

C.S.T. Consultants Inc.

# Canadian Scholarship Trust Group Savings Plan

Semi-Annual Financial Statements  
Unaudited

April 30, 2018



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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, 2018 and October 31, 2017 (in thousands of Canadian dollars)

	Apr 30, 2018	Oct 31, 2017 (Audited)
<b>Assets</b>		
Cash and cash equivalents	\$ 863	\$ 2,965
Receivables for securities sold	49	613
Investments, at fair value <i>(Note 4 and Schedule 1)</i>	369,578	398,960
Accrued interest and other receivables	4,844	6,002
Government grants receivable	6	10
	<b>375,340</b>	<b>408,550</b>
<b>Liabilities</b>		
Payables for securities purchased	65	1,176
Accounts payable, accrued liabilities and unclaimed subscribers' funds	1,969	1,321
	<b>2,034</b>	<b>2,497</b>
<b>Net Assets Attributable to Subscribers and Beneficiaries</b>	<b>373,306</b>	<b>406,053</b>
<b>Represented by:</b>		
<b>Non-Discretionary Funds</b>		
Accumulated income held for future education assistance payments	110,547	119,387
Subscribers' deposits <i>(Note 7)</i>	117,621	132,568
Government grants	68,166	71,952
Income on Government grants	45,626	46,859
Sales charge refund entitlements <i>(Note 9)</i>	25,199	24,669
General Fund <i>(Note 8)</i>	3,874	3,785
<b>Unrealized Gains</b>	<b>1,664</b>	<b>6,224</b>
<b>Discretionary Funds</b>		
Donations from the Foundation <i>(Note 8)</i>	609	609
	<b>\$ 373,306</b>	<b>\$ 406,053</b>

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



Douglas P. McPhie, FCPA, FCA, CPA (Illinois)  
 Director



Sherry J. MacDonald, CPA, CA  
 Director

# Statements of Comprehensive Income

For the six months ended April 30, 2018 and 2017 (in thousands of Canadian dollars)

	2018	2017
<b>Income</b>		
Interest for allocation to subscriber accounts	\$ 3,903	\$ 5,557
Realized gains (losses) on sale of investments	(663)	1,601
Change in unrealized gains (losses)	(4,560)	4,818
Dividends	2,464	3,451
	<b>1,144</b>	<b>15,427</b>
<b>Expenses</b>		
Administration and account maintenance fees (Note 3(a))	1,027	1,420
Portfolio management fees	191	210
Custodian and trustee fees	65	76
Independent Review Committee fees	3	4
	<b>1,286</b>	<b>1,710</b>
<b>Increase (decrease) in Net Assets from Operations Attributable to Subscribers and Beneficiaries</b>	<b>\$ (142)</b>	<b>\$ 13,717</b>

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

For the six months ended April 30, 2018 and 2017 (in thousands of Canadian dollars)

	2018	2017
<b>Net Assets Attributable to Subscribers and Beneficiaries, Beginning of Period</b>	<b>\$ 406,053</b>	<b>\$ 547,639</b>
Increase (decrease) in Net Assets from Operations Attributable to Subscribers and Beneficiaries	(142)	13,717
Transfers to internal and external plans	(4,523)	(3,137)
	<b>(4,665)</b>	<b>10,580</b>
<b>Receipts</b>		
Government grants received (net of repayments)	15	132
<b>Disbursements</b>		
Net decrease in Subscribers' deposits (Note 7)	(14,947)	(11,845)
Payments to beneficiaries		
Education assistance payments	(7,140)	(6,491)
Government grants	(2,551)	(2,210)
Refund of Sales Charge	(1,421)	(1,224)
Return of interest	(2,038)	(1,483)
<b>Total payments to beneficiaries</b>	<b>(13,150)</b>	<b>(11,408)</b>
<b>Receipts less Disbursements</b>	<b>(28,082)</b>	<b>(23,121)</b>
<b>Change in Net Assets Attributable to Subscribers and Beneficiaries</b>	<b>(32,747)</b>	<b>(12,541)</b>
<b>Net Assets Attributable to Subscribers and Beneficiaries, End of Period</b>	<b>\$ 373,306</b>	<b>\$ 535,098</b>

