



Canadian Scholarship Trust Individual Savings Plan

Semi-Annual Financial Statements
April 30, 2013

Unaudited



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Unaudited semi-annual financial statements

The accompanying semi-annual financial statements have not been reviewed by the external auditors of the Plan in accordance with assurance standards applicable to a review of interim financial statements.

Statements of Net Assets Available for Education Assistance Payments

As at April 30, 2013 and October 31, 2012 (in thousands of dollars)

	Apr 30, 2013	Oct 31, 2012 (Audited)
Assets		
Investments, at fair value <i>(Note 4 and Schedule I)</i>	\$ 9,074	\$ 8,442
Cash and cash equivalents	1,200	1,588
Short-term investments	1,200	651
Accrued interest and other receivables	509	533
Receivables for securities sold	24	-
Government grants receivable	30	35
	12,037	11,249
Liabilities		
Accounts payable, accrued liabilities and unclaimed subscribers' funds	157	181
Payables for securities purchased	87	5
Subscribers' deposits <i>(Note 6)</i>	7,646	6,956
	7,890	7,142
Net Assets Available for Education Assistance Payments	4,147	4,107
Represented by:		
Non-Discretionary Funds		
Accumulated interest held for future education assistance payments	1,898	2,056
Government grants	1,867	1,674
Interest on Government grants	351	338
Unrealized Gains	31	39
	\$ 4,147	\$ 4,107

Statements of Investment Operations

For the six months ended April 30, 2013 and 2012 (in thousands of dollars)

	Apr 30, 2013	Apr 30, 2012
Income		
Interest income	\$ 125	\$ 130
Realized Losses	(11)	(13)
	114	117
Expenses		
Plan administration and processing fees <i>(Note 3(a))</i>	49	45
Financial reporting <i>(Note 3(a))</i>	15	15
Portfolio management fees	6	6
Trustee fees	2	2
Custodian fees	1	-
	73	68
Net Investment Income	41	49
Decrease in Unrealized Gains	(8)	(56)
Increase (Decrease) in Net Assets from Investment Operations	\$ 33	\$ (7)

Statements of Changes in Net Assets Available for Education Assistance Payments

For the six months ended April 30, 2013 and 2012 (in thousands of dollars)

	Apr 30, 2013	Apr 30, 2012
Net Assets Available for Education Assistance Payments, Beginning of Period	\$ 4,107	\$ 3,739
Increase (Decrease) in Net Assets from Investment Operations	33	(7)
Transfers from internal and external plans	198	543
	231	536
Receipts		
Government grants received (net of repayments)	185	241
Disbursements		
Payments to beneficiaries		
Education assistance payments	(270)	(339)
Government grants	(101)	(78)
Return of interest	(5)	(10)
	(376)	(427)
Receipts less Disbursements	(191)	(186)
Increase in Net Assets Available for Education Assistance Payments	40	350
Net Assets Available for Education Assistance Payments, End of Period	\$ 4,147	\$ 4,089

Statements of Cash Flows

For the six months ended April 30, 2013 and 2012 (in thousands of dollars)

	Apr 30, 2013	Apr 30, 2012
Operating Activities		
Increase (decrease) in Net Assets from Investment Operations	\$ 33	\$ (7)
Net proceeds (disbursements) from investment transactions	(1,142)	100
Items not affecting cash		
Realized losses on sale of investments	11	13
Decrease in Unrealized Gains	8	56
Change in non-cash operating working capital		
Decrease in Accrued interest and other receivables	24	(277)
Decrease in Government grants receivable	5	46
Decrease in Accounts payable, accrued liabilities and unclaimed subscribers' funds	(24)	(87)
Cash flow used in Operating Activities	(1,085)	(156)
Financing Activities		
Transfers from internal and external plans	198	543
Government grants received (net of repayments)	185	241
Net increase in Subscribers' deposits <i>(Note 6)</i>	690	652
Payments to beneficiaries	(376)	(427)
Cash flow from Financing Activities	697	1,009
Net increase (decrease) in Cash and cash equivalents	(388)	853
Cash and cash equivalents, Beginning of Period	1,588	118
Cash and cash equivalents, End of Period	\$ 1,200	\$ 971

