

C.S.T. Consultants Inc.



Canadian Scholarship Trust Founders' Plan

**Semi-Annual Financial Statements
Unaudited**

April 30, 2017



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Unaudited semi-annual financial statements

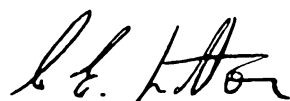
The accompanying semi-annual financial statements have not been reviewed by the external auditors of the Plan in accordance with assurance standards applicable to a review of interim financial statements.

Statements of Financial Position

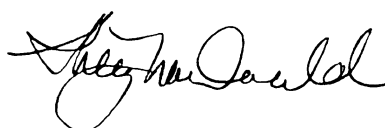
As at April 30, 2017 and October 31, 2016 (in thousands of Canadian dollars)

	Apr 30, 2017	Oct 31, 2016
		(Audited)
Assets		
Cash and cash equivalents	\$ 234	\$ 765
Receivables for securities sold	1	12
Investments, at fair value <i>(Note 4 and Schedule 1)</i>	45,198	51,548
Accrued interest and other receivables	411	500
Government grants receivable	-	2
	45,844	52,827
Liabilities		
Payables for securities purchased	3	43
Government grants payable	852	-
Accounts payable, accrued liabilities and unclaimed subscribers' funds	3,052	3,948
	3,907	3,991
Net Assets Attributable to Subscribers and Beneficiaries	41,937	48,836
Represented by:		
Non-Discretionary Funds		
Accumulated income held for future education assistance payments	18,556	20,988
Subscribers' deposits <i>(Note 7)</i>	7,579	9,118
Government grants	6,799	9,050
Income on Government grants	7,965	8,020
General Fund <i>(Note 8)</i>	624	987
Unrealized Gains (Losses)	260	519
Discretionary Funds		
Donations from the Foundation <i>(Note 8)</i>	154	154
	\$ 41,937	\$ 48,836

Approved on behalf of the Board of Canadian Scholarship Trust Foundation.



Colin E. Litton, FCPA, FCA
 Director



Sherry J. MacDonald, CPA, CA
 Director

Statements of Comprehensive Income

For the six months ended April 30, 2017 and 2016 (in thousands of Canadian dollars)

	Apr 30, 2017	Apr 30, 2016
Income		
Interest for allocation to subscriber accounts	\$ 678	\$ 1,061
Realized gains (losses) on sale of investments	(202)	(108)
Change in unrealized gains (losses)	(259)	(63)
Dividends	45	52
	262	942
Expenses		
Administration and account maintenance fees <i>(Note 3(a))</i>	121	185
Portfolio management fees	56	48
Custodian and trustee fees	8	11
Independent Review Committee Fees	-	1
	185	245
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	\$ 77	\$ 697

Statements of Changes in Net Assets Attributable to Subscribers and Beneficiaries

For the six months ended April 30, 2017 and 2016 (in thousands of Canadian dollars)

	Apr 30, 2017	Apr 30, 2016
Net Assets Attributable to Subscribers and Beneficiaries, Beginning of Period	\$ 48,836	\$ 74,594
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	77	697
Transfers to internal and external plans	(636)	(1,015)
	(559)	(318)
Disbursements		
Net Government grants repaid (net of receipts)	(1,730)	(809)
Net decrease in Subscribers' deposits <i>(Note 7)</i>	(1,539)	(2,677)
Payments to beneficiaries		
Education assistance payments	(2,378)	(2,891)
Government grants	(379)	(455)
Return of interest	(314)	(380)
Total payments to beneficiaries	(3,071)	(3,726)
Total Disbursements	(6,340)	(7,212)
Change in Net Assets Attributable to Subscribers and Beneficiaries	(6,899)	(7,530)
Net Assets Attributable to Subscribers and Beneficiaries, End of Period	\$ 41,937	\$ 67,064

Statements of Cash Flows

For the six months ended April 30, 2017 and 2016 (in thousands of Canadian dollars)

	Apr 30, 2017	Apr 30, 2016
Operating Activities		
Increase in Net Assets from Operations Attributable to Subscribers and Beneficiaries	\$ 77	\$ 697
Net proceeds from investment transactions	5,860	6,979
Items not affecting cash		
Realized (gains) losses on sale of investments	202	108
Change in unrealized (gains) losses	259	63
Change in non-cash operating working capital		
Decrease (increase) in Accrued interest and other receivables	89	54
Decrease (increase) in Government grants receivable	854	(1)
Increase (decrease) in Accounts payable, accrued liabilities and unclaimed subscribers' funds	(896)	(959)
Cash flow from Operating Activities	6,445	6,941
Financing Activities		
Transfers to internal and external plans	(636)	(1,015)
Net Government grants repaid	(1,730)	(809)
Net decrease in Subscribers' deposits <i>(Note 7)</i>	(1,539)	(2,677)
Payments to beneficiaries	(3,071)	(3,726)
Cash flow used in Financing Activities	(6,976)	(8,227)
Net (decrease) increase in Cash and cash equivalents	(531)	(1,286)
Cash and cash equivalents, Beginning of Period		
Cash	664	1,215
Cash equivalents	101	413
	765	1,628
Cash and cash equivalents, End of Period		
Cash	105	38
Cash equivalents	129	304
Cash and cash equivalents, End of Period	\$ 234	\$ 342
Supplemental cash flow information:		
Withholding Taxes	\$ 3	\$ 5
Interest Income Received	767	1,079

Schedule I – Statement of Investment Portfolio

As at April 30, 2017 (in thousands of Canadian dollars)

Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
Bonds						Investments Allocation (Note 4)			
Federal – 40.6%						Government Grants (Appendix I)			
Canada Housing Trust	1.75	15 Jun 2018	696	704	709		16,703	15,706	
Canada Housing Trust	2.35	15 Dec 2018	1,053	1,079	1,092		37	37	
Canada Housing Trust	1.95	15 Jun 2019	1,974	2,018	2,037				
Canada Housing Trust	3.75	15 Mar 2020	1,683	1,812	1,894				
Canada Housing Trust	1.20	15 Jun 2020	940	943	948				
Canada Housing Trust	1.25	15 Jun 2021	2,933	2,932	2,975				
Canada Housing Trust	1.50	15 Dec 2021	1,589	1,600	1,599				
Canada Housing Trust	2.65	15 Mar 2022	517	548	546				
				11,636	11,800				
Provincial – 51.7%						Represented by:			
Province of Alberta	1.25	1 Jun 2020	470	470	475	Cash and cash equivalents		234	
Province of British Columbia	4.65	18 Dec 2018	470	499	527	Investments, at fair value		45,198	
Province of British Columbia	2.25	1 Mar 2019	1,232	1,262	1,274				
Province of British Columbia	3.25	18 Dec 2021	235	254	255				
Province of Manitoba	5.50	15 Nov 2018	67	71	77				
Province of Manitoba	4.15	3 Jun 2020	668	726	758				
Province of Manitoba	1.55	5 Sep 2021	470	472	478				
Province of New Brunswick	4.40	3 Jun 2019	447	478	501				
Province of New Brunswick	4.50	2 Jun 2020	677	743	778				
Province of Ontario	4.40	2 Jun 2019	1,951	2,087	2,185				
Province of Ontario	4.20	2 Jun 2020	1,504	1,640	1,687				
Province of Ontario	4.00	2 Jun 2021	790	871	888				
Province of Québec	4.50	1 Dec 2018	3,549	3,749	3,975				
Province of Québec	4.50	1 Dec 2019	254	276	287				
Province of Québec	4.50	1 Dec 2020	940	1,045	1,083				
Province of Saskatchewan	1.95	1 Mar 2019	202	206	205				
				14,849	15,433				
Corporate – 7.0%									
Bank of Montreal	1.61	28 Oct 2021	122	122	123				
Bank of Nova Scotia	1.90	2 Dec 2021	141	142	142				
Bank of Nova Scotia	1.84	27 Apr 2022	132	132	133				
Canadian Imperial Bank of Commerce	1.64	12 Jul 2021	71	71	71				
Canadian Imperial Bank of Commerce	2.04	21 Mar 2022	85	86	85				
Daimler Canada Finance Inc.	2.23	16 Dec 2021	66	67	66				
Honda Canada Finance Inc.	2.16	18 Feb 2021	150	153	152				
Nissan Canada Financial Services Inc.	1.75	9 Apr 2020	28	28	28				
Royal Bank of Canada	2.03	15 Mar 2021	216	220	218				
Royal Bank of Canada	1.58	13 Sep 2021	132	131	133				
Toronto Dominion Bank	1.99	23 Mar 2022	85	86	85				
Toronto Dominion Bank	2.98	30 Sep 2025	461	479	469				
Wells Fargo & Company	2.22	15 Mar 2021	188	190	190				
Wells Fargo & Company	2.09	25 Apr 2022	103	103	104				
				2,010	1,999				
Cash and cash equivalents – 0.7%				197	197				
Total Portfolio Assets – 100.0%				28,692	29,429				

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

Notes to the Financial Statements

Six months ended April 30, 2017 and 2016 (Unaudited, in thousands of Canadian dollars)

Note 1. Nature of Operations

The Canadian Scholarship Trust Founders' Plan (the "Plan") is a Pooled Education Savings Plan that was established on September 1, 1988. Since June 2000, 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 Quebec Education Savings Incentive ("QESI") and the Saskatchewan Advantage Grant for Education Savings ("SAGES") (collectively, "Government Grants"). The Government of Saskatchewan has announced a temporary suspension of the SAGES program effective January 1, 2018.

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 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 interim financial statements were prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting.

These financial statements were approved by the Board of the Foundation on June 6, 2017.

(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")

In July 2014, the IASB finalized the reform of financial instruments accounting and issued IFRS 9 (as revised in 2014), which contains the requirements for the classification and measurement of financial assets and financial liabilities, impairment methodology, and general hedge accounting. IFRS 9 (as revised in 2014) will supersede 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.

(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 as FVTPL.

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 designated as FVTPL when acquired principally for the purpose of trading. Financial assets classified as FVTPL are measured at fair value, with changes

Notes to the Financial Statements (continued)

Six months ended April 30, 2017 and 2016 (Unaudited, in thousands of Canadian dollars)

Note 2. Significant Accounting Policies (continued)

(d) Financial instruments (continued)

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 equity securities.

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.

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. Dividends and distributions are accrued as of the ex-dividend date and ex-distribution date, respectively. Realized gains (losses) on the sale of investments and Change in unrealized gains (losses) 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 deposit balances with banks and securities with a purchase date to maturity of 90 days or less and includes term deposits, treasury bills and bankers acceptances.

(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) on sale of investments and Change in unrealized gains (losses), 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.

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 appointed C.S.T.C. as the Investment Fund Manager to administer the Plan. 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.

During the six months ended April 30, 2017, \$121 was recognized as an expense for Administration and account maintenance fees (2016 – \$185). Administration and account maintenance fees included in Accounts payable, accrued liabilities and unclaimed subscribers' funds at April 30, 2017 was \$58 (October 31, 2016 – \$56).

(b) 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, 2017, the Plan recognized an expense of \$nil

Notes to the Financial Statements (continued)

Six months ended April 30, 2017 and 2016 (Unaudited, in thousands of Canadian dollars)

Note 3. Related Party Transactions (continued)

(b) Fees paid for services of an Independent Review Committee (continued)

(2016 – \$1) for the services of the IRC. No amounts were included in Accounts payable, accrued liabilities and unclaimed subscribers' funds at April 30, 2017, or October 31, 2016.

