



# Canadian Scholarship Trust Group Savings Plan 2001

Semi-Annual Financial Statements

April 30, 2015

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 Financial Position

As at April 30, 2015, October 31, 2014 and November 1, 2013 (in thousands of Canadian dollars)

	Apr 30, 2015	Oct 31, 2014	Nov 1, 2013
<b>Assets</b>			
Cash and cash equivalents	\$ 17,376	\$ 6,066	\$ 25,782
Receivables for securities sold	34,969	-	27
Investments, at fair value <i>(Note 4 and Schedule I)</i>	3,198,642	2,948,657	2,565,441
Accrued interest and other receivables	23,896	21,130	28,071
Government grants receivable	14,558	10,935	10,760
	<b>3,289,441</b>	<b>2,986,788</b>	<b>2,630,081</b>
<b>Liabilities</b>			
Payables for securities purchased	43,309	313	2,316
Accounts payable, accrued liabilities and unclaimed subscribers' funds	31,863	39,599	19,584
	<b>75,172</b>	<b>39,912</b>	<b>21,900</b>
<b>Net Assets Attributable to Subscribers and Beneficiaries</b>	<b>3,214,269</b>	<b>2,946,876</b>	<b>2,608,181</b>
<b>Represented by:</b>			
<b>Non-Discretionary Funds</b>			
Accumulated income held for future education assistance payments	304,871	281,728	255,046
Subscribers' deposits <i>(Note 6)</i>	1,899,596	1,791,558	1,617,833
Government grants	647,273	613,653	549,999
Income on Government grants	119,408	109,063	95,409
Sales charge refund entitlements <i>(Note 8)</i>	119,842	111,042	102,687
<b>Unrealized Gains (Losses)</b>	<b>120,756</b>	<b>36,834</b>	<b>(15,074)</b>
<b>Discretionary Funds</b>			
Donations from the Foundation <i>(Note 7)</i>	2,523	2,998	2,281
	<b>\$ 3,214,269</b>	<b>\$ 2,946,876</b>	<b>\$ 2,608,181</b>

# Statements of Comprehensive Income

For the six months ended April 30, 2015 and 2014 (in thousands of Canadian dollars)

	Apr 30, 2015	Apr 30, 2014
<b>Income</b>		
Interest for allocation to subscriber accounts	\$ 35,572	\$ 41,705
Realized gains (losses) on sale of investments	10,236	(13,474)
Change in unrealized gains (losses)	83,922	27,026
Other income	7,740	1,378
	<b>137,470</b>	<b>56,635</b>
<b>Expenses</b>		
Administration and account maintenance fees <i>(Note 3(a))</i>	8,143	7,051
Portfolio management fees	1,773	1,649
Custodian and trustee fees	215	186
Independent Review Committee fees	23	26
	<b>10,154</b>	<b>8,912</b>
<b>Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries</b>	<b>\$ 127,316</b>	<b>\$ 47,723</b>

# Statements of Changes in Net Assets Attributable to Subscribers and Beneficiaries

For the six months ended April 30, 2015 and 2014 (in thousands of Canadian dollars)

	Apr 30, 2015	Apr 30, 2014
<b>Net Assets Attributable to Subscribers and Beneficiaries, Beginning of Period</b>	<b>\$ 2,946,876</b>	<b>\$ 2,608,181</b>
Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries	127,316	47,723
Transfers to internal and external plans	(2,933)	(881)
	<b>124,383</b>	<b>46,842</b>
<b>Receipts</b>		
Net increase in Subscribers' deposits <i>(Note 6)</i>	108,038	109,824
Government grants received (net of repayments)	41,216	40,766
<b>Disbursements</b>		
Payments to beneficiaries		
Education assistance payments	(3,008)	(2,601)
Government grants	(2,219)	(1,716)
Refund of sales charges	(458)	(349)
Return of interest	(559)	(419)
<b>Total payments to beneficiaries</b>	<b>(6,244)</b>	<b>(5,085)</b>
<b>Receipts less Disbursements</b>	<b>143,010</b>	<b>145,505</b>
<b>Change in Net Assets Attributable to Subscribers and Beneficiaries</b>	<b>267,393</b>	<b>192,347</b>
<b>Net Assets Attributable to Subscribers and Beneficiaries, End of Period</b>	<b>\$ 3,214,269</b>	<b>\$ 2,800,528</b>

# Statements of Cash Flows

For the six months ended April 30, 2015 and 2014 (in thousands of Canadian dollars)

	Apr 30, 2015	Apr 30, 2014
<b>Operating Activities</b>		
Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries	\$ 127,316	\$ 47,723
Net disbursements for investment transactions	(147,801)	(174,246)
Items not affecting cash		
Realized (gains) losses on sale of investments	(10,236)	13,474
Change in unrealized gains (losses)	(83,922)	(27,026)
Change in non-cash operating working capital		
(Increase) decrease in Accrued interest and other receivables	(2,766)	1,672
Increase in Government grants receivable	(3,623)	(3,330)
(Decrease) increase in Accounts payable, accrued liabilities and unclaimed subscribers' funds	(7,735)	4,651
<b>Cash flow used in Operating Activities</b>	<b>(128,767)</b>	<b>(137,082)</b>
<b>Financing Activities</b>		
Transfers to internal and external plans	(2,933)	(881)
Government grants received (net of repayments)	41,216	40,766
Net increase in Subscribers' deposits <i>(Note 6)</i>	108,038	109,824
Payments to beneficiaries	(6,244)	(5,085)
<b>Cash flow from Financing Activities</b>	<b>140,077</b>	<b>144,624</b>
<b>Net increase in Cash and cash equivalents</b>	<b>11,310</b>	<b>7,542</b>
<b>Cash and cash equivalents, Beginning of Period</b>	<b>6,066</b>	<b>25,782</b>
<b>Cash and cash equivalents, End of Period</b>	<b>\$ 17,376</b>	<b>\$ 33,324</b>
<b>Supplemental cash flow information:</b>		
Withholding Taxes	\$ 334	\$ -
Interest Income Received	29,184	41,706

# Schedule I – Statement of Investment Portfolio

As at April 30, 2015 (in thousands of Canadian dollars)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>					<b>Bonds (continued)</b>				
<b>Federal – 37.7%</b>					<b>Municipal and Provincial – 35.0% (continued)</b>				
Government of Canada					Province of British Columbia				
0.64%	7 May 2015	325	325	325	2.85%	18 Jun 2025	9,120	9,639	9,436
0.66	2 Jul 2015	1,325	1,323	1,323	5.70	18 Jun 2029	2,985	4,092	3,913
0.64	16 Jul 2015	650	649	649	6.35	18 Jun 2031	12,180	18,018	16,483
0.64	13 Aug 2015	500	499	499	5.40	18 Jun 2035	48,990	68,267	63,284
0.67	8 Oct 2015	330	329	329	4.30	18 Jun 2042	21,386	26,896	23,906
1.48	15 Mar 2017	39,047	39,286	39,406	3.20	18 Jun 2044	11,825	12,492	11,156
2.14	1 May 2017	1,321	1,009	986	Province of Manitoba				
1.50	1 Sep 2017	2,604	2,654	2,599	2.05	1 Dec 2016	12,361	12,583	12,595
4.45	1 Dec 2017	1,564	1,284	1,303	1.85	5 Sep 2018	3,912	4,002	3,888
4.35	1 Jan 2018	379	347	351	5.50	15 Nov 2018	1,577	1,811	1,825
2.05	15 Jun 2018	179,024	184,450	181,420	1.42	2 Apr 2019	6,105	6,127	6,113
2.29	1 Sep 2018	1,975	1,791	1,766	3.30	2 Jun 2024	14,335	15,637	14,944
1.90	1 Apr 2019	681	651	651	4.40	5 Sep 2025	6,900	8,188	7,690
1.88	1 May 2019	5,529	5,458	5,365	3.25	5 Sep 2029	17,280	18,489	16,304
1.75	1 Jul 2019	1,476	1,437	1,410	6.30	5 Mar 2031	3,730	5,410	4,926
4.20	1 Oct 2019	111	110	108	5.70	5 Mar 2037	20,835	29,878	27,549
0.00	1 Mar 2020	2,500	2,496	2,491	4.60	5 Mar 2038	3,515	4,447	3,981
3.35	1 Oct 2020	850	839	816	4.65	5 Mar 2040	11,005	14,124	12,384
3.25	1 Dec 2020	360	348	338	4.10	5 Mar 2041	49,380	58,714	52,997
2.50	1 Jun 2024	6,980	7,574	7,383	4.40	5 Mar 2042	10,750	13,425	12,602
5.75	1 Jun 2033	23,799	37,095	36,503	3.35	5 Mar 2043	7,000	7,400	6,219
5.00	1 Jun 2037	21,716	32,600	30,455	4.05	5 Sep 2045	5,955	7,147	6,319
3.50	1 Dec 2045	12,401	16,026	15,260	3.15	5 Sep 2052	3,445	3,532	3,179
Canada Housing Trust					Province of New Brunswick				
2.45	15 Dec 2015	15,000	15,155	15,332	6.47	30 Nov 2027	434	543	554
2.75	15 Jun 2016	103,088	105,312	105,919	Province of Newfoundland and Labrador				
1.33	15 Sep 2016	37,790	37,897	37,965	3.86	1 Dec 2045	4,241	5,240	4,336
1.85	15 Dec 2016	155,520	158,016	157,649	Province of Nova Scotia				
2.05	15 Jun 2017	74,160	75,933	75,468	4.60	18 Aug 2016	1,800	1,886	1,941
1.70	15 Dec 2017	41,885	42,662	42,428	5.80	1 Jun 2033	3,137	4,372	3,942
2.35	15 Dec 2018	31,445	32,792	32,728	4.40	1 Jun 2042	2,241	2,757	2,414
4.10	15 Dec 2018	11,247	12,423	12,580	Province of Ontario				
2.90	15 Jun 2024	34,182	36,846	35,714	4.30	8 Mar 2017	7,021	7,450	7,674
			855,616	847,519	1.90	8 Sep 2017	15,863	16,184	15,874
<b>Municipal and Provincial – 35.0%</b>					4.20	8 Mar 2018	9,749	10,590	10,680
Province of Alberta					6.20	2 Jun 2031	25,657	36,980	34,683
1.38	27 May 2016	5,458	5,474	5,454	5.85	8 Mar 2033	7,805	11,031	10,354
1.85	1 Sep 2016	19,655	19,920	19,938	4.65	2 Jun 2041	55,758	71,945	65,445
2.90	20 Sep 2029	6,270	6,494	6,671	3.45	2 Jun 2045	11,400	12,350	11,443
3.50	1 Jun 2031	895	986	937	Province of Quebec				
3.90	1 Dec 2033	25,976	30,015	27,060	4.50	1 Dec 2016	4,986	5,265	5,492
4.50	1 Dec 2040	3,100	3,958	3,993	4.50	1 Dec 2017	15,137	16,461	16,728
3.45	1 Dec 2043	7,904	8,649	7,810	3.00	1 Sep 2023	8,195	8,735	8,202
					6.25	1 Jun 2032	36,996	53,805	50,100
					5.00	1 Dec 2041	35,245	47,408	43,801