Schedule I – Statement of Investment Portfolio

As at April 30, 2013 (in thousands of dollars)

Security	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds			
Federal – 30.7%			
Government of Canada			
3.50% 1 Jun 2013	340	341	353
2.00 1 Aug 2013	215	216	216
2.50 1 Sep 2013	230	231	234
3.00 1 Dec 2015	130	137	137
2.75 1 Sep 2016	160	169	168
1.50 1 Sep 2017	50	51	50
3.75 1 Jun 2019	75	86	86
1.50 1 Jun 2023	145	142	138
Canada Housing Trust			
3.55 15 Sep 2013	275	278	279
2.75 15 Dec 2014	260	267	268
2.45 15 Dec 2015	255	263	261
		2,181	2,190
Provincial – 36.0%			
Province of British Columbia			
4.25 18 Jun 2014	170	176	180
4.65 18 Dec 2018	254	294	283
2.70 18 Dec 2022	65	66	66
Province of Ontario			
5.00 8 Mar 2014	285	294	299
3.25 8 Sep 2014	600	617	619
4.40 8 Mar 2016	210	228	230
4.20 8 Mar 2018	105	117	116
Province of Quebec			
5.50 1 Dec 2014	555	593	607
4.50 1 Dec 2020	150	173	159
		2,558	2,559
Total Fixed Investments – 66.7%		4,739	4,749
Cash and Short-term Investments – 33.3%		2,371	2,371
Total Portfolio Assets – 100.0%		7,110	7,120
Investments Allocation (Note 4)			
Government Grants (Appendix I)		4,335	4,294
Cash and Short-term Investments (Appendix I)		29	29
Total Investment Fund		11,474	11,443
Represented by:			
Investments, at fair value		9,074	
Cash and cash equivalents		1,200	
Short-term Investments		1,200	
		11,474	

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

Notes to the Financial Statements

Six months ended April 30, 2013 and 2012 (Unaudited, in thousands of dollars)

Note 1. Nature of Operations

The Canadian Scholarship Trust Individual Savings Plan (“Individual Savings Plan” or the “Plan”) is a self-determined Education Savings Plan that was established on October 1, 1999. The objective of the Individual Savings Plan is to assist parents and others to save for the post-secondary education of children. The Individual Savings Plan is managed and distributed by C.S.T. Consultants Inc. (“C.S.T.C.”), a wholly-owned subsidiary of the Canadian Scholarship Trust Foundation (the “Foundation”). The Foundation was created to encourage and promote post-secondary education by making education savings plans available to Canadian residents.

Payments are made by a subscriber to an account maintained by the depository trustee on behalf of a beneficiary. Payments of sales charges (previously referred to as enrolment fees) are made from the subscriber’s initial contribution. The principal accumulated over the term of the subscriber’s education savings plan agreement (“Agreement”) is returned in whole or in part at any time at the request of the subscriber. A beneficiary is deemed to be a qualified student upon receipt by the Foundation of evidence of enrolment in a qualifying educational program at an eligible institution. Education assistance payments paid to qualified students from the Individual Savings Plan are determined by the subscriber and are paid from the income earned on the subscriber’s principal.

There are a number of government grants that may be available to beneficiaries:

- i. The Canada Education Savings Grant Program (“CESG”) is a grant from the Federal Government whereby Registered Education Savings Plans (“RESPs”) receive grant amounts dependent on family income;
- ii. Any child born on or after January 1, 2004, and who also qualifies for the National Child Benefit Supplement may be eligible for the Canada Learning Bond (“CLB”);
- iii. Any child born in the province of Alberta on or after January 1, 2005, may be eligible for the initial Alberta Centennial Education Savings Grant (“ACES”). Subsequent grants may be paid to all children attending school in Alberta at certain eligible ages; and
- iv. The Québec Education Savings Incentive (“QESI”) is available for beneficiaries who are under eighteen years of age and reside in Québec on December 31 of each year. The amount of QESI to be received by a beneficiary will depend on annual family income.
- v. The Saskatchewan Advantage Grant for Education Savings (“SAGES”) is available for contributions made after December 31, 2012 on behalf of beneficiaries who are under eighteen years of age and resident in Saskatchewan. The Plan is expected to begin receiving this grant by December 31, 2013.

