	38,977	38,906

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

	Balance, Beginning of Period	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches from Other Series	Balance, End of Period	Weighted Average Number of Units
<b>Portland Advantage Fund</b>						
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
<b>Portland Canadian Balanced Fund</b>						
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
<b>Portland Canadian Focused Fund</b>						
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
<b>Portland Global Banks Fund</b>						
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
<b>Portland Global Income Fund</b>						
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
<b>Portland Global Dividend Fund</b>						
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
<b>Portland Value Fund</b>						
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

## 7. TAXATION

All of the Funds except Portland Value Fund and Portland 15 of 15 Fund qualify as mutual fund trusts within the meaning of the Income Tax Act (Canada). Portland Value Fund and Portland 15 of 15 Fund are unit trusts, have registered investment status and will qualify as mutual fund trusts once they each have 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 and Portland 15 of 15 Fund may incur Minimum Tax (as defined in the Income Tax Act (Canada)) since they are unit trusts. Minimum Tax may arise if the unit trust retains capital gains by virtue of applying: a) expenses, b) non-capital loss carry forwards, or c) dividend tax credits against those gains. Minimum Tax may also arise in certain circumstances where dividend income is retained to utilize the dividend tax credit. Minimum Tax is reflected as an expense on the statements of comprehensive income, if applicable.

The 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 and Portland 15 of 15 Fund which have taxation year-ends 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	109,415	1,913	336,358	56,124	503,810

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	23,038,303
Portland Global Dividend Fund	26,593,737

## 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 NAV of each series of each Fund and paid monthly. The annual management fees rate of the respective series of units are as follows:

	Series A Units	Series A2 Units	Series F Units
Portland Advantage Fund	2.00%	n/a	1.00%
Portland Canadian Balanced Fund	2.00%	n/a	1.00%
Portland Canadian Focused Fund	2.00%	n/a	1.00%
Portland Global Banks Fund	2.00%	1.75%	1.00%
Portland Global Income Fund	1.85%	1.65%	0.85%
Portland Global Dividend Fund	2.00%	1.85%	1.00%
Portland Value Fund	2.00%	n/a	1.00%
Portland 15 of 15 Fund	2.00%	n/a	1.00%

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 Funds. The Manager may charge the Funds for actual time spent by its personnel (or those of its affiliates) in overseeing the day-to-day business affairs of the Funds. The amount charged for time spent by personnel is determined based on fully allocated costs and does not include a mark-up or administration fee. The Manager may absorb operating expenses of a Fund 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 a 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).

The Manager may use third party proprietary research, which is generally also available on a subscription basis, the value of which will be used to approximate the value of research and other similar services received from third parties through commission sharing arrangements with executing brokers. The ascertainable value of the third party soft dollar arrangements in connection with portfolio transactions for the periods ended March 31, 2018 and March 31, 2017 are presented in the table below:

For the period ended	March 31, 2018 (\$)	March 31, 2017 (\$)
Portland Advantage Fund	345	167
Portland Canadian Balanced Fund	-	-
Portland Canadian Focused Fund	-	-
Portland Global Banks Fund	18	18
Portland Global Income Fund	74	31
Portland Global Dividend Fund	70	50
Portland Value Fund	9	23
Portland 15 of 15 Fund	56	-

## 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, 2018 and March 31, 2017. 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, 2018	Management Fees (\$)	Operating Expense Reimbursement (\$)	Absorbed Operating Expenses (\$)	Operating Expenses Reimbursed to Affiliates of the Manager (\$)
Portland Advantage Fund	32,845	11,147	46,735	661
Portland Canadian Balanced Fund	61,335	23,365	25,860	661
Portland Canadian Focused Fund	98,878	40,803	17,025	661
Portland Global Banks Fund	61,219	17,561	61,155	661
Portland Global Income Fund	58,461	19,607	45,500	661
Portland Global Dividend Fund	49,343	14,987	53,535	661
Portland Value Fund	4,897	1,503	45,225	836
Portland 15 of 15 Fund	9,246	2,798	35,090	661

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

The Funds owed the following amounts to the Manager as at March 31, 2018 and September 30, 2017 (excluding applicable GST or HST):

Period ended March 31, 2018	Management Fees (\$)	Operating Expense Reimbursement (\$)
Portland Advantage Fund	4,932	1,695
Portland Canadian Balanced Fund	10,222	4,146
Portland Canadian Focused Fund	16,204	7,086
Portland Global Banks Fund	10,317	2,969
Portland Global Income Fund	10,471	3,494
Portland Global Dividend Fund	7,731	2,396
Portland Value Fund	812	251
Portland 15 of 15 Fund	2,186	537

Period ended September 30, 2017	Management Fees (\$)	Operating Expense Reimbursement (\$)
Portland Advantage Fund	5,368	1,903
Portland Canadian Balanced Fund	8,246	3,289
Portland Canadian Focused Fund	13,447	6,082
Portland Global Banks Fund	9,750	2,791
Portland Global Income Fund	8,684	2,979
Portland Global Dividend Fund	7,853	2,440
Portland Value Fund	771	239
Portland 15 of 15 Fund	1,185	365

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 NAV per unit. The following table presents the percentage ownership of each of the Funds by Related Parties on each reporting date:

	March 31, 2018	September 30, 2017
Portland Advantage Fund	15.7%	13.4%
Portland Canadian Balanced Fund	0.1%	2.2%
Portland Canadian Focused Fund	0.4%	1.6%
Portland Global Banks Fund	1.1%	1.1%
Portland Global Income Fund	1.7%	1.9%
Portland Global Dividend Fund	0.8%	0.9%
Portland Value Fund	29.7%	29.7%
Portland 15 of 15 Fund	12.4%	16.6%

## 11. BROKERAGE FACILITY

As of March 31, 2018 and September 30, 2017, 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 had 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 had the right to set off the collateral property to reduce or eliminate the amount owed to them. RBCDS also has the right to sell or otherwise dispose of the collateral property held on account for the Funds in order to set off against amounts owing to them from the Funds. 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, 2018, the NAV per unit used for transactional purposes of the following funds was different than the net assets attributable to holders of redeemable units per unit used in these financial statements because of the difference in the NAV date of March 29, 2018 and the financial statement date of March 31, 2018.

Fund/Series	NAV per unit (\$)	Net assets attributable to holders of redeemable units per unit (\$)
Portland Canadian Focused Fund - Series F	15.11	15.10
Portland Global Dividend Fund - Series A2	9.28	9.27
Portland Value Fund - Series A	7.75	7.74

As at September 30, 2017, 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.

## 13. SUBSEQUENT EVENTS

Effective April 20, 2018, the Series A Units of Portland Global Income Fund were redesignated as Series A2 Units of Portland Global Income Fund. Immediately following the redesignation, the Series A2 Units of Portland Global Income Fund were re-named Series A. In addition, the Manager reduced the annual management fee payable on Series F Units from 0.85% to 0.65% effective April 20, 2018.

## Statement of Corporate Governance Practices

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



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