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

# Schedule I – Statement of Investment Portfolio (continued)

As at April 30, 2015 (in thousands of Canadian dollars)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>					<b>Bonds (continued)</b>				
<b>Municipal and Provincial – 35.0% (continued)</b>					<b>Corporate – 6.3% (continued)</b>				
Province of Saskatchewan					EUROFIMA				
6.35%	25 Jan 2030	350	505	480	4.55%	30 Mar 2027	2,000	2,290	2,355
6.40	5 Sep 2031	17,405	25,774	24,367	GE Capital Canada				
5.60	5 Sep 2035	7,570	10,741	10,197	1.62	15 Feb 2022	2,788	2,768	2,583
4.75	1 Jun 2040	9,930	13,085	12,236	Greater Toronto Airports Authority				
3.90	2 Jun 2045	3,890	4,618	4,014	6.45	30 Jul 2029	1,268	1,629	1,556
			793,539	738,513	Green Timbers LP				
<b>Corporate – 6.3%</b>					6.84	30 Jun 2037	626	805	742
407 East Development Group					Heathrow Funding Ltd.				
2.81	18 Dec 2016	1,117	1,127	1,137	3.00	17 Jun 2021	7,099	7,359	7,177
407 International Inc.					Honda Canada Finance Inc.				
7.13	26 Jul 2040	3,939	6,107	5,573	1.93	3 Dec 2018	783	789	790
Access Justice Durham Ltd.					Interprovincial Pipe Line Inc.				
5.02	31 Aug 2039	1	1	1	8.20	15 Feb 2024	546	765	747
BAA Funding Ltd.					KRC Holdings Inc.				
4.00	3 Jul 2019	74	80	79	3.86	4 Aug 2020	831	881	872
Bank of Nova Scotia					Kreditanstalt Fur Wiederaufbau Global				
0.83	30 Jun 2015	705	701	701	5.05	4 Feb 2025	1,205	1,467	1,475
Bank Nederlandse Gemeenten					Lloyds TSB Bank				
5.15	7 Mar 2025	254	303	301	10.13	16 Dec 2021	250	280	293
Canadian Imperial Bank of Commerce					Manulife Bank of Canada				
1.58	18 Dec 2015	1,040	1,043	1,044	1.83	14 Mar 2016	300	301	301
1.11	11 Aug 2016	1,723	1,725	1,723	Maritimes and Northeast Pipelines				
Canadian Pacific Railway					4.34	30 Nov 2019	1,445	1,492	1,506
6.91	1 Oct 2024	741	575	581	6.90	30 Nov 2019	118	131	136
CBC					Master Asset Vehicle Trust				
4.69	15 May 2027	5,768	6,710	6,371	2.63	21 Jan 2017	16	16	16
Central 1 Credit Union					Metropolitan Life Global Funding I				
1.68	24 Nov 2016	11,957	12,023	11,957	2.68	16 Apr 2019	740	764	751
1.45	1 May 2017	904	904	906	Milit-Air Inc.				
Claregold Trust					5.75	30 Jun 2019	1,247	1,362	1,394
5.07	15 May 2044	352	48	57	Morgan Stanley				
Cogeco Cable Inc.					3.13	5 Aug 2021	4,807	4,947	4,791
4.18	26 May 2023	2,590	2,765	2,693	NAV Canada				
DEPFA ACS Bank					7.56	1 Mar 2027	4,057	5,334	5,156
5.25	31 Mar 2025	2,700	3,218	3,352	North Battleford Power L.P.				
4.90	24 Aug 2035	2,611	3,083	3,228	4.96	31 Dec 2032	1,086	1,247	1,190
Enbridge Inc.					Ontrea Inc.				
2.28	19 Aug 2015	1,515	1,518	1,531	4.62	9 Apr 2018	1,118	1,124	1,175
1.73	13 Mar 2017	1,609	1,602	1,602					

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

# Schedule I – Statement of Investment Portfolio (continued)

As at April 30, 2015 (in thousands of Canadian dollars)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>					<b>Pooled Equity Funds</b>				
<b>Corporate – 6.3% (continued)</b>					BMO S&P/500 Hedged to CAD Index ETF				
Ornge Issuer Trust							5,258	168,507	160,088
5.73%	11 Jun 2034	2,478	2,941	2,856	BMO S&P/TSX Capped Composite Index ETF		3,218	66,166	65,676
Pearson International Fuel Facilities Corporation					ISHARES CORE S&P 500 Hedged to CAD Index ETF				
5.09	9 Mar 2032	963	1,045	1,032			7,006	168,847	159,069
Principal Financial Global					ISHARES CORE S-P/TSX Capped Composite Index ETF				
4.65	11 Oct 2016	576	600	609			2,762	66,585	66,944
Public Sector Pension Investment Board					<b>Total Equity – 20.7%</b>				
3.27	12 Jun 2020	2,446	2,551	2,462				<b>470,105</b>	<b>451,777</b>
Real Estate Asset Liquidity Series					<b>Cash and cash equivalents – 0.3%</b>				
4.61	12 Nov 2016	700	730	740				6,394	6,394
Rogers Communication inc					<b>Total Portfolio Assets – 100.0%</b>				
6.56	22 Mar 2041	5,000	6,447	6,198				<b>2,269,083</b>	<b>2,185,293</b>
Royal Bank of Canada					<b>Investments Allocation (Note 4)</b>				
1.49	11 Feb 2020	3,684	3,688	3,684					
1.32	23 Mar 2020	12,245	12,173	12,245	<b>Government Grants (Appendix I)</b>			804,299	779,829
Shaw Communications Inc.					<b>Sales Charge Refund</b>				
6.75	9 Nov 2039	5,912	7,438	7,243	<b>Entitlements (Appendix II &amp; III)</b>			131,654	119,158
SP1 LP					<b>Cash and cash equivalents (Appendices I, II &amp; III)</b>				
3.21	15 Jun 2019	2,717	2,659	2,579				10,982	10,982
Strait Crossing Development Inc.					<b>Total Investment Fund</b>				
6.17	15 Sep 2031	290	260	252				<b>3,216,018</b>	<b>3,095,262</b>
Toronto Dominion Bank					<b>Represented by:</b>				
1.08	21 Apr 2016	4,132	4,137	4,135	<b>Cash and cash equivalents</b>			17,376	
1.38	18 Feb 2020	1,139	1,144	1,139	<b>Investments, at fair value</b>			3,198,642	
Transcanada Pipelines Ltd.									
11.80	20 Nov 2020	986	1,459	1,506					
8.05	17 Feb 2039	3,493	5,617	5,521					
Unicredit SPA									
2.41	29 May 2018	373	385	388					
University Health Network									
5.64	8 Dec 2022	2,862	3,283	3,279					
University of Ontario Infrastructure									
6.35	15 Oct 2034	361	445	416					
WTH Car Rental ULC									
2.54	20 Aug 2019	6,963	7,143	6,963					
			143,429	141,090					
<b>Total Fixed Income Investments – 79.0%</b>			<b>1,792,584</b>	<b>1,727,122</b>					

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



# Notes to the Financial Statements

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 1. Nature of Operations

The Canadian Scholarship Trust Group Savings Plan 2001 (the “Plan”) is a Pooled Education Savings Plan that was established on May 1, 2001. The objective of the Plan is to assist parents and others to save for the post-secondary education of children. The 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 Plan’s registered place of business is 1600-2235 Sheppard Avenue East, Toronto, Ontario, Canada.