The Individual Savings Plan receives the CESG, CLB, ACES, QESI and SAGES (collectively “Government grants”), which are paid directly into a beneficiary’s RESP and invests these funds in accordance with the Plan’s investment policies. The Government grants, along with investment income earned thereon, are paid to qualified students.

Agreements are registered with appropriate government authorities if all required information is provided, and once

registered are subject to the rules for RESPs under the Income Tax Act (Canada). The current tax legislation provides that income credited on subscribers’ principal is not taxable income of the subscriber unless withdrawn as an Accumulated Income Payment subject to certain eligibility requirements being met. The deposits are not deductible for income tax purposes and are not taxable when returned to the subscriber. Payments made to a qualified student including education assistance payments, grants, investment income earned on grants will constitute taxable income of that student in the year that the payments are made.

Note 2. Significant Accounting Policies

(a) Generally accepted accounting principles

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”).

(b) Future accounting standards

In February 2008, the Canadian Accounting Standards Board (“AcSB”) confirmed that the use of International Financial Reporting Standards (“IFRS”) will be required for publicly accountable enterprises. In December 2011, the AcSB amended the deadline for adoption of IFRS by certain qualifying investment funds to extend the adoption date to years beginning on or after January 1, 2014. Therefore, IFRS will replace Canadian GAAP and become effective for the Plan’s interim and annual financial statements relating to the fiscal year ending October 31, 2015. Management is in the process of developing a transition plan, which will include identifying differences between the Plan’s current accounting policies and those it expects to apply under IFRS, as well as any accounting policy and implementation decisions and their resulting impact, if any, on the financial statements of the Plan.

(c) Investment valuation

Investments, at fair value include the following types of securities: bonds and money market securities.

Bonds and money market securities are valued using bid prices at period end. In the event that quoted market prices are not available, the fair values presented are estimated using present value or other valuation techniques.

Note 7 provides further guidance on the fair value measurements.

(d) Investment transactions and income recognition

Investment transactions are accounted for on a trade date basis. Interest income on investments is recognized using the effective interest method. Realized gains (losses) on the sale of investments and change in unrealized gains (losses) on investments are calculated with reference to the average cost of the related investments and are recognized in the period that such gains (losses) occur.

(e) Subscribers’ deposits and sales charges

Subscribers’ deposits reflect amounts received from subscribers. A sales charge is required as part of the initial contribution under each education savings plan Agreement. Sales charges collected during the reporting period are paid to C.S.T.C.

Notes to the Financial Statements (continued)

Six months ended April 30, 2013 and 2012 (Unaudited, in thousands of dollars)

Note 2. Significant Accounting Policies (continued)

(f) Income taxes

Individual Savings Plan is exempt from income taxes under Section 146.1 of the *Income Tax Act* (Canada).

(g) Cash and cash equivalents

Cash and cash equivalents include short-term investments with a purchase date to maturity of 90 days or less.

(h) Use of estimates

In preparing the financial statements, management is required to use estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the current estimates. Significant estimates included in these financial statements relate to Accounts payable, accrued liabilities and unclaimed subscribers' funds.

Note 3. Related Party Transactions

(a) Distribution and Administration of the Individual Savings Plan

The Foundation, as the Plan sponsor, has appointed C.S.T.C. as the Investment Fund Manager to distribute and administer the Individual Savings Plan. The distribution agreement is renewable annually on November 1. Administration fees (comprising Plan administration and processing fees and financial reporting expenses) are paid to the Foundation. Administration fees are annual fees of 1% of the total amount of principal, Government grants and income earned thereon. Sales charges paid by subscribers from their initial contributions are paid to C.S.T.C. as compensation for the sale and distribution of savings plans.