# Statements of Cash Flows

For the six months ended April 30, 2018 and 2017 (in thousands of Canadian dollars)

	2018	2017
<b>Operating Activities</b>		
Increase (decrease) in Net Assets from Operations Attributable to Subscribers and Beneficiaries	\$ (142)	\$ 13,717
Net disbursements from investment transactions	23,612	23,219
Items not affecting cash		
Realized (gains) losses on sale of investments	663	(1,601)
Change in unrealized (gains) losses	4,560	(4,818)
Change in non-cash operating working capital		
Decrease in Accrued interest and other receivables	1,158	6,036
Decrease in Government grants receivable	4	33
Increase (decrease) in Accounts payable, accrued liabilities and unclaimed subscribers' funds	648	(11,380)
<b>Cash flow from Operating Activities</b>	<b>30,503</b>	<b>25,206</b>
<b>Financing Activities</b>		
Transfers to internal and external plans	(4,523)	(3,137)
Government grants received (net of repayments)	15	132
Net decrease in Subscribers' deposits <i>(Note 7)</i>	(14,947)	(11,845)
Payments to beneficiaries	(13,150)	(11,408)
<b>Cash flow used in Financing Activities</b>	<b>(32,605)</b>	<b>(26,258)</b>
<b>Net decrease in Cash and cash equivalents</b>	<b>(2,102)</b>	<b>(1,052)</b>
<b>Cash and cash equivalents, Beginning of Period</b>		
Cash	1,603	2,766
Cash equivalents	1,362	903
	<b>2,965</b>	<b>3,669</b>
<b>Cash and cash equivalents, End of Period</b>		
Cash	508	1,234
Cash equivalents	355	1,383
	<b>\$ 863</b>	<b>\$ 2,617</b>
<b>Supplemental cash flow information:</b>		
Withholding Taxes	\$ 70	\$ 93
Interest Income Received	4,575	5,852