Payments are made by a subscriber to an account maintained by the Plan’s trustee on behalf of a beneficiary. Deductions of sales charges and account maintenance fees are made from the subscriber’s contributions. The principal accumulated over the term of the subscriber’s education savings plan agreement (the “Agreement”) is returned to the subscriber when:

- i. the Agreement matures and the beneficiary is a qualified student eligible to receive the first education assistance payment (“EAP”),
- ii. the Agreement matures and the beneficiary is not yet a qualified student, in which case the beneficiary will forfeit all government grants (as described below), or
- iii. the Agreement is terminated.

The investment income earned on the subscribers’ principal is used to provide EAPs to qualified students. 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.

There are a number of government grants that may be available to beneficiaries including the Canada Education Savings Grant Program (“CESG”), the Canada Learning Bond (“CLB”), the Alberta Centennial Education Savings Grant (“ACES”), the Quebec Education Savings Incentive (“QESI”) and the Saskatchewan Advantage Grant for Education Savings (“SAGES”) (collectively, “Government Grants”). The Alberta government recently announced that no new grants will be made under the ACES program after July 31, 2015.

The Plan collects Government Grants, which are credited directly into subscribers’ agreements (“Agreements”) 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 with their EAPs.

Agreements are registered with appropriate government authorities if all required information is provided, and once registered are subject to the rules for Registered Education Savings Plans (“RESP”) 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. The deposits are not deductible for income tax purposes and are not taxable when returned to the subscriber. Payments made to a beneficiary, including EAPs, Government Grants and investment income on Government Grants will constitute taxable income of that beneficiary in the year that the payments are made.

## Note 2. Significant Accounting Policies

### (a) Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). These are the Plan’s first interim financial statements prepared in accordance with IFRS; previously the Plan prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles (“Canadian GAAP”). The date of transition to IFRS (the “Transition Date”) is November 1, 2013. IFRS 1, First Time Adoption of International Financial Reporting Standards (“IFRS 1”) has been applied. These interim financial statements were also prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting.

An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Plan is provided in note 10. The accounting policies have been selected to be consistent with IFRS that are expected to be effective on October 31, 2015. The accounting policies have been consistently applied to all periods presented.

These financial statements were approved by the Board of the Foundation on June 9, 2015.

### (b) Basis of measurement

These financial statements have been prepared on the historical cost basis except for financial instruments classified as “at fair value through profit or loss” (“FVTPL”), which are measured at fair value.

### (c) Future accounting standard

The following new accounting standard has been issued by the International Accounting Standards Board (“IASB”). This new standard is not yet effective and the Plan has not completed its assessment of the impact on its financial statements.

#### *IFRS 9 Financial Instruments (“IFRS 9”)*

IFRS 9 was issued in November 2009, to replace IAS 39 *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 will be effective for the Plan’s financial statements during its fiscal 2019 year.

IFRS 9 introduces new requirements for the classification and measurement of financial assets, reducing the number of classifications from those in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets.

### (d) Financial instruments

The Plan recognizes financial assets and financial liabilities when it becomes a party to a contract. Financial assets and financial liabilities, with the exception of those classified as FVTPL, are measured at fair value plus transaction costs on initial recognition. Financial assets and financial liabilities classified as FVTPL are measured at fair value on initial recognition and transaction costs are expensed when incurred.

Investments, at fair value have been designated at FVTPL.

# Notes to the Financial Statements (continued)

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 2. Significant Accounting Policies (continued)

### (d) Financial instruments (continued)

Measurement in subsequent periods depends on the classification of the financial instrument. The financial assets and financial liabilities of the Plan are classified as follows:

Financial asset or financial liability	Classification
Investments, at fair value	FVTPL (i)
Cash and cash equivalents	Loans and receivables (ii)
Accrued interest and other receivables	Loans and receivables (ii)
Receivables for securities sold	Loans and receivables (ii)
Accounts payable, accrued liabilities and unclaimed subscriber funds	Other financial liabilities (iii)
Payables for securities purchased	Other financial liabilities (iii)

<sup>(i)</sup>Financial assets are classified as FVTPL when acquired principally for the purpose of trading, if so designated by management. Financial assets classified as FVTPL are measured at fair value, with changes recognized in Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries.

<sup>(ii)</sup>Loans and receivables are non-derivative financial assets that have fixed or determinable payments and are not quoted in an active market. Subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method. Loans and receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

<sup>(iii)</sup>Other financial liabilities are liabilities that are not derivative liabilities or classified as FVTPL. Subsequent to initial recognition, other financial liabilities are carried at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial instrument and allocating interest over the relevant period. The effective interest rate is the rate that discounts estimated future cash flows (including all transaction costs and other premiums or discounts) through the expected life of the financial instrument to the net carrying amount on initial recognition.

### (e) Investment valuation

Investments, at fair value include the following types of securities: bonds, money market securities, exchange-traded funds and pooled funds.

The fair value of fixed income securities that are not publicly traded is measured by using either the average bid price from multiple dealers, or by the present value of contractual cash flows, discounted at current market rates. Interest accrued at the reporting date is included in Accrued interest and other receivables.

The fair value of securities that are publicly traded in an active market is measured using bid prices at the reporting date.

Investments in pooled funds used to pay the Sales Charge Refund (“SCR”) Entitlements referred to in Note 8(a) are valued at net asset values of the pooled funds at the valuation date, as these represent the value that would be received by the Plan from redeeming its units held in the pooled funds.

Note 9 provides further guidance on fair value measurements.

### (f) Investment transactions and income recognition

Investment transactions are accounted for on a trade-date basis. Interest for allocation to subscriber accounts represents the coupon interest received by the Plan accounted for on an accrual basis. The Plan does not amortize premiums paid or discounts received on the purchase of fixed income securities. 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.

### (g) Subscribers’ deposits, Sales charges and Account maintenance fees

Subscribers’ deposits reflect amounts received from subscribers net of sales charges and account maintenance fees and do not include future amounts receivable on outstanding Agreements. Sales charges are deducted from subscribers’ deposits and are collected over periods of up to 32 months from the date of initial deposit. Account maintenance fees are paid annually to the Foundation from subscribers’ deposits and are accrued throughout the year.

### (h) Income taxes

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

### (i) Cash and cash equivalents

Cash and cash equivalents include securities with a purchase date to maturity of 90 days or less.

### (j) Foreign currency

The functional and presentation currency of the Plan is the Canadian Dollar.

To the extent applicable in any period, foreign currency purchases and sales of investments and foreign currency dividend and interest income are translated into Canadian dollars at the rate of exchange prevailing at the time of the transactions. Realized and unrealized foreign currency gains or losses on investments are included in the Statements of Comprehensive Income in “Realized gains (losses)” and “Change in unrealized gains”, respectively.

### (k) Critical accounting estimates and judgments

When preparing the financial statements, C.S.T.C management makes estimates and judgments that affect the reported amounts recognized and disclosed in the financial statements. These estimates and judgments have a direct effect on the measurement of transactions and balances recognized in the financial statements. By their nature, these estimates and judgments are subject to measurement uncertainty and actual results could differ.

The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying

# Notes to the Financial Statements (continued)

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 2. Significant Accounting Policies (continued)

### (k) Critical accounting estimates and judgments (continued)

value of assets and liabilities are those involved with the valuation of the SCR Entitlements. Further information on the SCR Entitlement valuation can be found in Note 8(b).

## Note 3. Related Party Transactions

Related party transactions are measured at the exchange amount, which is the amount agreed between the parties.

### (a) Distribution and Administration of the Plan

The Foundation, as the Plan sponsor, has entered into agreements to appoint C.S.T.C., as both the Scholarship Plan Dealer and Investment Fund Manager to distribute and administer, respectively, the Plan. The agreements are renewable annually on November 1.

Administration and account maintenance fees are paid to the Foundation. Administration fees are annual fees of ½ of 1% of the total amount of principal, Government Grants and income earned thereon, as well as the investments used to pay the SCR Entitlements (“SCR Fund”).

During the six months ended April 30, 2015, \$8,143 was recognized as an expense for account maintenance and administration fees (2014 – \$7,051). Administration and account maintenance fees included in Accounts payable, accrued liabilities and unclaimed subscribers funds at April 30, 2015 was \$151 (October 31, 2014 – \$68; November 1, 2013 – \$90).

Sales charges are paid by subscribers and deducted from their contributions. In accordance with the distribution agreement, the Foundation directs a portion of the sales charges collected from subscribers to the SCR Fund each year in order to assist the Plan in paying SCR Entitlements when they become due. The balance of sales charges collected is paid to C.S.T.C. as compensation for the sale and distribution of savings plans.