(b) Other Related Party Transactions

The Foundation retains the services of Greystone Managed Investments Inc., an investment management firm and wholly-owned subsidiary of Greystone Capital Management Inc. ("Greystone"). As at April 30, 2013, one director of the Foundation was a member of the Board of Directors of Greystone. This director does not have any beneficial ownership of Greystone equity. This director does not participate in any of the Foundation's Board deliberations concerning the investment management of the Plan, and does not vote on any resolutions recommended by the Investment Committee of the Foundation.

Portfolio management fees in the Statements of Investment Operations include fees paid or payable to Greystone of \$1 (2012 – \$1). There were no balances included in Accounts payable, accrued liabilities and unclaimed subscribers' funds in the Statements of Net Assets Available for Education Assistance Payments owing to Greystone as at April 30, 2013 and October 31, 2012.

All related party transactions are in the normal course of business and are measured at the exchange amount.

Note 4. Investment Holdings

The investment holdings are disclosed in Schedule I – Statement of Investment Portfolio and the related Appendix I to the schedule, which is explained below.

The Government grants received from Human Resources and Skills Development Canada are collectively invested together with other C.S.T.C. administered plans. The principal and income received are separately tracked for each subscriber's Agreement. The portfolio holdings are allocated across all plans based on the proportion of principal and income attributable to Agreements within each plan (see Appendix I to Schedule I).

Note 5. Risks Associated with Financial Instruments

In the normal course of business the Plan may be exposed to a variety of risks arising from financial instruments. The Plan's exposures to such risks are concentrated in its investment holdings and are related interest rate risk, credit risk, liquidity risk and currency risk.

The Plan's risk management process includes monitoring compliance with the Plan's investment policy. The Plan manages the effects of these financial risks to the Plan portfolio performance by retaining and overseeing professional external investment managers. The investment managers regularly monitor the Plan's positions and market events, and manage the investment portfolio within the constraints of the investment policy.

(a) Market risk

i. Interest rate risk

Interest rate risk is the risk of a decrease in the Plan's yield on interest-bearing investments as a result of fluctuations in market interest rates. There is an inverse relationship between changes in interest rates and changes in the fair value of bonds. This risk is actively managed using duration, yield curve analysis, sector and credit selection. There is reduced risk to interest rate changes for cash and cash equivalents due to their short-term nature.

The Plan's holdings of debt instruments by maturity are as follows:

Debt Instruments by Maturity Date	% of Total Investment Fund	
	April 30, 2013	October 31, 2012
Less than 1 year (including short-term investments)	33%	32%
1-3 years	35%	34%
3-5 years	14%	17%
Greater than 5 years	18%	17%
Total Debt Instruments	100%	100%

As at April 30, 2013, if prevailing interest rates had increased by 1%, the Total Investment Fund amount of \$11,474 (October 31, 2012 – \$10,681) as per the Statement of Investment Portfolio would have decreased by \$285 (October 31, 2012 – \$258). If prevailing interest rates had

Notes to the Financial Statements (continued)

Six months ended April 30, 2013 and 2012 (Unaudited, in thousands of dollars)

Note 5. Risks Associated with Financial Instruments (continued)

(a) Market risk (continued)

i. Interest rate risk (continued)

decreased by 1%, the Total Investment Fund would have increased by \$301 (October 31, 2012 – \$272). This 1% change assumes a parallel shift in the yield curve with all other variables held constant. In practice, the actual trading results may differ materially.

ii. Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from interest rate risk. Factors specific to an individual investment, its issuer or all factors affecting all instruments traded in a market or market segment affect other price risk. The Plan is not exposed to other price risk as it holds only bonds and money market securities.

(b) Credit risk

Credit risk refers to the ability of the issuer of debt securities to make interest payments and repay principal. The Plan's portfolio is comprised of bonds issued or guaranteed by federal or provincial governments along with corporate debt instruments with a minimum approved credit rating as set by Canadian Securities Administrators, currently A-low. Individual Savings Plan has a concentration of investments in government and government guaranteed bonds, which are considered to be high credit quality investments thereby moderating credit risk.

