



Canadian Scholarship Trust Group Savings Plan

Semi-Annual Financial Statements
April 30, 2015

Unaudited



Contents

Statements of Financial Position	1
Statements of Comprehensive Income	2
Statements of Changes in Net Assets Attributable to Subscribers and Beneficiaries	2
Statements of Cash Flows	3
Schedule I – Statement of Investment Portfolio	4
Notes to the Financial Statements	6
Government Grants (Appendix I to Schedule I)	13
Sales Charge Refund Entitlements (Appendix II to Schedule I)	16

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
Assets			
Cash and cash equivalents	\$ 2,874	\$ 3,264	\$ 31,585
Receivables for securities sold	2,775	–	312
Investments, at fair value <i>(Note 4 and Schedule I)</i>	816,286	801,506	887,942
Accrued interest and other receivables	5,503	17,948	8,111
Government grants receivable	335	328	481
	827,773	823,046	928,431
Liabilities			
Payables for securities purchased	3,788	187	607
Accounts payable, accrued liabilities and unclaimed subscribers' funds	5,880	4,986	8,378
	9,668	5,173	8,985
Net Assets Attributable to Subscribers and Beneficiaries	818,105	817,873	919,446
Represented by:			
Non-Discretionary Funds			
Accumulated income held for future education assistance payments	216,555	218,288	249,663
Subscribers' deposits <i>(Note 6)</i>	358,783	370,046	436,112
Government grants	115,971	117,604	127,983
Income on Government grants	60,692	59,301	61,553
Sales charge refund entitlements <i>(Note 8)</i>	46,895	44,071	47,517
General Fund <i>(Note 7)</i>	2,191	1,793	–
Unrealized Gains (Losses)	15,786	5,538	(4,614)
Discretionary Funds			
Donations from the Foundation <i>(Note 7)</i>	1,232	1,232	1,232
	\$ 818,105	\$ 817,873	\$ 919,446

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

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
Income		
Interest for allocation to subscriber accounts	\$ 8,794	\$ 13,902
Realized gains (losses) on sale of investments	3,850	(4,297)
Change in unrealized gains (losses)	10,248	6,790
Other income	2,259	643
	25,151	17,038
Expenses		
Administration and account maintenance fees (Note 3)	2,181	2,357
Portfolio management fees	519	574
Custodian and trustee fees	67	80
Independent Review Committee fees	6	9
	2,773	3,020
Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries	\$ 22,378	\$ 14,018

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
Net Assets Attributable to Subscribers and Beneficiaries, Beginning of Period	\$ 817,873	\$ 919,446
Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries	22,378	14,018
Transfers to internal and external plans	(1,900)	(1,241)
	20,478	12,777
Receipts		
Government grants received (net of repayments)	1,114	1,591
Disbursements		
Net decrease in Subscribers' deposits (Note 6)	(11,263)	(8,382)
Payments to beneficiaries		
Education assistance payments	(5,853)	(4,934)
Government grants	(1,868)	(1,572)
Refund of Sales Charge	(1,256)	(1,192)
Return of interest	(1,120)	(957)
Total payments to beneficiaries	(10,097)	(8,655)
Receipts less Disbursements	(20,246)	(15,446)
Change in Net Assets Attributable to Subscribers and Beneficiaries	232	(2,669)
Net Assets Attributable to Subscribers and Beneficiaries, End of Period	\$ 818,105	\$ 916,777