During the six months ended April 30, 2015, \$19,322 was paid to C.S.T.C. from sales charges collected as compensation for the sale and distribution of savings plans (2014 – \$20,431). Related amounts included in Accounts payable, accrued liabilities and unclaimed subscribers funds at April 30, 2015 was \$483 (October 31, 2014 – \$500; November 1, 2013 – \$541).

The Foundation is responsible to pay to beneficiaries of the Plan the refunds of sales charges as promised. Any shortfall in the assets to meet the SCR Entitlements will be funded from the Foundation’s surplus (see Note 8).

### (b) SCR Deficit Funding Payments from the Canadian Scholarship Trust Foundation

For the six-month period ended April 30, 2015, the Foundation provided special funding payments of \$900 (2014 – \$1,000) to the SCR Fund (see Note 8(b)).

### (c) Fees paid for services of an Independent Review Committee

The Independent Review Committee (“IRC”) provides independent review and oversight of conflicts of interest relating to the management of the Plans. For the six-month period ended April 30, 2015, the Plan recognized an expense of \$23 (2014 – \$26) for the services of the IRC. IRC fees included in Accounts payable, accrued liabilities and unclaimed subscribers’ funds at April 30, 2015 was \$nil (October 31, 2014 – \$nil; November 1, 2013 – \$4).

### (d) Fees paid to monitor and manage the portfolio managers

Included in Portfolio management fees on the Statements of Comprehensive Income is \$221 (2014 – \$46) charged by C.S.T.C. for expenses incurred to monitor and manage the portfolio managers. Included in Accounts payable, accrued liabilities and unclaimed subscribers’ funds is \$213 owing to C.S.T.C. at April 30, 2015 (\$68 at October 31, 2014; \$Nil at November 1, 2013) relating to these expenses.

## Note 4. Investment Holdings

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

The Government Grants are invested collectively in a separate fund with Government Grants of other RESP plans administered by C.S.T.C. The Government Grant principal received and income earned thereon are separately tracked for each subscriber’s Agreement. The portfolio holdings are allocated across all C.S.T.C. plans based on the proportion of principal and income attributable to Agreements within each plan (see Appendix I to Schedule I).

For Agreements purchased under prospectuses dated prior to October 2, 2007, investments used to fund the SCR Entitlements of the Group Savings Plan 2001 and the Group Savings Plan are managed in a separate SCR Fund (see Appendix II to Schedule 1). The SCR Fund’s holdings and income are allocated to the Plan based on its proportionate share of the SCR Entitlements.

For Agreements purchased under prospectuses dated on or after October 2, 2007, investments used to fund the SCR Entitlements of the Plan are managed in a separate SCR Fund (see Appendix III to Schedule I).

The investment restrictions set out in National Policy 15 of the Canadian Securities Administrators do not apply to assets invested in the SCR Funds.

## 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 to market risk (which includes interest rate risk and other price 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

# Notes to the Financial Statements (continued)

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 5. Risks Associated with Financial Instruments (continued)

market events and manage the investment portfolio within the constraints of the investment policy and mandate.

### (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		
	Apr 30, 2015	Oct 31, 2014	Nov 1, 2013
Less than 1 year	2%	6%	11%
1-3 years	25%	24%	33%
3-5 years	13%	17%	18%
Greater than 5 years	38%	31%	36%
<b>Total debt instruments</b>	<b>78%</b>	<b>78%</b>	<b>98%</b>

As at April 30, 2015, if prevailing interest rates had increased by 1%, the Total Investment Fund amount of \$3,216,018 (October 31, 2014 – \$2,954,723; November 1, 2013 – \$2,591,223) as per Schedule I – Statement of Investment Portfolio would have decreased by \$202,171 (October 31, 2014 – \$116,796; November 1, 2013 – \$122,584). If prevailing interest rates had decreased by 1% the Total Investment Fund would have increased by \$244,954 (October 31, 2014 – \$148,574; November 1, 2013 – \$148,352). This 1% change assumes a parallel shift in the yield curve with all other variables held constant. In practice, actual 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 other factors affecting all instruments traded in a market or market segment affect other price risk. The asset class that is most impacted by other price risk is the exchange-traded funds of the Plan and Government Grant asset pool, and equity component of the SCR Fund, which represents 22% (October 31, 2014 – 22%; November 1, 2013 – 2%) of the Total Investment Fund amount as at April 30, 2015. The risk associated with the equity component of the SCR Fund is managed by security selection and active management by external managers within approved investment policies and mandates.

As at April 30, 2015, if equity and underlying indices prices had increased or decreased by 1%, with all other variables held constant, the Total Investment Fund amount as per Schedule I – Statement of Investment Portfolio would have increased or decreased by approximately \$7,015 (October 31, 2014 – \$6,424; November 1, 2013 – \$615). In practice, actual results may differ materially.

### (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. The 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 summarized below:

Credit rating	April 30, 2015		October 31, 2014		November 1, 2013	
	% of Total Investment Fund (in thousands)	Amount	% of Total Investment Fund (in thousands)	Amount	% of Total Investment Fund (in thousands)	Amount
AAA	38%	\$1,234,513	43%	\$1,284,745	55%	\$1,415,926
AA/AAH/AAL	18%	584,136	16%	456,513	18%	457,712
A/AH/AL	20%	627,247	18%	527,408	23%	604,860
BBB	1%	26,527	1%	31,099	1%	13,259
R-1	0%	13,398	0%	8,406	1%	30,959
Short-term unrated	1%	28,732	0%	4,066	0%	6,975
<b>Total Debt instruments</b>	<b>78%</b>	<b>\$2,514,553</b>	<b>78%</b>	<b>\$2,312,237</b>	<b>98%</b>	<b>\$2,529,691</b>

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 Investor Service, Inc.

### (c) Liquidity risk

Liquidity risk is the risk that the Plan may not be able to meet its financial obligations as they come due. The Plan's exposure to liquidity risk is concentrated in principal repayments to subscribers and EAPs to beneficiaries including SCR Entitlements. The Plan primarily invests in securities that are traded in 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. The Foundation directs a portion of the sales charges collected from subscribers to the SCR Fund each year in order to pay SCR Entitlements when they become due. Any shortfall in the assets to meet the SCR Entitlements will be funded by the Foundation (see Note 8(b)).

### (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

# Notes to the Financial Statements (continued)

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 5. Risks Associated with Financial Instruments (continued)

### (d) Currency risk (continued)

Plan holds foreign equity funds as part of the SCR Fund which represent 1% (October 31, 2014 – 1%; November 1, 2013 – 1%) of the Total Investment Fund. The Plan's Total Investment Fund would increase or decrease by approximately \$376 (October 31, 2014 – \$336; November 1, 2013 – \$280) in response to a 1% depreciation or appreciation of the Canadian dollar. In practice the actual results may differ materially. The Plan's Total Portfolio Assets and/or the Government Grants hold exchange-traded funds ("ETF") that invest in U.S. equities and are hedged to Canadian dollars by the ETF provider.

## Note 6. Subscribers' Deposits

The changes in Subscribers' deposits for the six months ended April 30, 2015 and 2014 are as follows:

	Apr 30, 2015	Apr 30, 2014
Payments from subscribers	\$ 143,514	\$ 141,480
Inter-plan principal transfers	(12,753)	(10,694)
Account maintenance fees	(1,567)	(1,538)
Return of principal	(21,156)	(19,424)
Net increase in Subscribers' deposits	108,038	109,824
<b>Balance, Beginning of Period</b>	<b>1,791,558</b>	<b>1,617,833</b>
<b>Balance, End of Period</b>	<b>\$1,899,596</b>	<b>\$1,727,657</b>

## Note 7. General Fund and Donations from the Foundation

The Canadian Scholarship Group Savings Plan Trust (the "Group Trust") is a legal trust which includes the Group Savings Plan and the Group Savings Plan 2001 (the "Plans"). The Plans are registered with the Canada Revenue Agency as Education Savings Plans. The General Fund is a separate account within the Group Trust and derives its income from the following sources:

- i. interest earned on subscribers' accumulated income from the date of maturity of the Agreements to the date the funds are paid to qualified students as EAPs;
- ii. interest earned on the income forfeited when a subscriber's agreement is terminated prior to maturity;
- iii. income not collected by beneficiaries before the expiry of the Agreements; and
- iv. unclaimed principal and income payments.

According to the trust indenture of the Group Trust, the General Fund may be used to subsidize EAPs for qualified students of either of the Plans within the Group Trust.

Donations from the Foundation represent a discretionary pool of funds shared between the Plans. These funds are used to supplement EAPs when the General Fund is depleted.

## Note 8. Sales Charge Refund

### (a) Sales Charge Refund Entitlements

The Plan pays SCR Entitlements to qualified beneficiaries in four instalments during the EAP payout period (see (i) and (ii) below). The total amount of SCR Entitlements paid for the six-month period ended April 30, 2015, was \$458 (2014 – \$349).