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

Included in Portfolio management fees on the Statements of Comprehensive Income is \$4 (2016 – \$6) 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 \$nil owing to C.S.T.C. at April 30, 2017 (\$1 owing from C.S.T.C. at October 31, 2016) relating to these expenses.

Note 4. Investment Holdings

The investment holdings are disclosed in Schedule I – Statement of Investment Portfolio and related Appendix I to the schedule, which is 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 plans based on the proportion of principal and income attributable to Agreements within each plan (see Appendix I to Schedule I).

Note 5. Capital Risk Management

The Plan's capital consists of the components of the net assets attributable to subscribers and beneficiaries as per the Statements of Financial Position. The Plan has obligations to return subscriber contributions upon maturity or termination as well as pay EAPs of investment income, grants and income on grants. The Plan invests subscriber contributions and government grants received in appropriate investments in accordance with its stated investment objectives while maintaining sufficient liquidity to meet subscribers' obligations.

Note 6. 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 interest rate risk, credit risk and liquidity 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 change in the fair value or cash flows of the Plan's investments in interest-bearing financial instruments 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, 2017	Oct 31, 2016
Less than 1 year	1%	2%
1-3 years	36%	40%
3-5 years	35%	31%
Greater than 5 years	21%	20%
Total Debt instruments	93%	93%

As at April 30, 2017, if prevailing interest rates had increased by 1%, the fair value of the Total Investment Fund of \$45,432 (October 31, 2016 – \$52,313) as per Schedule I – Statement of Investment Portfolio, would have decreased by \$1,700 (October 31, 2016 – \$2,700). If prevailing interest rates had decreased by 1%, the fair value of the Total Investment Fund would have increased by \$2,200 (October 31, 2016 – \$2,200). 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 ETFs of the Government Grants asset pool, which represents 7% (October 31, 2016 – 7%) of the Total Investment Fund amount as at April 30, 2017. If underlying indices prices had increased or decreased by 1% with all other variables held constant, the fair value of the total investment fund as per Schedule I – Statement of Investment Portfolio would have increased or decreased by approximately \$33 (October 31, 2016 – \$40). 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

Notes to the Financial Statements (continued)

Six months ended April 30, 2017 and 2016 (Unaudited, in thousands of Canadian dollars)

Note 6. Risks Associated with Financial Instruments (continued)

(b) Credit risk (continued)

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, 2017		October 31, 2016	
	% of Total Investment Fund	Amount (in thousands)	% of Total Investment Fund	Amount (in thousands)
AAA	29%	\$ 13,276	29%	\$ 14,970
AA/AAH/AAL	34%	15,478	30%	15,932
A/AH/AL	28%	12,595	31%	16,431
BBB	1%	298	1%	313
R-1	0%	215	0%	117
Short-term unrated	1%	287	2%	826
Total Debt instruments	93%	\$ 42,149	93%	\$ 48,589

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. 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 reflects the maturity distribution of subscribers' deposits and accumulated income. All other financial liabilities are short term and due within one year.

(d) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan holds ETFs that invest in U.S. equities and are hedged to Canadian dollars by the ETF provider.

Note 7. Subscribers' Deposits

The changes in Subscribers' deposits for the six-month period ended April 30, 2017, and 2016 are as follows:

	Apr 30, 2017	Apr 30, 2016
Payments from subscribers	\$ 175	\$ 202
Inter-plan principal transfers	(628)	(1,006)
Account maintenance fees	(7)	(14)
Return of principal	(1,079)	(1,859)
Net decrease in Subscribers' deposits	(1,539)	(2,677)
Balance, Beginning of Period	9,118	16,608
Balance, End of Period	\$ 7,579	\$ 13,931

Note 8. General Fund and Donations from the Foundation

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

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

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

As at April 30, 2017 the balance of the general fund and the discretionary donation remaining to be paid to beneficiaries, included in the Statement of Financial Position, were \$ 624 (October 31, 2016 – \$ 987) and \$ 154 (October 31, 2016 – \$154), respectively.

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'

Notes to the Financial Statements (continued)

Six months ended April 30, 2017 and 2016 (Unaudited, in thousands of Canadian dollars)

Note 9. Fair Value Measurements and Disclosures (continued)

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:

- i. Level 1 financial instruments are valued using quoted market prices.
- ii. Level 2 financial instruments are valued using directly or indirectly observable inputs.
- iii. 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, 2017

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 41,915	\$ -	\$ 41,915
ETFs and Equity Securities	3,283	-	-	3,283
Total Investments, at fair value	\$ 3,283	\$ 41,915	\$ -	\$ 45,198

Assets Measured at Fair Value as of October 31, 2016

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 47,825	\$ -	\$ 47,825
ETFs and Equity Securities	3,723	-	-	3,723
Total Investments, at fair value	\$ 3,723	\$ 47,825	\$ -	\$ 51,548

For the six-month period ended April 30, 2017 and year ended October 31, 2016, there were no transfers between Levels 1 or 2.