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
Operating Activities		
Net Income and Comprehensive Income Attributable to Subscribers and Beneficiaries	\$ 22,378	\$ 14,018
Net disbursements from investment transactions	144	13,414
Items not affecting cash		
Realized (gains) losses on sale of investments	(3,850)	4,297
Change in unrealized gains (losses)	(10,248)	(6,790)
Change in non-cash operating working capital		
Decrease in Accrued interest and other receivables	12,445	660
(Increase) decrease in Government grants receivable	(7)	19
Increase (decrease) in Accounts payable, accrued liabilities and unclaimed subscribers' funds	894	(1,843)
Cash flow from Operating Activities	21,756	23,775
Financing Activities		
Transfers to internal and external plans	(1,900)	(1,241)
Government grants received (net of repayments)	1,114	1,591
Net decrease in Subscribers' deposits <i>(Note 6)</i>	(11,263)	(8,382)
Payments to beneficiaries	(10,097)	(8,655)
Cash flow used in Financing Activities	(22,146)	(16,687)
Net (decrease) increase in Cash and cash equivalents	(390)	7,088
Cash and cash equivalents, Beginning of Period	3,264	31,585
Cash and cash equivalents, End of Period	\$ 2,874	\$ 38,673
Supplemental cash flow information:		
Withholding Taxes	\$ 84	\$ -
Interest Income Received	8,651	13,902

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 (\$)				
Bonds					Bonds (continued)								
Federal – 41.5%					Municipal and Provincial – 20.6% (continued)								
Government of Canada					Province of Saskatchewan								
0.64%	7 May 2015	50	50	50	1.95%	1 Mar 2019	3,760	3,862	3,789				
0.64	4 Jun 2015	100	100	100				118,771	119,019				
0.60	18 Jun 2015	215	215	215	Corporate – 17.8%								
0.64	13 Aug 2015	180	180	180	407 East Development Group								
1.48	15 Mar 2017	28,221	28,394	28,478	2.81	18 Dec 2016	168	170	170				
1.50	1 Sep 2017	1,997	2,035	2,006	407 International Inc.								
2.05	15 Jun 2018	43,047	44,352	43,750	7.13	26 Jul 2040	4,576	7,094	6,673				
1.88	1 May 2019	19	19	18	Access Justice Durham Ltd.								
1.75	1 Jul 2019	1,125	1,095	1,074	5.02	31 Aug 2039	1	1	1				
1.15	1 Mar 2020	2,500	2,496	2,491	BAA Funding Ltd.								
Canada Housing Trust					4.00					3 Jul 2019	56	60	60
2.75	15 Jun 2016	99,801	101,954	102,327	Bank Nederlandse Gemeenten								
1.33	15 Sep 2016	27,876	27,955	28,004	5.15	7 Mar 2025	194	231	230				
1.85	15 Dec 2016	13,675	13,894	13,858	Bank of Nova Scotia								
1.70	15 Dec 2017	8,135	8,286	8,290	0.83	30 Jun 2015	20	20	20				
4.10	15 Dec 2018	7,651	8,451	8,560	Canadian Imperial Bank of Commerce								
			239,476	239,401	0.83	25 Jun 2015	160	160	160				
Municipal and Provincial – 20.6%					1.11	11 Aug 2016	2,693	2,696	2,693				
Province of Alberta					Canadian Pacific Railway								
1.38	27 May 2016	4,294	4,306	4,299	6.91	1 Oct 2024	565	439	443				
1.85	1 Sep 2016	7,675	7,779	7,798	CBC								
1.70	15 Dec 2017	1,450	1,475	1,485	4.69	15 May 2027	493	574	525				
4.00	1 Dec 2019	5,705	6,370	6,286	Cogeco Cable Inc.								
Province of British Columbia					4.18	26 May 2023	1,843	1,967	1,917				
4.10	18 Dec 2019	11,285	12,668	12,784	DEPFA ACS Bank								
3.70	18 Dec 2020	10,550	11,780	11,910	5.25	31 Mar 2025	1,854	2,210	2,302				
Province of Manitoba					4.90	24 Aug 2035	1,861	2,197	2,301				
2.05	1 Dec 2016	18,725	19,061	19,144	Enbridge Inc.								
1.85	5 Sep 2018	2,781	2,845	2,782	1.73	13 Mar 2017	886	882	882				
5.50	15 Nov 2018	1,262	1,449	1,455	4.57	11 Mar 2044	1,269	1,285	1,334				
1.42	2 Apr 2019	4,913	4,931	4,923	EUROFIMA								
Province of New Brunswick					4.55	30 Mar 2027	1,057	1,210	1,216				
6.47	30 Nov 2027	1,731	2,167	2,133	First National Financial GP Corporation								
Province of Nova Scotia					1.12	1 Sep 2016	750	503	503				
4.60	18 Aug 2016	1,440	1,509	1,541	GE Capital Canada								
Province of Ontario					1.62	15 Feb 2022	6,423	6,378	6,197				
4.30	8 Mar 2017	3,806	4,039	4,108	2.47	6 Feb 2023	284	298	284				
1.90	8 Sep 2017	11,665	11,901	11,747	Greater Toronto Airports Authority								
4.20	8 Mar 2018	5,858	6,364	6,381	6.45	30 Jul 2029	2,447	3,142	3,026				
Province of Quebec													
4.50	1 Dec 2016	3,843	4,058	4,152									
4.50	1 Dec 2017	11,225	12,207	12,302									