The Plan's credit risk exposure is listed below.

Credit rating	Apr 30, 2013		October 31, 2012	
	% of Total Investment Fund	Amount (in thousands)	% of Total Investment Fund	Amount (in thousands)
AAA	59%	\$ 6,684	59%	\$ 6,319
AA/AH/AAL	2%	264	3%	269
A/AH/AL	18%	2,079	17%	1,814
R-1	20%	2,333	20%	2,096
Short-term unrated	1%	114	1%	183
Total Investment Fund	100%	\$ 11,474	100%	\$ 10,681

The Dominion Bond Rating Service ("DBRS") was the primary source for obtaining credit ratings. Secondary sources used include Standard & Poor's Financial Services LLC and Moody's Investors Service, Inc.

(c) Liquidity risk

Liquidity risk is the risk that the Plan may not be able to meet its obligations on time. The Plan's exposure to liquidity risk is concentrated in principal repayments to subscribers and Education Assistance Payments to beneficiaries. The Plan primarily invests in securities that are traded in the active markets and can be readily sold. The Plan retains sufficient cash and cash equivalents positions to meet liquidity requirements by

utilizing cash forecasting models that reflect the maturity distribution of Subscribers' deposits and accumulated income. All other financial liabilities are short term and due within one year.

(d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan is not exposed to currency risk as it holds only Canadian securities.

Note 6. Subscribers' Deposits

The changes in Subscribers' deposits for the six-month period ended April 30, 2013 and 2012, are as follows:

	April 30, 2013	April 30, 2012
Payments from subscribers	\$ 1,030	\$ 1,114
Inter-plan principal transfers	363	487
Return of principal	(703)	(949)
Net increase in Subscribers' deposits	690	652
Balance, Beginning of Period	6,956	6,352
Balance, End of Period	\$ 7,646	\$ 7,004

Note 7. Fair Value of Financial Instruments

Investments, at fair value, Cash and cash equivalents and Short-term investments are carried at fair value. The carrying values of other financial instruments such as Accrued interest and other receivables, Receivables for securities sold, Government grants receivable, Accounts payable, accrued liabilities and unclaimed subscribers' funds, Payables for securities purchased and Subscribers' deposits approximate their fair values as these financial instruments are short-term in nature.

Fair value represents the amount at which a financial instrument could be exchanged in an arm's-length transaction between willing parties under no compulsion to act and is best evidenced by a quoted bid price in an active market, if one exists.

The following table presents the Plan's financial instruments carried at fair value hierarchy set out in CICA Handbook Section 3862 *Financial Instruments – Disclosures*:

- "Level 1" financial instruments are valued using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- "Level 2" financial instruments are valued using observable inputs other than quoted prices included in Level 1.
- "Level 3" financial instruments are valued using unobservable inputs for the asset or liability.

Notes to the Financial Statements (continued)

Six months ended April 30, 2013 and 2012 (Unaudited, in thousands of dollars)

Note 7. Fair Value of Financial Instruments (continued)

Assets Measured at Fair Value as of April 30, 2013

	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 1,200	\$ -	\$ -	\$ 1,200
Short-term Investments	-	1,200	-	1,200
Fixed Income Securities	-	9,074	-	9,074
Total Investment Fund	\$1,200	\$ 10,274	\$ -	\$ 11,474

Assets Measured at Fair Value as of October 31, 2012

	Level 1	Level 2	Level 3	Total
Cash and Cash Equivalents	\$ 1,588	\$ -	\$ -	\$ 1,588
Short-term Investments	-	651	-	651
Fixed Income Securities	-	8,442	-	8,442
Total Investment Fund	\$1,588	\$ 9,093	\$ -	\$ 10,681

For the six-month period ended April 30, 2013 and year ended October 31, 2012, there were no transfers between Levels 1, 2 or 3.