As at April 30, 2015, the SCR Entitlements amount of \$119,842 (October 31, 2014 – \$111,042; November 1, 2013 – \$102,687) presented in the Statements of Financial Position represents the average cost of the Plan's investments in the SCR Fund of \$119,788 (October 31, 2014 – \$111,303; November 1, 2013 – \$102,668), less funds to be transferred to the direct investment holdings of the plan of \$69 (October 31, 2014 – \$823; November 1, 2013 – \$533) for SCR payments made to beneficiaries during the year, plus accrued interest of \$123 (October 31, 2014 – \$562; November 1, 2013 – \$552). The fair value of the investments in the SCR Fund as at April 30, 2015, after adjusting for the above, amounted to \$132,338 (October 31, 2014 – \$124,214; November 1, 2013 – \$110,558).

#### (i) Agreements purchased under prospectuses dated prior to October 2, 2007

The Plan pays SCR Entitlements to the beneficiaries from the SCR Fund, which amount to 100% of sales charges paid for these Agreements.

As at April 30, 2015, the average cost and fair value of the Plan's investments in the SCR Fund available for the purpose of paying SCR Entitlements amounted to \$78,237 and \$85,498, respectively (October 31, 2014 – \$73,284 and \$81,060, respectively; November 1, 2013 – \$70,334 and \$74,306, respectively).

#### (ii) Agreements purchased under prospectuses dated on or after October 2, 2007

The SCR Entitlements amount is comprised of a refund of at least 50% of the sales charges paid plus a potential additional amount not to exceed the amount of surplus (if any) in the SCR Fund. Any surplus in the SCR Fund will be calculated by the Foundation as the excess, if any, of the value of assets in the SCR Fund over the actuarial valuation of sales charge refund obligations based on 50% of sales charges.

For the six-month period ended April 30, 2015, \$1,548 (2014 – \$2,004) was deposited in the SCR Fund from subscriber contributions, which is equivalent to the estimated present value of the future expected SCR Entitlements of \$100 per unit for all units sold during the period. The discount rate at October 31, 2014 of 7.1% (October 31, 2013 – 6.1%) used in determining the estimated present value was based on conservative assumptions regarding long-term investment returns for the SCR Fund.

As at April 30, 2015, the average cost and fair value of the Plan's investments in the SCR Fund available for the purpose of paying SCR Entitlements amounted to \$41,605 and \$46,840, respectively (October 31, 2014 – \$37,758 and \$43,154, respectively; November 1, 2013 – \$32,353 and \$36,252, respectively).

# Notes to the Financial Statements (continued)

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 8. Sales Charge Refund (continued)

### (b) Sales Charge Refund Entitlements Valuations

Two separate actuarial valuations are performed for SCR Entitlements. First, on an annual basis, a valuation of SCR Entitlements is conducted by an external actuary based on management's best estimates. This valuation is used to estimate the current funded status for SCR Entitlements. The present value of the SCR Entitlements is determined using the expected long-term investment rates of return based on the investment policy for the SCR Fund as explained in (i) below. Second, an actuarial funding valuation is performed at least every two years to assess the adequacy of the assets in the SCR Fund and the Foundation's funding requirements to meet SCR Entitlements in future years. This valuation uses lower than expected long-term investment rates of return as determined by management to calculate the present value of the SCR Entitlements and to project the asset growth of the SCR Fund to ensure that future SCR Entitlements will be fully funded, as set out in (ii) below.

#### (i) Management's Best Estimate Valuation

The actuarial assumptions used in determining the valuation of SCR Entitlements reflect management's best estimate of future payments to beneficiaries and involve both economic and non-economic assumptions. The non-economic assumptions include considerations such as termination of Agreements prior to maturity and participation of eligible students in the collection of EAPs. The primary economic assumption is the discount rate, which is based on the investment policy approved by the Board of the Foundation. As underlying conditions change over time, actuarial assumptions may also change, which could cause a material change in the present value of the SCR Entitlements.

#### (A) Agreements purchased under prospectuses dated prior to October 2, 2007

The funded status of the SCR Entitlements at October 31 was:

	2014	2013
Present value of SCR Entitlements	\$118,658	\$117,845
Fair value of SCR Fund <sup>1</sup>	81,060	74,306
Underfunded portion of SCR Entitlements	\$ 37,598	\$ 43,539

<sup>1</sup> Average cost of assets in SCR Fund was \$73,284 (2013 – \$70,334); includes accrued interest of \$348 (2013 – \$360) and is net of funds to be transferred to the direct investment holdings of the plan of \$812 (2013 – \$523) for SCR payments made to beneficiaries during the year.

The discount rate, which is set at the expected long-term investment return of the SCR Fund as at October 31, 2014, was 6.7% (2013 – 6.2%). A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$8,684 or \$7,931, respectively (2013 – \$9,735 or \$8,814, respectively).

#### (B) Agreements purchased under prospectuses dated on or after October 2, 2007

The funded status of the SCR Entitlements at October 31 was:

	2014	2013
Present value of SCR Entitlements	\$37,398	\$35,016
Fair value of SCR Fund <sup>1</sup>	43,154	36,252
Overfunded portion of SCR Entitlements	\$ (5,756)	\$ (1,236)

<sup>1</sup> Average cost of assets in the SCR Fund was \$37,758 (2013 – \$32,353); includes accrued interest of \$214 (2013 – \$192) and is net of funds to be transferred to the direct investment holdings of the Plan of \$11 (2013 – \$10) for SCR payments made to beneficiaries during the year.

The discount rate, which is set at the expected long-term investment return of the SCR Fund as at October 31, 2014, was 7.1% (2013 – 6.3%). A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$4,984 or \$4,318, respectively (2013 – \$4,968 or \$4,275, respectively).

#### (ii) Funding Valuation

An actuarial funding valuation was completed based on assets and obligations as at October 31, 2013. This valuation included assumptions regarding management's best estimate of termination of Agreements prior to maturity and participation of eligible students in the collection of EAPs. The discount rate used to determine the present value of SCR Entitlements was based on the expected long-term investment rates of return for Canadian fixed income securities. The discount rate used for the Plan was 5.8%, which resulted in an unfunded liability of \$47,000 for Agreements purchased under prospectuses dated prior to October 2, 2007. The discount rate used for Agreements purchased under prospectuses after October 2, 2007 was 6.2%, which resulted in an over-funded liability of \$400. The Foundation is responsible to pay to beneficiaries of the Plan the refund of sales charges as promised. Funding requirements were established by the Foundation to ensure assets are sufficient to meet future SCR Entitlements using lower than expected long-term investment rates of return based on the investment policy approved by the Board of Directors of the Foundation to project the asset growth of the SCR Fund. Any shortfall in the assets to meet the SCR Entitlements will be funded by the Foundation.

The next actuarial funding valuation will be performed in 2016 based on assets and obligations as at October 31, 2015.

# Notes to the Financial Statements (continued)

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 9. Fair Value Measurements and Disclosures

Estimates of fair value used for measurement and disclosure are designed to approximate amounts that would be received to sell an asset, or paid to discharge a liability, in an orderly transaction between market participants.

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

The following table presents the level in the fair value hierarchy into which the Plan's financial instruments that are carried at fair value in the Statements of Financial Position are categorized:

- Level 1 financial instruments are valued using quoted market prices.
- Level 2 financial instruments are valued using directly or indirectly observable inputs.
- Level 3 financial instruments are valued using unobservable inputs (including the use of assumptions based on the best information available).

### Assets Measured at Fair Value as of April 30, 2015

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 17,376	\$ -	\$ -	\$ 17,376
Investments:				
Fixed income securities	-	2,497,177	-	2,497,177
Exchange-traded funds and Pooled equity funds	701,465	-	-	701,465
<b>Total Investment Fund</b>	<b>\$ 718,841</b>	<b>\$ 2,497,177</b>	<b>\$ -</b>	<b>\$ 3,216,018</b>

### Assets Measured at Fair Value as of October 31, 2014

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 6,066	\$ -	\$ -	\$ 6,066
Investments:				
Fixed income securities	-	2,306,171	-	2,306,171
Exchange-traded funds and Pooled equity funds	642,486	-	-	642,486
<b>Total Investment Fund</b>	<b>\$ 648,552</b>	<b>\$ 2,306,171</b>	<b>\$ -</b>	<b>\$ 2,954,723</b>

### Assets Measured at Fair Value as of November 1, 2013

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 25,782	\$ -	\$ -	\$ 25,782
Investments:				
Fixed income securities	-	2,503,909	-	2,503,909
Pooled equity funds (SCR Entitlements)	61,532	-	-	61,532
<b>Total Investment Fund</b>	<b>\$ 87,314</b>	<b>\$ 2,503,909</b>	<b>\$ -</b>	<b>\$ 2,591,223</b>

For the six-month period ended April 30, 2015, and year ended October 31, there were no transfers between Levels 1 or 2.

## Note 10. Transition to IFRS

### (a) Overview

These are the first interim financial statements of the Plan that have been prepared in accordance with IAS 34 using accounting policies consistent with IFRS. The accounting policies have been selected to be consistent with IFRS as is expected to be effective on October 31, 2015, the first annual IFRS reporting date for the Plan. Previously, the Plan prepared its interim and annual financial statements in accordance with Canadian GAAP.