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 (\$)
Bonds (continued)					Bonds (continued)				
Corporate – 17.8% (continued)					Corporate – 17.8% (continued)				
Green Timbers LP					SP1 LP				
6.84%	30 Jun 2037	923	1,186	1,152	3.21%	15 Jun 2019	2,170	2,123	2,080
Hydro One Inc.					Toronto Dominion Bank				
1.65	3 Dec 2016	4,300	4,311	4,323	1.08	21 Apr 2016	116	116	116
Kreditanstalt Fur Wiederaufbau Global					1.39	18 Feb 2020	1,789	1,797	1,789
5.05	4 Feb 2025	674	821	819	Transcanada Pipelines Ltd.				
Maritimes and Northeast Pipelines					11.80	20 Nov 2020	32	47	48
4.34	30 Nov 2019	513	529	534	Unicredit SPA				
6.90	30 Nov 2019	100	111	116	2.40	29 May 2018	274	282	285
Merrill Lynch Financial Assets Inc.					University Health Network				
4.71	12 Nov 2016	3,409	650	663	5.64	8 Dec 2022	2,924	3,354	3,355
5.49	12 Aug 2017	386	417	428	University of Ontario Institute of Technology				
Metropolitan Life Global Funding I					6.35	15 Oct 2034	232	286	268
2.68	16 Apr 2019	2,019	2,085	2,050	WTH Car Rental ULC				
Milit-Air Inc.					2.62	20 Dec 2016	1,135	1,151	1,153
5.75	30 Jun 2019	3,859	4,215	4,267	2.54	20 Aug 2019	814	835	814
Morgan Stanley								102,979	101,372
3.13	5 Aug 2021	3,418	3,518	3,407	Total Fixed Income Investments – 79.9%		461,226	459,792	
NAV Canada					Exchange-traded Funds				
7.56	1 Mar 2027	6,949	9,136	8,928	BMO S&P/500 Hedged to CAD Index ETF	1,294	41,476	39,365	
7.40	1 Jun 2027	424	618	594	BMO S&P/TSX Capped Composite Index ETF	791	16,253	16,173	
North Battleford Power L.P.					iShares Core S&P 500 Hedged to CAD Index ETF	1,729	41,662	39,192	
4.96	31 Dec 2032	3,549	4,075	3,938	iShares Core S&P/TSX Capped Composite Index ETF	672	16,191	16,354	
Ontrea Inc.					Total Equity – 20.0%		115,582	111,084	
4.62	9 Apr 2018	188	189	200	Cash and cash equivalents – 0.1%		240	240	
Ornge Issuer Trust					Total Portfolio Assets – 100.0%		577,048	571,116	
5.73	11 Jun 2034	6,008	7,133	6,794	Investments Allocation (Note 4)				
Pearson International Fuel Facilities Corporation					Government Grants (Appendix I)		188,976	182,930	
5.09	9 Mar 2032	1,687	1,830	1,828	Sales Charge Refund				
Plenary Health Humber LP					Entitlements (Appendix II)		50,502	46,694	
2.63	18 May 2015	1,324	1,325	1,336	Cash and cash equivalents (Appendix I & II)		2,634	2,634	
Principal Financial Global					Total Investment Fund		819,160	803,374	
4.65	11 Oct 2016	424	442	448	Represented by:				
Public Sector Pension Investment Board					Cash and cash equivalents		2,874		
3.27	12 Jun 2020	4,375	4,563	4,408	Investments, at fair value		816,286		
Real Estate Asset Liquidity Series Class A							819,160		
4.62	12 Sep 2016	185	191	185					
Royal Bank of Canada									
1.49	11 Feb 2020	2,964	2,967	2,964					
1.32	23 Mar 2020	8,176	8,128	8,176					
Royal Bank of Scotland									
5.88	12 May 2016	157	163	167					
Shaw Communications Inc.									
6.75	9 Nov 2039	2,280	2,868	2,802					