# Schedule I – Statement of Investment Portfolio

As at April 30, 2018 (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 (\$)
<b>Bonds</b>						<b>Bonds (continued)</b>					
<b>Federal – 38.9%</b>						<b>Provincial – 10.3% (continued)</b>					
Canada Housing Trust	1.95	15 Jun 2019	1,125	1,127	1,157	Province of Manitoba	4.15	3 Jun 2020	225	234	250
Canada Housing Trust	2.00	15 Dec 2019	1,600	1,602	1,651	Province of Manitoba	1.55	5 Sep 2021	744	725	742
Canada Housing Trust	3.75	15 Mar 2020	6,469	6,680	7,173	Province of New Brunswick	4.50	2 Jun 2020	800	838	902
Canada Housing Trust	1.20	15 Jun 2020	4,600	4,523	4,586	Province of New Brunswick	1.55	4 May 2022	225	217	218
Canada Housing Trust	1.45	15 Jun 2020	900	890	907	Province of Newfoundland and Labrador	1.95	2 Jun 2022	200	195	197
Canada Housing Trust	1.25	15 Dec 2020	4,325	4,231	4,336	Province of Nova Scotia	4.15	25 Nov 2019	200	207	222
Canada Housing Trust	1.25	15 Jun 2021	1,323	1,285	1,335	Province of Nova Scotia	4.10	1 Jun 2021	350	368	384
Canada Housing Trust	3.80	15 Jun 2021	2,310	2,421	2,512	Province of Ontario	4.40	2 Jun 2019	835	858	919
Canada Housing Trust	1.15	15 Dec 2021	1,700	1,634	1,668	Province of Ontario	2.10	8 Sep 2019	550	551	573
Canada Housing Trust	1.50	15 Dec 2021	1,336	1,300	1,325	Province of Ontario	4.20	2 Jun 2020	3,000	3,128	3,357
Canada Housing Trust	2.65	15 Mar 2022	900	912	945	Province of Ontario	4.00	2 Jun 2021	2,100	2,205	2,289
Canada Housing Trust	1.75	15 Jun 2022	3,227	3,153	3,230	Province of Ontario	1.35	8 Mar 2022	734	705	717
Government of Canada	2.40	15 Dec 2022	3,644	3,645	3,711	Province of Ontario	3.15	2 Jun 2022	2,625	2,693	2,789
Government of Canada	3.65	3 May 2018	1,050	1,044	1,044	Province of Ontario	1.95	27 Jan 2023	100	98	98
Government of Canada	3.65	17 May 2018	1,100	1,094	1,094	Province of Québec	4.50	1 Dec 2019	775	806	847
Government of Canada	1.14	31 May 2018	5,675	5,655	5,655	Province of Québec	4.50	1 Dec 2020	825	873	939
Government of Canada	1.21	14 Jun 2018	3,290	3,278	3,278	Province of Québec	4.25	1 Dec 2021	1,850	1,969	2,049
Government of Canada	1.11	28 Jun 2018	1,275	1,268	1,268	Province of Québec	3.50	1 Dec 2022	1,100	1,147	1,168
Government of Canada	1.12	12 Jul 2018	2,950	2,937	2,937	Province of Québec	3.75	1 Sep 2024	1,444	1,534	1,595
Government of Canada	1.21	26 Jul 2018	1,046	1,039	1,039					23,117	24,131
Government of Canada	1.22	9 Aug 2018	1,165	1,157	1,157						
Government of Canada	1.25	23 Aug 2018	973	966	966						
Government of Canada	1.26	6 Sep 2018	950	944	944	<b>Municipal – 1.1%</b>					
Government of Canada	1.28	20 Sep 2018	1,000	994	994	City of Montreal	5.45	1 Dec 2019	150	158	172
Government of Canada	1.33	4 Oct 2018	1,175	1,167	1,167	City of Montreal	4.50	1 Dec 2021	500	534	561