Government Grants

Appendix I to Schedule I

Statement of Investment Portfolio

As at April 30, 2013 (in thousands of dollars)

Security	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds			
Federal – 40.4%			
Government of Canada			
1.50% 1 Nov 2013	11,480	11,508	11,591
0.75 1 May 2014	25,104	25,040	25,012
0.70 1 Mar 2015	2,509	1,127	1,120
4.10 1 Jul 2015	2,000	1,534	1,510
3.00 1 Dec 2015	9,473	9,954	9,639
3.55 1 Sep 2019	5,542	5,122	4,661
4.40 26 Jan 2026	1,380	1,584	1,372
5.00 1 Jun 2037	10,790	15,966	14,502
4.00 1 Jun 2041	3,290	4,387	3,797
Canada Housing Trust			
3.15 15 Jun 2014	30,879	31,599	32,004
2.75 15 Sep 2014	26,455	27,069	27,433
2.75 15 Dec 2014	37,461	38,491	38,955
1.44 15 Mar 2015	3,928	3,951	3,935
3.15 15 Jun 2015	8,664	9,038	8,758
2.75 15 Dec 2015	49,947	51,982	51,297
1.41 15 Mar 2016	21,845	21,972	21,954
2.75 15 Jun 2016	33,734	35,280	34,577
1.34 15 Sep 2016	31,831	31,977	31,815
2.05 15 Jun 2017	11,985	12,293	12,293
1.70 15 Dec 2017	32,491	32,825	32,514
PSP Capital Inc.			
4.57 9 Dec 2013	2,800	2,856	2,825
		375,555	371,564
Municipal and Provincial – 25.4%			
Province of Alberta			
1.41 27 May 2016	13,328	13,356	13,327
1.85 1 Sep 2016	4,565	4,647	4,582
Province of British Columbia			
4.25 18 Jun 2014	4,725	4,891	5,012
4.70 1 Dec 2017	2,975	3,393	3,184
4.70 18 Jun 2037	4,820	5,871	5,919
4.30 18 Jun 2042	2,650	3,104	3,129
Province of Manitoba			
2.05 1 Dec 2016	8,980	9,184	9,076
Province of New Brunswick			
4.50 4 Feb 2015	3,530	3,734	3,784
4.45 26 Mar 2018	4,780	5,383	5,197
6.47 30 Nov 2027	6,106	7,722	7,658
5.65 27 Dec 2028	1,195	1,547	1,468
5.50 27 Jan 2034	13,600	17,676	16,021
4.65 26 Sep 2035	1,270	1,493	1,311

Security	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)			
Municipal and Provincial – 25.4% (continued)			
Province of Newfoundland and Labrador			
5.25% 4 Jun 2014	2,775	2,899	2,990
Province of Nova Scotia			
5.80 1 Jun 2033	1,635	2,216	1,984
Province of Ontario			
3.25 8 Sep 2014	6,585	6,771	6,774
3.15 8 Sep 2015	10,999	11,487	11,324
3.20 8 Sep 2016	4,400	4,658	4,479
4.30 8 Mar 2017	12,180	13,445	12,804
1.90 8 Sep 2017	6,207	6,280	6,213
4.20 8 Mar 2018	6,617	7,380	7,368
4.40 2 Jun 2019	2,920	3,328	3,056
4.20 2 Jun 2020	3,890	4,413	4,048
4.00 2 Jun 2021	2,165	2,431	2,238
2.85 2 Jun 2023	2,250	2,292	2,249
7.60 2 Jun 2027	2,135	3,244	3,094
5.60 2 Jun 2035	3,205	4,295	3,648
4.70 2 Jun 2037	4,175	5,040	4,602
Province of Quebec			
5.50 1 Dec 2014	13,545	14,470	14,883
5.00 1 Dec 2015	12,815	14,030	14,242
4.50 1 Dec 2016	13,387	14,792	14,963
4.50 1 Dec 2017	7,064	7,936	7,907
1.55 1 Jun 2018	823	829	823
4.50 1 Dec 2019	6,345	7,280	6,697
4.50 1 Dec 2020	6,435	7,421	6,754
5.75 1 Dec 2036	2,075	2,801	2,410
5.00 1 Dec 2038	3,325	4,125	3,410
		235,864	228,628
Corporate – 32.9%			
407 International Inc.			
2.81 18 Dec 2016	2,750	2,816	2,750
7.13 26 Jul 2040	7,456	11,390	10,096
Arrow Lakes Power Corp			
5.52 5 Apr 2041	847	997	847
BAC Canada Finance			
2.75 21 Feb 2014	10,562	10,632	10,369
Bank of Montreal			
5.18 10 Jun 2015	3,375	3,631	3,684
3.10 10 Mar 2016	2,895	3,008	2,961
2.24 11 Dec 2017	1,110	1,121	1,110