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 (the “Plan”) is a Pooled Education Savings Plan that was established on September 1, 1991. Since June 2001, the Plan is no longer available for sale. The objective of the Plan is to assist parents and others to save for the post-secondary education of children. The Plan is managed 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 balance 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 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 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 earned 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 or amended 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)

⁽ⁱ⁾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.

⁽ⁱⁱ⁾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.

⁽ⁱⁱⁱ⁾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 (“ETF”) 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 were deducted from subscribers’ deposits and 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) Administration of the Plan

The Foundation, as the Plan sponsor, has entered into an agreement to appoint C.S.T.C. as the Investment Fund Manager to administer the Plan. The agreement is 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, \$2,181 was recognized as an expense for Administration and account maintenance fees (2014 – \$2,357). Administration and account maintenance fees included in Accounts payable, accrued liabilities and unclaimed subscribers' funds at April 30, 2015 was \$97 (October 31, 2014 – \$103; November 1, 2013 – \$107).

Sales charges were paid by subscribers and deducted from their contributions. In accordance with the distribution agreement, the Foundation agreed to set aside 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. The amount funded was equivalent to 50% of the estimated present value of the SCR Entitlements of \$200 per unit as determined at the time of sale.

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

During the six-month period ended April 30, 2015, the Foundation provided deficit funding payments of \$1,400 (2014 – \$2,000) 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 \$6 (2014 – \$9) 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 – \$3).

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

Included in Portfolio management fees on the Statements of Comprehensive Income is \$62 (2014 – \$16) 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 \$59 owing to C.S.T.C. at April 30, 2015 (\$22 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 – II 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).

Investments used to fund the SCR Entitlements of the Group Savings Plan and the Group Savings Plan 2001 of 100% of sales charges paid, are managed in a separate SCR Fund (see Appendix II to Schedule I). The SCR Fund's holdings and income are allocated to the Plan based on the Plan's proportionate share of the SCR Entitlements.

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

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, 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.

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)

(a) Market risk (continued)

i. Interest rate risk (continued)

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%	5%	12%
1-3 years	39%	30%	40%
3-5 years	18%	22%	23%
Greater than 5 years	20%	21%	22%
Total debt instruments	79%	78%	97%

As at April 30, 2015, if prevailing interest rates had increased by 1%, the Total Investment Fund amount of \$819,160 (October 31, 2014 – \$804,770; November 1, 2013 – \$919,527) as per Schedule I – Statement of Investment Portfolio, would have decreased by \$24,869 (October 31, 2014 – \$21,356; November 1, 2013 – \$31,978). If prevailing interest rates had decreased by 1%, the Total Investment Fund would have increased by \$27,311 (October 31, 2014 – \$23,806; November 1, 2013 – \$37,288). 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 Grants asset pool, and equity component of the SCR Fund, which represents 22% (October 31, 2014 – 22%; November 1, 2013 – 3%) of the Total Investment Fund amount as at April 30, 2015. The risk associated with the equity component of the SCR Entitlements 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 \$1,842 (October 31, 2014 – \$1,761; November 1, 2013 – \$288). 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	Amount	% of Total Investment Fund	Amount	% of Total Investment Fund	Amount
	(in thousands)	(in thousands)	(in thousands)	(in thousands)	(in thousands)	(in thousands)
AAA	42%	\$ 340,963	43%	\$ 345,484	49%	\$ 454,677
AA/AAH/AAL	17%	129,125	17%	131,157	18%	166,800
A/AH/AL	18%	144,392	17%	137,157	23%	207,489
BBB	1%	10,146	1%	10,289	1%	6,375
R-1	0%	2,368	0%	2,174	5%	49,195
Short-term unrated	1%	7,985	0%	2,355	1%	6,685
Total Debt instruments	79%	\$ 634,979	78%	\$ 628,616	97%	\$ 891,221