Government of Canada	1.35	18 Oct 2018	1,150	1,142	1,142	City of Toronto	4.50	2 Dec 2019	50	52	56
Government of Canada	0.75	1 May 2019	1,425	1,412	1,421	City of Toronto	3.50	6 Dec 2021	475	491	514
Government of Canada	3.75	1 Jun 2019	1,850	1,891	2,016	Municipal Finance Authority of British Columbia	4.88	3 Jun 2019	100	103	112
Government of Canada	0.75	1 Aug 2019	1,570	1,551	1,553	Municipal Finance Authority of British Columbia	4.45	1 Jun 2020	125	131	141
Government of Canada	1.75	1 Sep 2019	2,557	2,556	2,649	Municipal Finance Authority of British Columbia	4.15	1 Jun 2021	200	211	225
Government of Canada	1.25	1 Nov 2019	2,025	2,009	2,011	Municipal Finance Authority of British Columbia	2.15	1 Dec 2022	831	815	813
Government of Canada	1.25	1 Feb 2020	950	940	943	Municipal Finance Authority of British Columbia	2.60	23 Apr 2023	29	29	29
Government of Canada	1.50	1 Mar 2020	2,300	2,285	2,339					2,524	2,623
Government of Canada	3.50	1 Jun 2020	2,200	2,271	2,423	<b>Corporate – 39.8%</b>					
Government of Canada	0.75	1 Sep 2020	3,850	3,747	3,827	Bank of Montreal	2.10	6 Oct 2020	3,135	3,102	3,143
Government of Canada	0.75	1 Mar 2021	1,527	1,475	1,514	Bank of Montreal	1.88	31 Mar 2021	182	178	181
Government of Canada	3.25	1 Jun 2021	2,925	3,032	3,257	Bank of Montreal	3.40	23 Apr 2021	3,983	4,068	4,222
Government of Canada	0.75	1 Sep 2021	1,970	1,889	1,949	Bank of Montreal	1.61	28 Oct 2021	240	231	232
Government of Canada	0.50	1 Mar 2022	1,692	1,594	1,635	Bank of Montreal	2.12	16 Mar 2022	245	239	244
Government of Canada	2.75	1 Jun 2022	1,725	1,770	1,863	Bank of Montreal	2.27	11 Jul 2022	140	137	140
Government of Canada	1.00	1 Sep 2022	1,585	1,513	1,528	Bank of Montreal	2.70	11 Sep 2024	914	898	898
Government of Canada	1.75	1 Mar 2023	1,646	1,620	1,627	Bank of Montreal	3.19	1 Mar 2028	276	276	276
				87,643	89,776	Bank of Nova Scotia	2.27	13 Jan 2020	2,210	2,206	2,215
<b>Provincial – 10.3%</b>						Bank of Nova Scotia	2.09	9 Sep 2020	4,241	4,196	4,215
Province of Alberta	4.00	1 Dec 2019	225	232	248	Bank of Nova Scotia	2.87	4 Jun 2021	4,200	4,222	4,303
Province of Alberta	1.25	1 Jun 2020	1,461	1,436	1,445	Bank of Nova Scotia	1.90	2 Dec 2021	245	238	245
Province of Alberta	1.35	1 Sep 2021	400	387	395	Bank of Nova Scotia	1.83	27 Apr 2022	3,028	2,918	2,941
Province of Alberta	1.60	1 Sep 2022	100	96	98	Bank of Nova Scotia	2.36	8 Nov 2022	235	230	231
Province of British Columbia	4.10	18 Dec 2019	250	259	282	Bank of Nova Scotia	2.98	17 Apr 2023	625	627	625
Province of British Columbia	3.70	18 Dec 2020	175	182	190	Bank of Nova Scotia	3.10	2 Feb 2028	588	583	588
Province of British Columbia	3.25	18 Dec 2021	775	800	836						
Province of British Columbia	2.70	18 Dec 2022	325	328	335						
Province of Manitoba	1.15	21 Nov 2019	47	46	47						