Government Grants

Appendix I to Schedule I

Statement of Investment Portfolio

As at April 30, 2017 (in thousands of Canadian dollars)

Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds						Bonds (continued)					
Federal – 7.8%						Federal – 7.8% (continued)					
Canada Housing Trust	1.75	15 Jun 2018	1,220	1,234	1,227	Muskkrat Falls Funding Trust	3.86	1 Dec 2048	150	178	186
Canada Housing Trust	2.05	15 Jun 2018	7,300	7,407	7,469					94,023	93,990
Canada Housing Trust	1.95	15 Jun 2019	3,000	3,066	3,080						
Canada Housing Trust	3.75	15 Mar 2020	3,685	3,967	4,090	Provincial – 39.3%					
Canada Housing Trust	1.25	15 Dec 2020	1,500	1,503	1,516	Province of Alberta	4.00	1 Dec 2019	1,405	1,509	1,525
Canada Housing Trust	1.25	15 Jun 2021	1,477	1,476	1,491	Province of Alberta	1.25	1 Jun 2020	1,902	1,903	1,883
Canada Housing Trust	3.80	15 Jun 2021	130	143	144	Province of Alberta	1.35	1 Sep 2021	1,015	1,010	1,010
Canada Housing Trust	1.15	15 Dec 2021	2,389	2,368	2,368	Province of Alberta	2.55	15 Dec 2022	225	235	232
Canada Housing Trust	1.50	15 Dec 2021	688	693	688	Province of Alberta	2.35	1 Jun 2025	725	738	720
Canada Housing Trust	1.75	15 Jun 2022	702	714	702	Province of Alberta	4.45	15 Dec 2025	1,785	2,087	2,052
Canada Housing Trust	2.40	15 Dec 2022	9,103	9,550	9,512	Province of Alberta	2.20	1 Jun 2026	2,572	2,565	2,561
Canada Housing Trust	2.90	15 Jun 2024	1,685	1,824	1,809	Province of Alberta	2.55	1 Jun 2027	544	553	547
Canada Housing Trust	1.90	15 Sep 2026	1,323	1,319	1,307	Province of Alberta	2.90	20 Sep 2029	1,700	1,745	1,704
Canada Housing Trust	2.35	15 Jun 2027	280	288	279	Province of Alberta	3.50	1 Jun 2031	1,300	1,410	1,371
Canada Post Corporation	4.36	16 Jul 2040	375	472	472	Province of Alberta	3.90	1 Dec 2033	3,272	3,681	3,545
Government of Canada	0.51	15 Jun 2017	140	140	140	Province of Alberta	4.50	1 Dec 2040	3,000	3,679	3,639
Government of Canada	0.55	7 Sep 2017	1,395	1,392	1,392	Province of Alberta	3.45	1 Dec 2043	4,245	4,463	4,390
Government of Canada	0.56	5 Oct 2017	120	120	120	Province of Alberta	3.30	1 Dec 2046	5,026	5,160	5,125
Government of Canada	0.25	1 May 2018	1,475	1,469	1,468	Province of British Columbia	2.25	1 Mar 2019	125	128	128
Government of Canada	4.25	1 Jun 2018	400	415	417	Province of British Columbia	4.10	18 Dec 2019	1,200	1,295	1,315
Government of Canada	0.50	1 Aug 2018	2,000	1,996	1,998	Province of British Columbia	3.70	18 Dec 2020	1,025	1,113	1,129
Government of Canada	1.25	1 Sep 2018	1,300	1,310	1,322	Province of British Columbia	1.65	19 Apr 2021	1,500	1,509	1,498
Government of Canada	0.50	1 Nov 2018	2,100	2,094	2,097	Province of British Columbia	3.30	18 Dec 2023	1,000	1,095	1,041
Government of Canada	1.75	1 Mar 2019	225	229	232	Province of British Columbia	2.30	18 Jun 2026	2,373	2,411	2,379
Government of Canada	1.75	1 Sep 2019	904	925	938	Province of British Columbia	2.55	18 Jun 2027	1,247	1,285	1,244
Government of Canada	0.99	1 Dec 2019	1,475	1,051	1,048	Province of British Columbia	5.70	18 Jun 2029	2,975	3,976	3,953
Government of Canada	1.26	1 Feb 2020	3,776	2,444	2,454	Province of British Columbia	6.35	18 Jun 2031	3,750	5,401	5,339
Government of Canada	1.50	1 Mar 2020	1,450	1,479	1,495	Province of British Columbia	4.70	18 Jun 2037	4,120	5,235	5,038