The standards and interpretations within IFRS are subject to change and accordingly, the accounting policies for the annual period that are relevant to these interim financial statements will be finalized only when the first annual IFRS financial statements are prepared for the year ending October 31, 2015.

### (b) First-time adoption of IFRS

The adoption of IFRS requires the application of IFRS 1, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 generally requires retrospective application of IFRS effective at the end of an entity's first annual IFRS reporting period. However, IFRS 1 also provides certain optional exemptions and mandatory exceptions to this retrospective treatment.

The Plan has elected to apply one optional exemption and designate its Investments, at fair value as FVTPL at the transition date (November 1, 2013). Investments were previously carried at fair value under Canadian GAAP as required by Accounting Guideline 18, Investment Companies. This designation did not have any effect on the Plan's financial statements on adoption of IFRS.

The Plan has not elected to apply any other optional exemptions under IFRS 1.

IFRS 1 does not permit changes to estimates that have been made previously. Estimates used in the preparation of the Plan's opening IFRS statement of financial position, and other comparative information restated to comply with IFRS, are consistent with those made previously under Canadian GAAP.

### (c) Changes in accounting policies

In accordance with IAS 32 "Financial Instruments – Presentation", Subscribers' deposits are classified with other

# Notes to the Financial Statements (continued)

Six months ended April 30, 2015 and 2014 (Unaudited, in thousands of Canadian dollars)

## Note 10. Transition to IFRS (continued)

### (c) Changes in accounting policies (continued)

amounts owing to subscribers and beneficiaries, renamed Net Assets Attributable to Subscribers and Beneficiaries. The amounts were previously presented as liabilities under Canadian GAAP.

The adoption of IFRS did not result in any other changes to the accounting policies of the Plan as compared with its most recent annual financial statements prepared under Canadian GAAP. Aside from the reclassification of Subscribers' deposits, the adoption of IFRS had no other effect on the presentation or measurement of the assets, liabilities, total equity, income or expenses of the Plan.

### (d) Reconciliation of Net assets and Comprehensive Income

	October 31, 2014	November 1, 2013
Net assets available for education assistance payments under Canadian GAAP	<b>\$1,155,318</b>	\$ 990,348
Reclassification of subscribers' deposits	<b>1,791,558</b>	1,617,833
Net assets attributable to subscribers and beneficiaries under IFRS	<b>\$2,946,876</b>	\$2,608,181

The adoption of IFRS had no effect on the Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries. As such, no reconciliation has been provided.



# Government Grants

## Appendix I to Schedule I

### Statement of Investment Portfolio

As at April 30, 2015 (in thousands of Canadian dollars)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>					<b>Bonds (continued)</b>				
<b>Federal – 27.6%</b>					<b>Municipal and Provincial – 44.5% (continued)</b>				
Government of Canada					Province of Manitoba				
0.60%	21 May 2015	210	210	210	1.85%	5 Sep 2018	2,288	2,341	2,281
0.64	16 Jul 2015	335	334	334	5.50	15 Nov 2018	1,000	1,148	1,154
3.00	1 Dec 2015	5,000	5,066	5,132	1.42	2 Apr 2019	3,853	3,867	3,858
1.25	1 Feb 2016	1,230	1,235	1,234	3.85	1 Dec 2021	4,700	5,301	5,111
1.10	1 Apr 2016	931	514	514	4.40	5 Sep 2025	2,800	3,323	3,148
1.48	15 Mar 2017	11,206	11,275	11,310	4.10	5 Mar 2041	2,900	3,448	3,163
1.50	1 Sep 2017	13,958	14,225	14,041	3.35	5 Mar 2043	1,300	1,374	1,298
2.05	15 Jun 2018	31,856	32,822	32,278	4.05	5 Sep 2045	11,150	13,382	13,263
1.75	15 Jun 2019	15,610	16,066	16,026	Province of New Brunswick				
1.75	1 Jul 2019	2,567	2,498	2,452	4.45	26 Mar 2018	7,255	7,934	7,895
1.20	1 Feb 2020	3,776	3,770	3,751	4.40	3 Jun 2019	20,640	23,126	22,941
2.75	1 Jun 2022	1,415	1,556	1,498	2.85	2 Jun 2023	8,850	9,297	8,677
1.50	1 Jun 2023	3,400	3,424	3,221	3.65	3 Jun 2024	6,680	7,412	7,004
2.50	1 Jun 2024	8,030	8,714	8,106	6.47	30 Nov 2027	6,244	7,816	7,746
5.75	1 Jun 2033	700	1,091	987	5.65	27 Dec 2028	1,195	1,589	1,466
5.00	1 Jun 2037	12,210	18,329	16,418	5.50	27 Jan 2034	13,900	18,803	16,354
4.00	1 Jun 2041	8,524	11,563	10,522	4.65	26 Sep 2035	710	880	739
3.50	1 Dec 2045	3,200	4,135	4,280	Province of Newfoundland and Labrador				
Canada Housing Trust					2.30	2 Jun 2025	2,600	2,570	2,588
2.45	15 Dec 2015	5,000	5,052	5,092	3.83	1 Jun 2037	4,000	4,777	4,414
2.75	15 Jun 2016	48,967	50,024	50,398	Province of Nova Scotia				
1.33	15 Sep 2016	39,108	39,219	39,298	4.60	18 Aug 2016	1,055	1,105	1,132
1.85	15 Dec 2016	13,700	13,920	13,882	5.80	1 Jun 2033	1,775	2,474	2,160
2.05	15 Jun 2017	14,390	14,734	14,732	4.40	1 Jun 2042	1,600	1,969	1,813
1.34	15 Mar 2018	33,831	33,957	34,032	Province of Ontario				
1.75	15 Jun 2018	1,220	1,246	1,227	4.40	8 Mar 2016	9,905	10,202	10,415
4.10	15 Dec 2018	4,832	5,337	5,405	3.20	8 Sep 2016	6,840	7,052	7,024
3.75	15 Mar 2020	3,026	3,367	3,323	4.30	8 Mar 2017	9,352	9,924	9,569
3.80	15 Jun 2021	130	147	144	1.90	8 Sep 2017	9,445	9,636	9,482
2.65	15 Mar 2022	3,002	3,194	3,069	4.20	8 Mar 2018	10,246	11,130	11,175
			307,024	302,916	4.40	2 Jun 2019	6,370	7,147	6,899
<b>Municipal and Provincial – 44.5%</b>					4.20	2 Jun 2020	8,265	9,343	8,905
Alberta Capital Finance					4.00	2 Jun 2021	5,765	6,524	6,180
4.45	15 Dec 2025	1,500	1,798	1,712	3.15	2 Jun 2022	9,717	10,503	10,036
Province of Alberta					2.85	2 Jun 2023	8,990	9,489	8,761
1.38	27 May 2016	16,522	16,570	16,572	3.50	2 Jun 2024	4,890	5,400	5,053
4.00	1 Dec 2019	155	173	171	7.60	2 Jun 2027	2,545	3,898	3,655
2.55	15 Dec 2022	4,746	4,960	4,772	6.20	2 Jun 2031	6,500	9,369	8,746
3.90	1 Dec 2033	1,972	2,279	2,120	5.60	2 Jun 2035	2,195	3,080	2,509
3.45	1 Dec 2043	995	1,089	1,043	4.70	2 Jun 2037	6,796	8,682	7,755
Province of British Columbia					4.60	2 Jun 2039	4,540	5,777	5,249
4.70	1 Dec 2017	22,380	24,473	24,706	4.65	2 Jun 2041	12,015	15,503	14,497
3.70	18 Dec 2020	3,200	3,573	3,475	3.50	2 Jun 2043	2,400	2,609	2,729
3.30	18 Dec 2023	15,530	17,068	16,098					
5.70	18 Jun 2029	1,700	2,330	2,195					
6.35	18 Jun 2031	4,100	6,065	5,718					
4.70	18 Jun 2037	4,920	6,389	6,017					
4.30	18 Jun 2042	15,980	20,097	18,384					
3.20	18 Jun 2044	1,000	1,056	956					