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

# Schedule I – Statement of Investment Portfolio (continued)

As at April 30, 2018 (in thousands of Canadian dollars)

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
<b>Bonds (continued)</b>						<b>Equities – 1.7%</b>			
<b>Corporate – 39.8% (continued)</b>									
Caisse Centrale Desjardins	2.44	17 Jul 2019	1,187	1,190	1,190	Alimentation Couche-Tard Inc.	3	156	161
Caisse Centrale Desjardins	1.75	2 Mar 2020	4,375	4,322	4,324	ATCO Ltd.	1	35	37
Canadian Imperial Bank of Commerce	1.66	20 Jan 2020	373	368	369	AutoCanada Inc.	1	17	18
Canadian Imperial Bank of Commerce	2.30	11 Jul 2022	2,321	2,274	2,306	Bank of Nova Scotia	3	215	180
Canadian Imperial Bank of Commerce	2.47	5 Dec 2022	135	133	133	Birchcliff Energy Ltd.	6	29	40
Great-West Lifeco Inc.	3.34	28 Feb 2028	701	703	701	Boardwalk Real Estate Investment Trust	1	66	68
Great-West Lifeco Inc.	6.67	21 Mar 2033	907	1,201	1,226	Brookfield Asset Management Inc.	1	51	43
HSBC Bank Canada	2.08	26 Nov 2018	361	361	362	Brookfield Infrastructure Partners L.P.	1	37	31
HSBC Bank Canada	2.49	13 May 2019	304	305	305	Brookfield Renewable Partners L.P.	1	31	33
HSBC Bank Canada	2.91	29 Sep 2021	2,690	2,698	2,736	CAE Inc.	2	36	26
HSBC Bank Canada	2.17	29 Jun 2022	659	640	653	Canadian National Railway Company	1	96	81
HSBC Bank Canada	2.54	31 Jan 2023	4,374	4,288	4,339	Canadian Natural Resources Limited	2	72	47
Hydro-Québec	1.00	25 May 2019	308	305	307	Canadian Pacific Railway Company	0.3	64	54
Hydro-Québec	11.00	15 Aug 2020	1,000	1,196	1,394	Canadian Western Bank	0.5	16	11
Intact Financial Corporation	3.77	2 Mar 2026	680	698	702	Cara Operations Limited	1	22	21
Manufacturers Life Insurance Company	2.84	12 Jan 2023	357	355	357	CCL Industries Inc.	1	70	61
Manufacturers Life Insurance Company	2.93	29 Nov 2023	730	734	743	CGI Group Inc.	1	51	41
Manufacturers Life Insurance Company	2.64	15 Jan 2025	1,239	1,242	1,253	CI Financial Corp.	2	64	65
Manufacturers Life Insurance Company	2.10	1 Jun 2025	952	942	944	Computer Modeling Group Ltd.	2	20	21
Manufacturers Life Insurance Company	2.39	5 Jan 2026	3,669	3,634	3,651	DREAM Unlimited Corporation	3	26	20
Manufacturers Life Insurance Company	3.18	22 Nov 2027	473	477	485	Empire Company Limited	2	60	49
Royal Bank of Canada	2.86	4 Mar 2021	30	30	31	Enbridge Inc.	3	99	129
Royal Bank of Canada	2.03	15 Mar 2021	1,475	1,451	1,475	Enerflex Ltd.	5	76	75
Royal Bank of Canada	1.65	15 Jul 2021	4,131	4,000	4,063	Fairfax Financial Holdings Limited	0.1	75	66
Royal Bank of Canada	1.58	13 Sep 2021	310	299	308	Finning International Inc.	2	55	35
Royal Bank of Canada	2.00	21 Mar 2022	7,729	7,512	7,511	FirstService Corporation	0.3	27	17
Royal Bank of Canada	2.36	5 Dec 2022	235	230	231	Franco-Nevada Corporation	1	111	102
Royal Bank of Canada	4.93	16 Jul 2025	3,430	3,840	3,930	Freehold Royalties Ltd.	6	78	78
Sun Life Capital Trust	3.05	19 Sep 2028	695	690	694	Granite REIT Holdings Limited Partnership	1	27	22
Sun Life Capital Trust	7.09	30 Jun 2052	770	1,004	1,002	Great Canadian Gaming Corporation	1	39	23
Toronto Dominion Bank	2.45	2 Apr 2019	2,765	2,775	2,812	Great-West Lifeco Inc.	1	50	49
Toronto Dominion Bank	2.05	8 Mar 2021	80	79	79	IGM Financial Inc.	1	30	27
Toronto Dominion Bank	1.68	8 Jun 2021	2,133	2,079	2,105	Imperial Oil Limited	2	78	78
Toronto Dominion Bank	2.62	22 Dec 2021	4,410	4,400	4,488	Industrial Alliance Insurance and Financial Services Inc.	1	29	31
Toronto Dominion Bank	1.99	23 Mar 2022	4,170	4,060	4,078	Intact Financial Corporation	2	154	148
Toronto Dominion Bank	1.91	18 Jul 2023	245	234	235	Loblaw Companies Limited	2	113	117
Toronto Dominion Bank	3.23	24 Jul 2024	225	228	234	Magna International Inc.	0.8	62	50
Wells Fargo Financial Corporation Canada	3.04	29 Jan 2021	1,119	1,130	1,141	Maxar Technologies Ltd.	1	84	98
Wells Fargo Financial Corporation Canada	3.46	24 Jan 2023	3,280	3,354	3,402	Methanex Corporation	0.4	31	20
				89,810	90,998	METRO Inc.	1	51	51
						Morguard Corporation	0.1	21	19
<b>Total Fixed Income – 90.1%</b>				<b>203,094</b>	<b>207,528</b>	Mullen Group Ltd.	4	65	75
						Nutrien Ltd.	2	122	116
						Onex Corporation	0.2	20	17
						Pason System Inc.	3	49	50
						PrairieSky Royalty Ltd.	3	75	66
						Restaurant Brands International Inc.	0.3	23	21
						Ritchie Brothers Auctioneers	1	48	43
						Royal Bank of Canada	0.4	46	47
						Saputo Inc.	1	56	56
						ShawCor Ltd.	2	42	48
						Stella-Jones Inc.	1	32	30
						Suncor Energy Inc.	2	108	80
						TELUS Corporation	2	93	87