Government of Canada	3.50	1 Jun 2020	1,425	1,541	1,598	Province of British Columbia	4.95	18 Jun 2040	5,000	6,651	6,480
Government of Canada	0.75	1 Sep 2020	1,175	1,171	1,172	Province of British Columbia	4.30	18 Jun 2042	4,905	6,036	5,658
Government of Canada	0.75	1 Mar 2021	3,398	3,379	3,362	Province of British Columbia	3.20	18 Jun 2044	1,600	1,659	1,593
Government of Canada	1.25	1 Apr 2021	204	185	183	Province of British Columbia	2.80	18 Jun 2048	3,238	3,124	3,089
Government of Canada	3.25	1 Jun 2021	1,802	1,969	2,003	Province of Manitoba	5.50	15 Nov 2018	1,000	1,069	1,154
Government of Canada	0.75	1 Sep 2021	1,708	1,693	1,691	Province of Manitoba	1.15	21 Nov 2019	253	253	253
Government of Canada	0.50	1 Mar 2022	1,279	1,249	1,242	Province of Manitoba	1.55	5 Sep 2021	200	201	200
Government of Canada	2.75	1 Jun 2022	1,124	1,219	1,226	Province of Manitoba	3.85	1 Dec 2021	1,000	1,103	1,088
Government of Canada	1.00	1 Sep 2022	425	423	423	Province of Manitoba	2.55	2 Jun 2023	400	417	413
Government of Canada	1.50	1 Jun 2023	1,150	1,173	1,160	Province of Manitoba	2.45	2 Jun 2025	750	769	755
Government of Canada	2.50	1 Jun 2024	1,075	1,166	1,176	Province of Manitoba	4.40	5 Sep 2025	2,800	3,273	3,148
Government of Canada	2.25	1 Jun 2025	44	47	48	Province of Manitoba	2.55	2 Jun 2026	755	774	772
Government of Canada	1.50	1 Jun 2026	1,563	1,571	1,528	Province of Manitoba	2.60	2 Jun 2027	157	160	157
Government of Canada	1.00	1 Jun 2027	1,653	1,570	1,547	Province of Manitoba	3.25	5 Sep 2029	1,200	1,276	1,240
Government of Canada	8.00	1 Jun 2027	1,925	3,085	3,190	Province of Manitoba	4.10	5 Mar 2041	5,400	6,234	6,101
Government of Canada	5.75	1 Jun 2029	825	1,185	1,201	Province of Manitoba	4.40	5 Mar 2042	3,300	3,984	3,894
Government of Canada	5.75	1 Jun 2033	550	837	845	Province of Manitoba	3.35	5 Mar 2043	1,300	1,334	1,298
Government of Canada	5.00	1 Jun 2037	897	1,322	1,196	Province of Manitoba	4.05	5 Sep 2045	4,350	5,040	5,174
Government of Canada	4.00	1 Jun 2041	800	1,073	1,044	Province of Manitoba	2.85	5 Sep 2046	196	183	181
Government of Canada	3.50	1 Dec 2045	2,206	2,817	2,838	Province of Manitoba	3.40	5 Sep 2048	301	315	300
Government of Canada	2.75	1 Dec 2048	3,455	3,923	3,819	Province of New Brunswick	4.40	3 Jun 2019	1,400	1,497	1,556
Government of Canada	2.75	1 Dec 2064	900	1,068	1,012	Province of New Brunswick	2.85	2 Jun 2023	700	741	720
Kreditanstalt fur Wiederaufbau Global	5.05	4 Feb 2025	1,211	1,468	1,493	Province of New Brunswick	3.65	3 Jun 2024	550	610	577
Labrador-Island Link Funding Trust	3.76	1 Jun 2033	150	170	176	Province of New Brunswick	2.60	14 Aug 2026	167	171	167
Labrador-Island Link Funding Trust	3.86	1 Dec 2045	2,200	2,576	2,639	Province of New Brunswick	6.47	30 Nov 2027	193	237	237
Labrador-Island Link Funding Trust	3.85	1 Dec 2053	100	120	126	Province of New Brunswick	5.65	27 Dec 2028	595	769	730
Muskkrat Falls Funding Trust	3.83	1 Jun 2037	4,150	4,757	4,591	Province of New Brunswick	5.50	27 Jan 2034	1,075	1,413	1,265
						Province of New Brunswick	4.65	26 Sep 2035	710	857	739
						Province of New Brunswick	4.55	26 Mar 2037	1,700	2,032	1,986
						Province of New Brunswick	4.80	26 Sep 2039	950	1,181	1,183
						Province of New Brunswick	3.55	3 Jun 2043	3,950	4,113	3,980