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, 2015 (in thousands of Canadian dollars)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>				
<b>Municipal and Provincial – 44.5% (continued)</b>				
Province of Quebec				
5.00%	1 Dec 2015	27,140	27,791	29,276
4.50	1 Dec 2016	4,278	4,518	4,638
4.50	1 Dec 2017	9,396	10,218	10,324
4.50	1 Dec 2019	26,580	30,206	29,337
4.50	1 Dec 2020	6,760	7,796	7,144
4.25	1 Dec 2021	3,479	4,005	3,845
3.75	1 Sep 2024	7,000	7,871	7,431
6.25	1 Jun 2032	6,658	9,683	8,996
5.75	1 Dec 2036	1,690	2,419	1,974
5.00	1 Dec 2038	2,940	3,899	3,045
5.00	1 Dec 2041	3,419	4,599	4,211
Province of Saskatchewan				
3.20	3 Jun 2024	80	87	83
6.40	5 Sep 2031	2,400	3,554	3,351
			493,770	474,438
<b>Corporate – 8.1%</b>				
407 East Development Group				
2.81	18 Dec 2016	375	378	380
407 International Inc.				
6.75	27 Jul 2039	1,293	1,748	1,576
Arrow Lakes Power Corp				
5.52	5 Apr 2041	847	1,017	847
BAA Funding Ltd.				
4.00	3 Jul 2019	42	45	45
Bank Nederlandse Gemeenten				
5.15	7 Mar 2025	143	170	170
Bankers Hall LP				
4.38	20 Nov 2023	2,552	2,725	2,552
Canadian Imperial Bank of Commerce				
0.83	5 Aug 2015	150	149	149
1.54	14 Jul 2016	564	565	565
1.11	11 Aug 2016	283	283	283
Canadian Pacific Railway				
6.91	1 Oct 2024	510	396	400
CBC				
4.69	15 May 2027	4,100	4,769	4,428
Cogeco Cable Inc.				
4.18	26 May 2023	1,469	1,568	1,528
CSS Partnership				
6.92	31 Jul 2042	2,201	2,943	2,818
DEPFA ACS Bank				
5.25	31 Mar 2025	1,741	2,075	2,161
4.90	24 Aug 2035	1,748	2,064	2,161

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>				
<b>Corporate – 8.1% (continued)</b>				
Enbridge Inc.				
1.73%	13 Mar 2017	792	789	787
EUROFIMA				
4.55	30 Mar 2027	913	1,045	1,022
GE Capital Canada				
1.62	15 Feb 2022	1,966	1,952	1,803
2.47	6 Feb 2023	3,071	3,221	3,006
Greater Toronto Airports Authority				
6.45	30 Jul 2029	2,233	2,867	2,745
KRC Holdings Inc.				
3.86	4 Aug 2020	571	606	599
Kreditanstalt Fur Wiederaufbau Global				
5.05	4 Feb 2025	1,196	1,456	1,474
Loblaw Companies				
5.90	18 Jan 2036	383	461	466
Maritimes and Northeast Pipelines				
4.34	30 Nov 2019	3,077	3,177	3,180
6.90	30 Nov 2019	827	921	934
Master Asset Vehicle Trust				
1.95	15 Jul 2056	36	36	36
Milit-Air Inc.				
5.75	30 Jun 2019	2,443	2,669	2,677
Morgan Stanley				
3.13	5 Aug 2021	1,396	1,437	1,391
NAV Canada				
7.56	1 Mar 2027	3,444	4,528	4,335
North Battleford Power L.P.				
4.96	31 Dec 2032	891	1,024	891
Ontrea Inc.				
4.62	9 Apr 2018	2,010	2,021	2,061
Ornge Issuer Trust				
5.73	11 Jun 2034	3,465	4,114	3,935
Pearson International Fuel Facilities Corporation				
5.09	9 Mar 2032	2,245	2,436	2,407
Public Sector Pension Investment Board				
3.27	12 Jun 2020	2,866	2,989	2,866
Royal Bank of Canada				
1.49	11 Feb 2020	2,622	2,625	2,622
1.32	23 Mar 2020	7,624	7,579	7,624
Shaw Communications Inc.				
6.75	9 Nov 2039	1,525	1,919	1,869
SP1 LP				
3.21	15 Jun 2019	3,026	2,961	2,870

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, 2015 (in thousands of Canadian dollars)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>				
<b>Corporate – 8.1% (continued)</b>				
Toronto Dominion Bank				
1.08%	21 Apr 2016	402	402	402
Transcanada Pipelines Ltd.				
11.80	20 Nov 2020	1,994	2,951	3,033
8.05	17 Feb 2039	1,553	2,497	2,492
University Health Network				
5.64	8 Dec 2022	6,544	7,508	7,503
University of Ontario Infrastructure				
6.34	15 Oct 2034	206	253	237
WTH Car Rental ULC				
2.54	20 Aug 2019	2,960	3,037	2,960
			90,376	88,290
<b>Total Fixed Income Investments – 80.2%</b>			<b>891,170</b>	<b>865,644</b>
<b>Pooled Equity Funds</b>				
BMO S&P/500 Hedged to CAD Index ETF		2,293	73,500	69,661
BMO S&P/TSX Capped Composite Index ETF		1,417	29,126	28,914
ISHARES CORE S&P 500 Hedged to CAD Index ETF		2,981	71,836	67,514
ISHARES CORE S-P/TSX Capped Composite Index ETF		1,290	31,090	31,251
<b>Total Equity – 18.5%</b>			<b>205,552</b>	<b>197,340</b>
<b>Total Investments – 98.7%</b>			<b>1,096,722</b>	<b>1,062,984</b>
<b>Cash and cash equivalents – 1.3%</b>			14,111	14,111
<b>Total Portfolio Assets – 100.0%</b>			<b>1,110,833</b>	<b>1,077,095</b>
<b>Government Grant Investments Allocation</b>				
Group Savings Plan 2001			804,299	779,829
Family Savings Plan			69,870	67,744
Individual Savings Plan			2,856	2,769
Group Savings Plan			188,976	182,930
Founders' Plan			28,945	27,993
Plan II			1,776	1,719
			<b>1,096,722</b>	<b>1,062,984</b>
<b>Cash and cash equivalents Allocation</b>				
Group Savings Plan 2001			10,352	10,352
Family Savings Plan			899	899
Individual Savings Plan			37	37
Group Savings Plan			2,428	2,428
Founders' Plan			372	372
Plan II			23	23
			<b>14,111</b>	<b>14,111</b>

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

# Sales Charge Refund Entitlements

## Appendix II to Schedule I

### Statement of Investment Portfolio

As at April 30, 2015 (in thousands of Canadian dollars)

#### Agreements Purchased prior to October 2, 2007

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>					<b>Bonds (continued)</b>				
<b>Provincial – 0.5%</b>					<b>Corporate – 34.3% (continued)</b>				
Province of New Brunswick					Loblaw Companies				
6.47%	30 Nov 2027	550	688	667	6.45%	9 Feb 2028	260	325	293
			688	667	6.50	22 Jan 2029	920	1,146	930
					5.90	18 Jan 2036	183	220	165
<b>Corporate – 34.3%</b>					Maritimes and Northeast Pipelines				
407 East Development Group					4.34	30 Nov 2019	1,227	1,267	1,264
2.81	18 Dec 2016	70	71	71	6.90	30 Nov 2019	94	104	106
407 International Inc.					McCain Finance (Canada) Limited				
7.13	26 Jul 2040	1,033	1,601	1,259	3.87	7 Feb 2023	737	798	737
Bankers Hall LP					Milit-Air Inc.				
4.38	20 Nov 2023	534	570	534	5.75	30 Jun 2019	1,215	1,327	1,338
Blue Water Bridge Authority					Morgan Stanley				
6.41	9 Jul 2027	1,246	866	971	3.13	5 Aug 2021	685	705	683
Canadian Imperial Bank of Commerce					NAV Canada				
1.11	11 Aug 2016	136	136	136	7.56	1 Mar 2027	1,984	2,610	2,494
Canadian Pacific Railway					7.40	1 Jun 2027	107	156	149
6.91	1 Oct 2024	643	499	505	North Battleford Power L.P.				
Cogeco Cable Inc.					4.96	31 Dec 2032	151	174	157
4.18	26 May 2023	1,483	1,583	1,477	Nova Gas Transmission Ltd.				
DEPFA ACS Bank					9.90	16 Dec 2024	109	169	167
5.25	31 Mar 2025	788	939	978	Ontrea Inc.				
4.90	24 Aug 2035	790	933	977	4.62	9 Apr 2018	797	801	808
EUROFIMA					Ornge Issuer Trust				
4.55	30 Mar 2027	212	243	237	5.73	11 Jun 2034	1,913	2,271	2,205
GE Capital Canada					Public Sector Pension Investment Board				
1.63	15 Feb 2022	1,947	1,933	1,786	3.27	12 Jun 2020	1,513	1,578	1,513
2.47	6 Feb 2023	807	846	807	Royal Bank of Canada				
Greater Toronto Airports Authority					1.49	11 Feb 2020	1,100	1,101	1,100
6.45	30 Jul 2029	1,420	1,823	1,727	1.32	23 Mar 2020	3,446	3,427	3,446
Honda Canada Finance Inc.					Royal Bank Scotland				
1.92	3 Dec 2018	1,706	1,719	1,706	5.88	12 May 2016	176	182	187
INPower BC Group					Shaw Communications Inc.				
4.47	31 Mar 2033	535	584	532	6.75	9 Nov 2039	1,892	2,380	1,836
KRC Holdings Inc.					SNC Lavalin Group				
3.86	4 Aug 2020	332	352	348	6.19	3 Jul 2019	1,551	1,789	1,762
Kreditanstalt Fur Wiederaufbau Global					SP1 LP				
5.05	4 Feb 2025	256	312	309	3.21	15 Jun 2019	1,373	1,343	1,302
					St. Clair Holding ULC				
					4.88	31 Aug 2031	438	459	438