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

Government Grants (continued)

Appendix I to Schedule I

Statement of Investment Portfolio

As at April 30, 2013 (in thousands of dollars)

Security	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)			
Corporate – 32.9% (continued)			
Bank of Nova Scotia			
3.34% 25 Mar 2015	4,130	4,269	4,266
2.74 1 Dec 2016	3,245	3,344	3,249
2.60 27 Feb 2017	3,500	3,588	3,528
2.24 22 Mar 2018	1,520	1,532	1,520
BMW Canada			
2.88 9 Aug 2016	1,025	1,057	1,025
2.39 27 Nov 2017	1,000	1,015	1,000
Caisse Centrale Desjardins			
2.28 17 Oct 2016	1,840	1,865	1,840
Canadian Imperial Bank of Commerce			
4.75 22 Dec 2014	2,074	2,185	2,127
2.35 18 Oct 2017	3,170	3,217	3,174
3.15 2 Nov 2020	2,750	2,835	2,761
CBC			
4.69 15 May 2027	4,254	4,879	4,580
CDP Financial Inc			
1.74 15 Jul 2015	6,350	6,366	6,382
4.60 15 Jul 2020	164	189	181
Central 1 Credit Union			
1.77 19 Nov 2014	8,500	8,502	8,500
Citigroup Finance Canada			
4.75 17 Mar 2014	2,000	2,052	2,060
Claregold Trust			
5.07 15 May 2044	3,853	1,120	1,178
CSS (FSCC) Partnership			
6.92 31 Jul 2042	2,507	3,294	3,207
GE Capital Canada			
4.65 11 Feb 2015	6,630	6,992	6,762
5.10 1 Jun 2016	2,010	2,208	2,181
3.35 23 Nov 2016	1,780	1,870	1,778
1.65 15 Feb 2022	10,313	9,702	9,459
2.34 6 Feb 2023	3,071	3,124	3,071
5.73 22 Oct 2037	3,406	4,302	3,777
Greater Toronto Airports			
6.45 30 Jul 2029	8,485	10,790	10,506
Green Timbers LP			
6.84 30 Jun 2037	675	851	736

Security	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)			
Corporate – 32.9% (continued)			
Honda Canada Finance Inc			
5.61% 12 Sep 2013	200	203	210
2.25 23 Feb 2015	8,310	8,404	8,310
2.28 11 Dec 2017	650	657	650
HSBC Bank of Canada			
2.57 23 Nov 2015	1,945	1,989	1,945
2.90 13 Jan 2017	1,630	1,685	1,632
Hydro One Inc.			
1.67 3 Dec 2016	4,300	4,362	4,300
John Deere Credit Inc			
1.95 12 Apr 2017	830	832	829
Manufacturers Life Insurance			
4.21 18 Nov 2021	6,293	6,707	6,429
4.17 1 Jun 2022	2,769	2,961	2,777
2.82 26 Feb 2023	5,200	5,286	5,264
Manulife Bank of Canada			
1.83 3 Dec 2014	2,580	2,587	2,580
Maritimes and Northeast Pipelines			
4.34 30 Nov 2019	4,347	4,575	4,487
Merrill Lynch Financial Assets			
4.82 12 Feb 2015	1,560	1,627	1,614
4.62 12 Nov 2015	1,235	1,306	1,222
4.85 12 Dec 2015	2,365	1,146	1,135
4.98 12 Jun 2016	2,979	3,222	3,153
4.66 12 Jul 2016	500	251	255
4.64 12 Oct 2016	578	369	371
4.81 12 Oct 2016	2,814	3,078	2,903
4.71 12 Nov 2016	3,409	1,042	1,062
4.48 12 Jul 2037	920	972	900
4.75 12 Jan 2040	2,009	2,183	2,155
Milit-Air Inc.			
5.75 30 Jun 2019	2,422	2,694	2,617
N-45 First CMBS			
5.67 15 Nov 2020	1,502	1,531	1,598
National Bank of Canada			
2.23 30 Jan 2015	1,300	1,316	1,300
2.69 21 Aug 2017	500	514	505
NAV Canada			
7.56 1 Mar 2027	4,567	6,003	5,815
Ontrea Inc.			
4.62 9 Apr 2018	1,724	1,831	1,753