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, 2017 (in thousands of Canadian dollars)

Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Provincial – 39.3% (continued)						Provincial – 39.3% (continued)					
Province of New Brunswick	3.80	14 Aug 2045	4,800	5,228	5,133	Province of Québec	5.00	1 Dec 2038	2,940	3,870	3,045
Province of New Brunswick	3.10	14 Aug 2048	299	288	293	Province of Québec	5.00	1 Dec 2041	19,825	26,493	25,652
Province of Newfoundland and Labrador	1.95	2 Jun 2022	248	251	247	Province of Québec	4.25	1 Dec 2043	14,200	17,247	16,819
Province of Newfoundland and Labrador	2.30	2 Jun 2025	200	201	199	Province of Québec	3.50	1 Dec 2045	9,100	9,847	9,258
Province of Newfoundland and Labrador	3.00	2 Jun 2026	1,324	1,389	1,329	Province of Québec	3.50	1 Dec 2048	8,196	8,968	8,702
Province of Newfoundland and Labrador	6.15	17 Apr 2028	600	790	799	Province of Saskatchewan	3.20	3 Jun 2024	80	87	83
Province of Newfoundland and Labrador	6.55	17 Oct 2030	2,000	2,785	2,727	Province of Saskatchewan	2.55	2 Jun 2026	1,893	1,944	1,925
Province of Newfoundland and Labrador	4.65	17 Oct 2040	1,350	1,623	1,593	Province of Saskatchewan	2.65	2 Jun 2027	131	135	130
Province of Newfoundland and Labrador	3.30	17 Oct 2046	1,980	1,936	1,841	Province of Saskatchewan	6.40	5 Sep 2031	5,237	7,476	7,377
Province of Newfoundland and Labrador	3.70	17 Oct 2048	305	323	305	Province of Saskatchewan	4.75	1 Jun 2040	3,125	3,969	3,929
Province of Nova Scotia	4.10	1 Jun 2021	550	608	611	Province of Saskatchewan	3.90	2 Jun 2045	3,700	4,229	4,085
Province of Nova Scotia	2.10	1 Jun 2027	1,212	1,182	1,158	Province of Saskatchewan	2.75	2 Dec 2046	3,881	3,596	3,466
Province of Nova Scotia	5.80	1 Jun 2033	2,575	3,507	3,238	Province of Saskatchewan	3.30	2 Jun 2048	532	552	530
Province of Nova Scotia	4.40	1 Jun 2042	3,600	4,350	4,187	Province of Saskatchewan	3.75	5 Mar 2054	384	438	427
Province of Nova Scotia	3.45	1 Jun 2045	3,200	3,345	3,227					474,728	461,159
Province of Nova Scotia	3.50	2 Jun 2062	600	642	599	Municipal – 1.5%					
Province of Ontario	2.10	8 Sep 2018	2,460	2,501	2,546	City of Montreal	5.45	1 Dec 2019	200	221	227
Province of Ontario	4.40	2 Jun 2019	6,550	7,007	7,142	City of Montreal	3.50	1 Sep 2023	225	244	241
Province of Ontario	4.20	2 Jun 2020	6,375	6,948	7,009	City of Montreal	3.00	1 Sep 2025	831	872	837
Province of Ontario	4.00	2 Jun 2021	5,790	6,384	6,313	City of Montreal	2.75	1 Sep 2026	223	228	223
Province of Ontario	1.35	8 Mar 2022	647	641	640	City of Montreal	4.25	1 Dec 2032	350	400	384
Province of Ontario	3.15	2 Jun 2022	5,100	5,486	5,423	City of Montreal	4.10	1 Dec 2034	375	420	399
Province of Ontario	1.95	27 Jan 2023	1,700	1,721	1,710	City of Montreal	6.00	1 Jun 2043	550	797	782
Province of Ontario	2.85	2 Jun 2023	4,550	4,832	4,519	City of Ottawa	4.60	14 Jul 2042	500	604	590
Province of Ontario	3.50	2 Jun 2024	3,090	3,411	3,193	City of Ottawa	3.10	27 Jul 2048	83	78	82
Province of Ontario	2.60	2 Jun 2025	6,150	6,396	6,272	City of Toronto	4.50	2 Dec 2019	225	243	250
Province of Ontario	2.40	2 Jun 2026	3,828	3,896	3,880	City of Toronto	3.50	6 Dec 2021	200	216	219
Province of Ontario	2.60	2 Jun 2027	1,032	1,060	1,034	City of Toronto	3.90	29 Sep 2023	1,200	1,336	1,329
Province of Ontario	7.60	2 Jun 2027	2,095	3,099	3,009	City of Toronto	2.40	24 Jun 2026	225	225	225
Province of Ontario	6.50	8 Mar 2029	10,200	14,339	14,208	City of Toronto	2.95	28 Apr 2035	300	290	277
Province of Ontario	6.20	2 Jun 2031	2,575	3,638	3,586	City of Toronto	3.50	2 Jun 2036	1,309	1,356	1,304
Province of Ontario	5.85	8 Mar 2033	9,425	13,081	12,900	City of Toronto	5.20	1 Jun 2040	1,350	1,751	1,764
Province of Ontario	5.60	2 Jun 2035	7,150	9,848	9,260	City of Toronto	4.70	10 Jun 2041	325	398	383
Province of Ontario	4.70	2 Jun 2037	8,945	11,278	10,416	City of Toronto	3.80	13 Dec 2042	550	591	578
Province of Ontario	4.60	2 Jun 2039	7,340	9,218	8,619	City of Toronto	4.15	10 Mar 2044	225	256	246
Province of Ontario	4.65	2 Jun 2041	18,800	23,949	22,960	City of Toronto	3.25	24 Jun 2046	709	696	680
Province of Ontario	3.50	2 Jun 2043	9,000	9,711	9,565	City of Vancouver	3.70	18 Oct 2052	145	155	166
Province of Ontario	3.45	2 Jun 2045	22,175	23,799	22,775	City of Winnipeg	4.10	1 Jun 2045	42	46	48
Province of Ontario	2.90	2 Dec 2046	12,913	12,515	12,135	City of Winnipeg	4.30	15 Nov 2051	450	524	512
Province of Ontario	2.80	2 Jun 2048	10,495	10,011	9,817	Municipal Finance Authority of British Columbia	5.10	20 Nov 2018	350	372	389
Province of Québec	4.50	1 Dec 2018	1,025	1,083	1,114	Municipal Finance Authority of British Columbia	4.88	3 Jun 2019	350	377	392
Province of Québec	4.50	1 Dec 2019	2,775	3,016	3,057	Municipal Finance Authority of British Columbia	4.15	1 Jun 2021	273	302	306
Province of Québec	4.50	1 Dec 2020	1,200	1,334	1,279	Municipal Finance Authority of British Columbia	3.75	26 Sep 2023	225	250	251
Province of Québec	4.25	1 Dec 2021	2,550	2,862	2,883	Municipal Finance Authority of British Columbia	2.50	19 Apr 2026	822	836	823
Province of Québec	3.50	1 Dec 2022	3,425	3,759	3,747	Region of Peel	2.30	2 Nov 2026	77	76	77
Province of Québec	3.00	1 Sep 2023	3,250	3,485	3,467	Region of Peel	5.10	29 Jun 2040	550	706	694
Province of Québec	3.75	1 Sep 2024	2,775	3,118	2,946	Region of Peel	3.85	30 Oct 2042	300	325	317
Province of Québec	2.50	1 Sep 2026	1,629	1,671	1,661	Regional Municipality of York	2.60	15 Dec 2025	1,350	1,381	1,319
Province of Québec	2.75	1 Sep 2027	985	1,025	993	Regional Municipality of York	2.50	2 Jun 2026	77	78	79
Province of Québec	6.00	1 Oct 2029	3,375	4,609	4,544	Regional Municipality of York	4.00	31 May 2032	300	335	329
Province of Québec	6.25	1 Jun 2032	4,875	6,979	6,790	Regional Municipality of York	4.05	1 May 2034	625	701	688
Province of Québec	5.25	1 Jun 2034	3,000	3,907	3,800					17,686	17,410
Province of Québec	5.75	1 Dec 2036	10,015	14,150	13,577	Corporate – 31.3%					
						407 International Inc.	6.47	27 Jul 2029	213	294	289

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, 2017 (in thousands of Canadian dollars)

Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Bonds (continued)					
Corporate – 31.3% (continued)						Corporate – 31.3% (continued)					
407 International Inc.	6.75	27 Jul 2039	1,249	1,714	1,521	Loblaw Companies Limited	6.54	17 Feb 2033	595	766	737
Arrow Lakes Power Corporation	5.52	5 Apr 2041	831	989	831	Loblaw Companies Limited	5.90	18 Jan 2036	24	30	29
Bank Nederlandse Gemeenten	5.15	7 Mar 2025	143	168	170	Manufacturers Life Insurance Company	2.82	26 Feb 2023	1,204	1,218	1,218
Bank of Montreal	1.04	29 Mar 2018	7,949	7,983	7,987	Manufacturers Life Insurance Company	2.81	21 Feb 2024	1,180	1,205	1,207
Bank of Montreal	1.21	11 Apr 2019	1,431	1,436	1,435	Manufacturers Life Insurance Company	2.64	15 Jan 2025	4,357	4,463	4,418
Bank of Montreal	2.10	6 Oct 2020	1,380	1,409	1,403	Manufacturers Life Insurance Company	2.10	1 Jun 2025	3,484	3,520	3,454
Bank of Montreal	1.88	31 Mar 2021	1,751	1,772	1,756	Manufacturers Life Insurance Company	2.39	5 Jan 2026	4,968	5,049	4,941
Bank of Montreal	3.40	23 Apr 2021	10,783	11,536	11,657	Manufacturers Life Insurance Company	3.18	22 Nov 2027	3,680	3,874	3,760
Bank of Montreal	4.61	10 Sep 2025	8,900	10,532	10,318	Maritimes and Northeast Pipelines Limited Partnership	4.34	30 Nov 2019	1,208	1,235	1,248
Bank of Nova Scotia	2.24	22 Mar 2018	2,680	2,707	2,723	Maritimes and Northeast Pipelines Limited Partnership	6.90	30 Nov 2019	496	526	560
Bank of Nova Scotia	1.07	20 Apr 2018	5,518	5,547	5,543	Metropolitan Life Insurance Company	3.11	16 Apr 2021	732	768	762
Bank of Nova Scotia	2.46	14 Mar 2019	21,008	21,481	21,539	MILIT-AIR Inc.	5.75	30 Jun 2019	1,434	1,504	1,571
Bank of Nova Scotia	2.40	28 Oct 2019	10,064	10,322	10,308	Morgan Stanley	1.22	11 Jan 2018	522	524	524
Bank of Nova Scotia	2.09	9 Sep 2020	3,564	3,632	3,609	National Bank of Canada	2.40	28 Oct 2019	11,840	12,147	12,192
Bank of Nova Scotia	1.90	2 Dec 2021	7,020	7,076	7,045	NAV Canada	7.56	1 Mar 2027	1,620	2,082	2,039
Bank of Nova Scotia	1.84	27 Apr 2022	1,770	1,773	1,769	North Battleford Power L.P.	4.96	31 Dec 2032	966	1,107	982
Bankers Hall L.P.	4.38	20 Nov 2023	2,460	2,570	2,460	Ontrea Inc.	4.62	9 Apr 2018	1,926	1,964	1,974
Bell Canada	6.17	26 Feb 2037	345	440	430	Ornge Issuer Trust	5.73	11 Jun 2034	3,259	3,895	3,700
Caisse Centrale Desjardins	2.80	19 Nov 2018	3,956	4,051	4,092	Pearson International Fuel Facilities Corporation	5.09	9 Mar 2032	2,069	2,286	2,218
Caisse Française de Financement Local S.A.	5.00	9 Mar 2020	380	415	416	Public Sector Pension Investment Board	3.27	12 Jun 2020	2,740	2,812	2,740
Canadian Imperial Bank of Commerce	0.82	26 Jun 2017	190	190	190	Rogers Communications Inc.	6.68	4 Nov 2039	1,231	1,673	1,571
Canadian Imperial Bank of Commerce	1.70	9 Oct 2018	3,480	3,506	3,490	Rogers Communications Inc.	6.56	22 Mar 2041	220	298	285
Canadian Imperial Bank of Commerce	1.90	26 Apr 2021	2,350	2,379	2,369	Royal Bank of Canada	2.77	11 Dec 2018	11,420	11,700	11,789
Canadian Imperial Bank of Commerce	1.64	12 Jul 2021	2,740	2,744	2,734	Royal Bank of Canada	1.06	23 Mar 2020	4,963	4,990	4,963
Canadian Imperial Bank of Commerce	2.04	21 Mar 2022	7,084	7,180	7,091	Royal Bank of Canada	2.03	15 Mar 2021	6,179	6,280	6,223
Canadian Pacific Railway Company	6.91	1 Oct 2024	510	322	347	Royal Bank of Canada	1.65	15 Jul 2021	14,757	14,760	14,649
Capital Desjardins Inc.	5.19	5 May 2020	7,270	8,022	8,128	Royal Bank of Canada	1.58	13 Sep 2021	5,875	5,850	5,863
Capital Desjardins Inc.	4.95	15 Dec 2026	4,723	5,347	5,311	Royal Bank of Canada	1.97	2 Mar 2022	2,660	2,686	2,649
Cogeco Inc.	5.15	16 Nov 2020	26	29	29	Royal Bank of Canada	2.00	21 Mar 2022	9,944	10,048	9,887
Cogeco Inc.	4.18	26 May 2023	1,503	1,612	1,563	Shaw Communications Inc.	6.75	9 Nov 2039	3,341	4,222	4,058
CSS Partnership	6.92	31 Jul 2042	2,143	2,960	2,743	SNC-Lavalin Group Inc.	6.19	3 Jul 2019	541	588	589
Enbridge Inc.	4.57	11 Mar 2044	1,231	1,285	1,167	SP1 Limited Partnership	3.21	15 Jun 2019	3,026	2,788	2,735
EUROFIMA Maple Bond	4.55	30 Mar 2027	913	1,066	1,022	St. Clair Holding ULC	4.88	31 Aug 2031	434	459	461
GE Capital Canada Funding Company	2.18	6 Feb 2023	3,071	3,181	3,071	Strait Crossing Development Inc.	6.17	15 Sep 2031	858	777	770
Greater Toronto Airports Authority	6.45	30 Jul 2029	1,557	1,972	1,914	Sun Life Capital Trust	7.09	30 Jun 2052	3,955	5,305	5,142
Great-West Lifeco Inc.	6.14	21 Mar 2018	2,749	2,869	2,924	Toronto Dominion Bank	2.45	2 Apr 2019	6,641	6,793	6,833
Great-West Lifeco Inc.	6.67	21 Mar 2033	1,506	2,052	2,011	Toronto Dominion Bank	2.05	8 Mar 2021	1,080	1,099	1,089
Heathrow Funding Limited	3.25	21 May 2027	567	597	570	Toronto Dominion Bank	1.68	8 Jun 2021	3,521	3,543	3,504
HSBC Bank Canada	2.08	26 Nov 2018	9,760	9,881	9,821	Toronto Dominion Bank	1.91	18 Jul 2023	2,866	2,860	2,868
HSBC Bank Canada	2.91	29 Sep 2021	12,980	13,594	13,231	Toronto Dominion Bank	3.23	24 Jul 2024	15,323	16,505	16,152
Hydro One Inc.	8.90	18 Aug 2022	1,000	1,362	1,422	Toronto Dominion Bank	2.98	30 Sep 2025	2,565	2,643	2,568
Hydro One Inc.	8.25	22 Jun 2026	2,950	4,374	4,397	TransCanada PipeLines Limited	11.80	20 Nov 2020	1,994	2,643	3,033
Hydro-Québec	1.00	25 May 2019	775	775	772	TransCanada PipeLines Limited	8.05	17 Feb 2039	1,553	2,486	2,492
Hydro-Québec	11.00	15 Aug 2020	3,000	3,934	4,332	UniCredit Group	2.67	29 May 2018	2,401	2,411	2,451
Hydro-Québec	6.50	15 Feb 2035	1,000	1,491	1,463	University Health Network	5.64	8 Dec 2022	5,170	5,729	5,929
Hydro-Québec	6.00	15 Feb 2040	8,000	11,869	11,489	University of Ontario Institute of Technology	6.35	15 Oct 2034	295	359	348
Hydro-Québec	5.00	15 Feb 2045	1,450	1,969	1,901						
Hydro-Québec	5.00	15 Feb 2050	1,500	2,109	2,014						
Kraft Canada Inc.	1.62	6 Jul 2020	3,800	3,841	3,800						
Loblaw Companies Limited	6.50	22 Jan 2029	1,827	2,337	2,268						