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

# Schedule I – Statement of Investment Portfolio (continued)

As at April 30, 2018 (in thousands of Canadian dollars)

Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
<b>Equities – 1.7% (continued)</b>			
Toromont Industries Ltd.	1	59	47
Toronto Dominion Bank	3	230	186
Total Energy Services Inc.	2	23	25
Tucows Inc.	0.3	24	21
Wajax Corporation	1	22	19
Westshore Terminals Investment Corporation	3	75	82
Winpak Ltd.	1	37	37
		<b>3,773</b>	<b>3,496</b>
<b>Exchange-traded Funds – 7.9%</b>			
iShares Core S&P U.S. Total Market Index ETF	683	17,939	16,577
<b>Total Equities and ETFs – 9.6%</b>		<b>21,712</b>	<b>20,073</b>
<b>Total Investments – 99.7%</b>		<b>224,806</b>	<b>227,601</b>
<b>Cash and cash equivalents – 0.3%</b>		<b>685</b>	<b>685</b>
<b>Total Portfolio Assets – 100.0%</b>		<b>225,491</b>	<b>228,286</b>
<b>Investments Allocation (Note 4)</b>			
<b>Government Grants (Appendix I)</b>		119,871	115,213
<b>Sales Charge Refund Entitlements (Appendix II)</b>		24,901	25,100
<b>Cash and cash equivalents (Appendices I, II)</b>		178	178
<b>Total Investment Fund</b>		<b>370,441</b>	<b>368,777</b>
<b>Represented by:</b>			
<b>Cash and cash equivalents</b>		863	
<b>Investments, at fair value</b>		369,578	
		<b>370,441</b>	



# Notes to the Financial Statements

Six months ended April 30, 2018 and 2017 (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 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 7, 2018.

### (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 standards have been issued by the International Accounting Standards Board (“IASB”). These new standards are 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.

#### *IFRS 15 Revenue from Contracts with Customers (“IFRS 15”)*

IFRS 15 was issued in May 2014, replacing existing guidance related to revenue recognition and will be effective for the Plan’s financial statements during its fiscal 2019 year. IFRS 15 includes a single revenue recognition model based on the principal that revenue is recognized when control of a good or service is transferred to the customer. When appropriate, contracts with customers are divided into separate performance obligations, each of which represent promises to deliver distinct goods or services. IFRS 15 provides guidance for recognizing revenue from performance obligations that are delivered at a point in time, or delivered over time and also includes additional disclosure requirements.

### (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.

# Notes to the Financial Statements (continued)

Six months ended April 30, 2018 and 2017 (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 <sup>(i)</sup>
Cash and cash equivalents	Loans and receivables <sup>(ii)</sup>
Accrued interest and other receivables	Loans and receivables <sup>(ii)</sup>
Receivables for securities sold	Loans and receivables <sup>(ii)</sup>
Accounts payable, accrued liabilities and unclaimed subscriber funds	Other financial liabilities <sup>(iii)</sup>
Payables for securities purchased	Other financial liabilities <sup>(iii)</sup>

<sup>(i)</sup> 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 in unrealized gains and losses recognized on the Statements of Comprehensive Income.

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

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

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

### (e) Investment valuation

Investments, at fair value include the following types of securities: bonds, money market securities, exchange-traded funds (“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 on the Statements of Financial Position.

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 9 (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 10 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 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 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.