# Sales Charge Refund Entitlements (continued)

## Appendix II to Schedule I

### Statement of Investment Portfolio

As at April 30, 2015 (in thousands of Canadian dollars)

#### Agreements Purchased prior to October 2, 2007 (continued)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>				
<b>Corporate – 34.3% (continued)</b>				
Strait Crossing Development Inc.				
6.17%	15 Sep 2031	451	405	377
Toronto Dominion Bank				
1.08	21 Apr 2016	145	145	145
Transcanada Pipelines Ltd.				
11.80	20 Nov 2020	172	255	260
University Health Network				
5.64	8 Dec 2022	2,084	2,391	2,377
University of Ontario Infrastructure				
6.35	15 Oct 2034	1,263	1,557	1,341
WTH Car Rental ULC				
2.54	20 Aug 2019	2,530	2,596	2,530
			46,691	44,470
<b>Total Fixed Investments – 34.8%</b>			<b>47,379</b>	<b>45,137</b>
<b>Pooled Equity Funds</b>				
SRA Canadian Equity Fund				
		3,128	46,981	46,799
SRA US Equity Fund				
		1,793	19,903	16,355
SRA International Equity Fund				
		2,056	21,377	16,280
<b>Total Equity – 64.8%</b>			<b>88,261</b>	<b>79,434</b>
<b>Total Investments – 99.6%</b>			<b>135,640</b>	<b>124,571</b>
<b>Cash and cash equivalents – 0.4%</b>			549	549
<b>Total Portfolio Assets – 100.0%</b>			<b>136,189</b>	<b>125,120</b>
<b>Total Investments Allocation</b>				
Group Savings Plan 2001			85,138	77,877
Group Savings Plan			50,502	46,694
			<b>135,640</b>	<b>124,571</b>
<b>Cash and cash equivalents Allocation</b>				
Group Savings Plan 2001			343	343
Group Savings Plan			206	206
			<b>549</b>	<b>549</b>

# Sales Charge Refund Entitlements

## Appendix III to Schedule I

### Statement of Investment Portfolio

As at April 30, 2015 (in thousands of Canadian dollars)

#### Agreements Purchased on or after October 2, 2007

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>				
<b>Federal – 0.6%</b>				
Canada Government				
4.45%	1 Dec 2017	54	44	45
1.88	1 May 2019	24	24	23
1.75	1 Jul 2019	208	202	199
			270	267
<b>Provincial – 1.2%</b>				
Province of British Columbia				
10.65	19 Jun 2021	46	66	64
Province of New Brunswick				
6.47	30 Nov 2027	378	474	464
			540	528
<b>Corporate – 43.1%</b>				
407 East Development Group				
2.81	18 Dec 2016	123	124	125
407 International Inc.				
7.13	26 Jul 2040	355	550	459
Arrow Lakes Power Corp				
5.52	5 Apr 2041	73	88	73
BAA Funding Ltd.				
4.00	3 Jul 2019	8	9	9
Bank Nederlandse Gemeenten				
5.15	7 Mar 2025	32	38	38
Bankers Hall LP				
4.38	20 Nov 2023	175	187	175
Blue Water Bridge Authority				
6.41	9 Jul 2027	191	133	150
Canadian Imperial Bank of Commerce				
1.11	11 Aug 2016	484	485	484
Canadian Pacific Railway				
6.91	1 Oct 2024	740	574	581
Central 1 Credit Union				
1.68	24 Nov 2016	517	520	517
Cogeco Cable Inc.				
5.15	16 Nov 2020	280	317	296
4.18	26 May 2023	541	578	540
DEPFA ACS Bank				
5.25	31 Mar 2025	349	416	433
4.90	24 Aug 2035	349	412	431
Enbridge Inc.				
2.28	19 Aug 2015	276	276	279
1.73	13 Mar 2017	102	102	101

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>				
<b>Corporate – 43.1% (continued)</b>				
EUROFIMA				
4.55%	30 Mar 2027	384	440	447
GE Capital Canada				
1.62	15 Feb 2022	610	606	560
2.47	6 Feb 2023	255	267	255
Greater Toronto Airports Authority				
6.45	30 Jul 2029	477	612	576
Honda Canada Finance Inc.				
1.93	3 Dec 2018	440	443	440
Hydro One Inc.				
1.65	3 Dec 2016	355	356	355
INPower BC Group				
4.47	31 Mar 2033	384	419	386
Kreditanstalt Fur Wiederaufbau Global				
5.05	4 Feb 2025	211	257	259
Loblaw Companies				
6.45	9 Feb 2028	55	69	62
6.50	22 Jan 2029	228	284	243
6.05	9 Jun 2034	398	483	438
Manufacturers Life Insurance Company				
5.30	25 Feb 2041	70	91	93
Maritimes and Northeast Pipelines				
4.34	30 Nov 2019	215	222	221
6.90	30 Nov 2019	91	101	102
McCain Finance (Canada) Limited				
3.87	7 Feb 2023	213	231	213
Merrill Lynch Financial Assets Inc.				
4.62	12 Nov 2015	16	14	12
4.64	12 Oct 2016	83	42	43
Metropolitan Life Global Funding I				
2.68	16 Apr 2019	136	140	138
Milit-Air Inc.				
5.75	30 Jun 2019	409	447	453
Morgan Stanley				
3.13	5 Aug 2021	500	515	498
NAV Canada				
7.56	1 Mar 2027	816	1,072	1,026
7.40	1 Jun 2027	20	29	28
North Battleford Power L.P.				
4.96	31 Dec 2032	54	62	55

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

# Sales Charge Refund Entitlements (continued)

## Appendix III to Schedule I

### Statement of Investment Portfolio

As at April 30, 2015 (in thousands of Canadian dollars)

#### Agreements Purchased on or after October 2, 2007 (continued)

Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	
<b>Bonds (continued)</b>					<b>Pooled Equity Funds</b>					
<b>Corporate – 43.1% (continued)</b>					SRA Canadian Equity Fund					
Ontrea Inc.							905	13,596	12,840	
4.62%	9 Apr 2018	190	191	203	SRA US Equity Fund		519	5,761	3,902	
Ornge Issuer Trust					SRA International Equity Fund					
5.73	11 Jun 2034	558	662	642			594	6,172	4,234	
Public Sector Pension Investment Board					<b>Total Equity – 54.5%</b>					
3.27	12 Jun 2020	462	481	462				<b>25,529</b>	<b>20,976</b>	
Real Estate Asset Liquidity Series Class A					<b>Total Investments – 99.4%</b>					
4.64	12 Oct 2015	7	7	7	<b>Cash and cash equivalents – 0.6%</b>					
4.62	12 Sep 2016	282	291	299				287	287	
Royal Bank of Canada					<b>Total Portfolio Assets – 100.0%</b>					
1.49	11 Feb 2020	533	534	533				<b>46,803</b>	<b>41,568</b>	
1.32	23 Mar 2020	1,524	1,515	1,525	<b>Total Investments Allocation</b>					
Royal Bank Scotland					Group Savings Plan 2001					
5.88	12 May 2016	67	69	71				46,516	41,281	
Schooner Trust					<b>46,516</b>					<b>41,281</b>
5.19	12 May 2017	16	17	13	<b>Cash and cash equivalents Allocation</b>					
5.19	12 Jun 2022	2	1	1	Group Savings Plan 2001					
Shaw Communications Inc.								287	287	
6.75	9 Nov 2039	660	830	683				<b>287</b>	<b>287</b>	
SNC Lavalin Group										
6.19	3 Jul 2019	546	630	621						
SP1 LP										
3.21	15 Jun 2019	544	532	516						
St. Clair Holding ULC										
4.88	31 Aug 2031	115	120	115						
Strait Crossing Development Inc.										
6.17	15 Sep 2031	109	98	94						
Transcanada Pipelines Ltd.										
11.80	20 Nov 2020	93	138	141						
University Health Network										
5.64	8 Dec 2022	537	616	615						
University of Ontario Infrastructure										
6.35	15 Oct 2034	199	245	210						
WTH Car Rental ULC										
2.62	20 Dec 2016	479	486	480						
2.54	20 Aug 2019	685	703	685						
				20,177					19,512	
<b>Total Fixed Investments – 44.9%</b>			<b>20,987</b>	<b>20,305</b>						

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

# Canadian Scholarship Trust Plan

## Sponsor

Canadian Scholarship Trust Foundation  
1600-2235 Sheppard Avenue East  
Toronto ON M2J 5B8

## Investment Fund Manager and Distributor

C.S.T. Consultants Inc.  
1600-2235 Sheppard Avenue East  
Toronto ON M2J 5B8

## Trustee

RBC Investor Services Trust  
155 Wellington Street West, 2<sup>nd</sup> Floor  
Toronto, ON M5V 3L3

## Auditor

Deloitte LLP  
Brookfield Place  
181 Bay Street, Suite 1400  
Toronto, Ontario M5J 2V1

## Bank

Royal Bank of Canada  
Royal Bank Plaza  
South Tower  
200 Bay Street, 10<sup>th</sup> Floor  
Toronto, Ontario M5J 2J5

For updates on your Plan account, login to Online Services at [www.cst.org](http://www.cst.org)

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