Government Grants (continued)

Appendix I to Schedule I

Statement of Investment Portfolio

As at April 30, 2013 (in thousands of dollars)

Security	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)			
Corporate – 32.9% (continued)			
OPB Finance Trust			
3.89% 4 Jul 2042	3,489	3,537	3,496
Ornge Issuer Trust			
5.73 11 Jun 2034	8,982	10,506	10,201
Pearson Internation Fuel Facilities Corp			
5.09 9 Mar 2032	3,361	3,659	3,603
Plenary Health			
2.63 18 May 2015	4,791	4,865	4,793
Plenary Properties Ltap LP			
6.29 31 Jan 2044	7,007	9,259	8,586
Power Corporation of Canada			
7.57 22 Apr 2019	726	918	834
RBC Capital Trust			
4.87 31 Dec 2049	7,930	8,528	8,013
5.81 31 Dec 2053	3,715	3,817	3,977
Real Estate Asset Liquidity Series Class A			
4.62 12 Sep 2016	1,975	2,125	2,008
5.08 12 Oct 2036	745	769	763
Royal Bank of Canada			
2.68 8 Dec 2016	1,350	1,389	1,350
2.58 13 Apr 2017	1,500	1,537	1,500
Royal Office Finance			
5.21 12 Nov 2032	4,048	4,758	4,771
SP1 LP			
3.21 15 Jun 2019	5,196	5,243	5,145
Standard Life Assurance			
3.94 21 Sep 2022	2,815	2,986	2,824
Sun Life Financial Inc			
4.80 23 Nov 2035	800	850	811
4.95 1 Jun 2036	1,989	2,136	2,030
Toronto Dominion Bank			
2.95 2 Aug 2016	3,280	3,410	3,355
3.37 2 Nov 2020	3,505	3,634	3,567
4.78 14 Dec 2105	550	602	594
5.76 18 Dec 2106	680	786	783
Toronto Hospital			
5.64 8 Dec 2022	10,580	12,163	12,130
Transcanada Pipelines			
8.05 17 Feb 2039	1,553	2,516	2,492

Security	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)			
Corporate – 32.9% (continued)			
VW Credit Canada			
2.90% 1 Jun 2017	715	739	715
Wells Fargo Finance Canada			
4.38 30 Jun 2015	5,560	5,892	5,888
2.77 9 Feb 2017	1,935	1,991	1,934
2.94 25 Jul 2019	1,780	1,839	1,780
WTH Car Rental			
4.14 20 Mar 2015	10,738	10,996	11,077
		305,526	297,456
Total Fixed Income Investments – 98.7%		916,945	897,648
Cash and Short-term Investments – 1.3%		11,817	11,817
Total Portfolio Assets – 100.0%		928,762	909,465
Government Grant Investments Allocation			
Plan II		464	424
Founders' Plan		35,830	34,758
Group Savings Plan		203,029	197,871
Group Savings Plan 2001		606,906	594,922
Family Savings Plan		66,381	65,379
Individual Savings Plan		4,335	4,294
		916,945	897,648
Cash and Short-term Investments Allocation			
Plan II		23	23
Founders' Plan		619	619
Group Savings Plan		2,982	2,982
Group Savings Plan 2001		7,541	7,541
Family Savings Plan		623	623
Individual Savings Plan		29	29
		11,817	11,817

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

Canadian Scholarship Trust Plan

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