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, 2017 (in thousands of Canadian dollars)

Security	Interest Rate %	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
Bonds (continued)						Equities – 5.8% (continued)			
Corporate – 31.3% (continued)						Magna International Inc.	36	2,058	2,012
Wells Fargo Financial Corporation Canada	3.04	29 Jan 2021	630	661	657	Manulife Financial Corporation	14	333	239
Wells Fargo Financial Corporation Canada	3.46	24 Jan 2023	919	989	975	Methanex Corporation	9	563	385
WTH Car Rental ULC	2.54	20 Aug 2019	2,960	2,987	2,960	METRO Inc.	3	158	130
				377,803	374,652	Morguard Corporation	2	470	331
						Mullen Group Ltd.	82	1,218	1,379
Total Fixed Income Investments – 79.9%				964,240	947,211	Onex Corporation	11	1,040	842
						Pason System Inc.	60	1,215	1,099
						Power Corporation of Canada	24	773	690
						PrairieSky Royalty Ltd.	49	1,470	1,148
						Restaurant Brands International Inc.	6	466	371
						Ritchie Brothers Auctioneers	37	1,645	1,392
						ShawCor Ltd.	27	928	785
						Stella-Jones Inc.	7	291	280
						Suncor Energy Inc.	65	2,770	2,213
						TELUS Corporation	51	2,302	2,107
						Toromont Industries Ltd.	16	796	514
						Toronto Dominion Bank	58	3,748	3,008
						Total Energy Services Inc.	33	445	470
						Wajax Corporation	18	435	376
						Westshore Terminals Investment Corporation	51	1,208	1,137
						Winpak Ltd.	9	522	415
						Total Equities		70,043	61,614
						Exchange-traded Funds – 14.1%			
						BMO S&P 500 Hedged to CAD Index ETF	2,351	85,593	72,315
						iShares Core S&P 500 Hedged to CAD Index ETF	3,126	85,306	71,681
								170,899	143,996
						Total Equities and ETFs – 19.9%		240,942	205,610
						Cash and cash equivalents – 0.2%		2,727	2,727
						Total Portfolio Assets – 100.0%		1,207,909	1,155,548
						Government Grant Investment Allocation			
						Plan II		876	824
						Founders' Plan		16,703	15,706
						Group Savings Plan		144,727	137,370
						Group Savings Plan 2001		950,764	910,628
						Family Savings Plan		89,100	85,413
						Individual Savings Plan		3,012	2,880
								1,205,182	1,152,821
						Cash and Short-term Investments Allocation			
						Plan II		2	2
						Founders' Plan		37	37
						Group Savings Plan		325	325
						Group Savings Plan 2001		2,154	2,154
						Family Savings Plan		202	202
						Individual Savings Plan		7	7
								2,727	2,727

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

Canadian Scholarship Trust Plan

Sponsor

Canadian Scholarship Trust Foundation
2235 Sheppard Avenue East, Suite 1600
Toronto, Ontario M2J 5B8
1.877.333.RESP (7377)

Investment Fund Manager and Distributor

C.S.T. Consultants Inc.
2235 Sheppard Avenue East, Suite 1600
Toronto, Ontario M2J 5B8

Trustee

RBC Investor Services Trust
155 Wellington Street West, 2nd Floor
Toronto, Ontario M5V 3L3

Auditor

Deloitte LLP
Bay Adelaide East
22 Adelaide Street West, Suite 200
Toronto, Ontario M5H 0A9

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
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