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 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 directed 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 Plan holds foreign equity funds as part of the SCR Fund, which represents 2% (October 31, 2014 – 2%; November 1, 2013 – 1%) of the Total Investment Fund. The Plan's Total Investment Fund would increase or decrease by approximately \$155 (October 31, 2014 – \$141; November 1, 2013 – \$132) in response to a 1% depreciation or appreciation of the Canadian dollar currency exchange rate. In practice the actual change may differ materially. The Plan's Total Portfolio Assets and/or 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)

Government Grants hold ETFs 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-month period ended April 30, 2015 and 2014 are as follows:

	Apr 30, 2015	Apr 30, 2014
Payments from subscribers	\$ 4,971	\$ 7,518
Inter-plan principal transfers	(3,901)	(4,015)
Account maintenance fees	(190)	(234)
Return of principal	(12,143)	(11,651)
Net decrease in Subscribers' deposits	(11,263)	(8,382)
Balance, Beginning of Period	370,046	436,112
Balance, End of Period	\$ 358,783	\$ 427,730

Note 7. General Fund and Donations from the Foundation

The Canadian Group Scholarship 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 the subscribers' accumulated income from the date of maturity of the subscribers' 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 the beneficiaries from the SCR Fund, which amount to 100% of sales charges paid. The SCR Entitlement is paid with the first instalment of the EAP payouts to qualified beneficiaries. The total amount of SCR Entitlements paid for the six months ended April 30, 2015 was \$1,256 (2014 – \$1,192).

As at April 30, 2015, the SCR Entitlements amount of \$46,895 (October 31, 2014 – \$44,071; November 1, 2013 – \$47,517) presented in the Statements of Financial Position represents the average cost of the Plan's investments in the SCR Fund of \$46,900 (October 31, 2014 – \$44,133; November 1, 2013 – \$47,646), less funds to be transferred to the direct investment holdings of the plan of \$56 (October 31, 2014 – \$270; November 1, 2013 – \$373) for SCR payments made to beneficiaries during the period, plus accrued interest of \$51 (October 31, 2014 – \$208; November 1, 2013 – \$244). The fair value of the investments in the SCR Fund as at April 30, 2014, after adjusting for the above, amounted to \$50,703 (October 31, 2014 – \$48,189; November 1, 2013 – \$49,443).

(b) Sales Charge Refund Entitlements Valuation

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 (a) 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 (b) 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 set at the expected long-term investment rates of return of the SCR Fund at October 31, 2014 of 5.4% (2013 – 5.9%) 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.

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 Valuation (continued)

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

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

	2014	2013
Present value of SCR Entitlements	\$53,519	\$60,210
Fair value of SCR Fund ¹	48,189	49,443
Underfunded portion of SCR Entitlements	\$ 5,330	\$10,767

¹ Average cost of assets in SCR Fund was \$44,071 (2013 – \$47,517); includes accrued interest of \$208 (2013 – \$244) and is net of funds to be transferred to the direct investment holdings of the Plan of \$270 (2013 – \$373) for SCR payments made to beneficiaries during the year.

A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$979 or \$948, respectively (2013 – \$1,392 or \$1,339, respectively).

(ii) Funding Valuation

An actuarial 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 5.3%, which resulted in an unfunded liability of \$11,000. The Foundation is responsible to pay 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 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.

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	\$ 2,874	\$ -	\$ -	\$ 2,874
Investments, at fair value:				
Fixed income securities	-	632,105	-	632,105
Exchange-traded funds and Pooled equity funds	184,181	-	-	184,181
Total Investment Fund	\$187,055	\$ 632,105	\$ -	\$ 819,160

Assets Measured at Fair Value as of October 31, 2014				
	Level 1	Level 2	Level 3	Total
Short-term investments	\$ 3,264	\$ -	\$ -	\$ 3,264
Investments, at fair value:				
Fixed income securities	-	625,352	-	625,352
Exchange-traded funds and Pooled equity funds	176,154	-	-	176,154
Total Investment Fund	\$179,418	\$ 625,352	\$ -	\$ 804,770

Assets Measured at Fair Value as of November 1, 2013				
	Level 1	Level 2	Level 3	Total
Short-term investments	\$ 31,585	\$ -	\$ -	\$ 31,585
Investments, at fair value:				
Fixed income securities	-	859,636	-	859,636
Pooled equity funds (SCR Entitlements)	28,306	-	-	28,306
Total Investment Fund	\$59,891	\$ 859,636	\$ -	\$ 919,527

For the six-month period ended April 30, 2015 and year ended October 31, 2014, there were no transfers between Levels 1 or 2.

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

(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", the Subscribers' deposits are classified with other 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) Reconciliations of Net assets and Comprehensive Income

	October 31, 2014	November 1, 2013
Net assets available for education assistance payments under Canadian GAAP	\$ 447,827	\$ 483,334
Reclassification of subscribers' deposits	370,046	436,112
Net assets attributable to subscribers and beneficiaries under IFRS	\$ 817,873	\$ 919,446

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 (\$)
Bonds					Bonds (continued)				
Federal – 27.6%					Municipal and Provincial – 44.5% (continued)				
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
Municipal and Provincial – 44.5%					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 (\$)
Bonds (continued)				
Municipal and Provincial – 44.5% (continued)				
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
Corporate – 8.1%				
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 (\$)
Bonds (continued)				
Corporate – 8.1% (continued)				
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 Credit Card 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 (\$)
Bonds (continued)				
Corporate – 8.1% (continued)				
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 Institute of Technology				
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
Total Fixed Income Investments – 80.2%			891,170	865,644
Exchange-traded Funds				
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
Total Equity – 18.5%			205,552	197,340
Total Investments – 98.7%			1,096,722	1,062,984
Cash and cash equivalents – 1.3%			14,111	14,111
Total Portfolio Assets – 100.0%			1,110,833	1,077,095
Government Grant Investments Allocation				
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
			1,096,722	1,062,984
Cash and cash equivalents Allocation				
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
			14,111	14,111

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 (\$)
Bonds					Bonds (continued)				
Provincial – 0.5%					Corporate – 34.3% (continued)				
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
Corporate – 34.3%					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 of 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

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

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 (\$)
Bonds (continued)				
Corporate – 34.3% (continued)				
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 Institute of Technology				
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
Total Fixed Investments – 34.8%			47,379	45,137
Pooled Equity Funds				
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
Total Equity – 64.8%			88,261	79,434
Total Investments – 99.6%			135,640	124,571
Cash and cash equivalents – 0.4%			549	549
Total Portfolio Assets – 100.0%			136,189	125,120
Total Investments Allocation				
Group Savings Plan 2001			85,138	77,877
Group Savings Plan			50,502	46,694
			135,640	124,571
Cash and cash equivalents Allocation				
Group Savings Plan 2001			343	343
Group Savings Plan			206	206
			549	549

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, 2nd 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, 10th Floor
Toronto, Ontario M5J 2J5

For updates on your Plan account, login to Online Services at www.cst.org

In Quebec, Canadian Scholarship Trust Plan is distributed by
C.S.T. Consultants Inc. Scholarship Plan Brokerage Firm.