The estimates, assumptions and judgments that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are those involved with the

# Notes to the Financial Statements (continued)

Six months ended April 30, 2018 and 2017 (Unaudited, in thousands of Canadian dollars)

## Note 2. Significant Accounting Policies (continued)

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

valuation of the SCR Entitlements. Further information on the SCR Entitlement valuation can be found in Note 9 (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, 2018, \$1,027 was recognized as an expense for Administration and account maintenance fees (2017 – \$1,420). Administration and account maintenance fees included in Accounts payable, accrued liabilities and unclaimed subscribers’ funds at April 30, 2018 was \$170 (October 31, 2017 – \$nil).

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 9).

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

During the six months ended April 30, 2018, the Foundation provided deficit funding payments of \$nil (2017 – \$nil) to the SCR Fund (see Note 9(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 months ended April 30, 2018, the Plan recognized an expense of \$3 (2017 – \$4) for the services of the IRC. IRC fees included in Accounts payable, accrued liabilities and unclaimed subscribers’ funds at April 30, 2018 was \$1 (October 31, 2017 – \$nil).

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

Included in Portfolio management fees on the Statements of Comprehensive Income is \$44 (2017 – \$47) 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 \$23 owing to C.S.T.C. at April 30, 2018 (October 31, 2017 – \$1) 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. 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 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,

# Notes to the Financial Statements (continued)

Six months ended April 30, 2018 and 2017 (Unaudited, in thousands of Canadian dollars)

## Note 6. Risks Associated with Financial Instruments (continued)

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

### (a) Market risk

#### i. Interest rate risk

Interest rate risk is the risk of a 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, 2018	Oct 31, 2017
Less than 1 year	7%	7%
1-3 years	22%	24%
3-5 years	30%	28%
Greater than 5 years	20%	20%
<b>Total Debt instruments</b>	<b>79%</b>	<b>79%</b>

As at April 30, 2018, if prevailing interest rates had increased by 1%, the fair value of the Total Investment Fund of \$370,441 (October 31, 2017 – \$401,925) as per Schedule I – Statement of Investment Portfolio, would have decreased by \$12,000 (October 31, 2017 – \$13,000). If prevailing interest rates had decreased by 1%, the fair value of the Total Investment Fund would have increased by \$13,800 (October 31, 2017 – \$15,000). 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 classes that are most impacted by other price risk are equities and ETFs of the Plan and Government Grants asset pool, and the SCR Funds, which represents 21% (October 31, 2017 – 21%) of the Total Investment Fund amount as at April 30, 2018. The risk associated with the equity component of the SCR Fund is managed by security selection and active management by external managers within approved investment policies and mandates.

As at April 30, 2018, if equity and 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 \$800 (October 31, 2017 – \$900). 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 mainly 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, 2018		October 31, 2017	
	% of Total Investment Fund	Amount (in thousands)	% of Total Investment Fund	Amount (in thousands)
AAA	22%	\$ 78,423	21%	\$ 85,532
AA/AAH/AAL	35%	128,442	36%	142,824
A/AH/AL	16%	58,915	15%	60,153
BBB	0%	1,712	0%	1,646
R-1	6%	23,334	7%	26,412
Short-term unrated	0%	1,018	0%	1,839
<b>Total Debt Instruments</b>	<b>79%</b>	<b>\$ 291,844</b>	<b>79%</b>	<b>\$ 318,406</b>

The Dominion Bond Rating Service ("DBRS") was the primary source for obtaining credit ratings. Secondary sources used include Standard & Poor's Financial Services LLC and Moody's 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 9(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 18% (October 31, 2017 – 18%) of the Total

# Notes to the Financial Statements (continued)

Six months ended April 30, 2018 and 2017 (Unaudited, in thousands of Canadian dollars)

## Note 6. Risks Associated with Financial Instruments (continued)

### (d) Currency risk (continued)

Investment Fund. The fair value of the Total Investment Fund would increase or decrease by approximately \$670 (October 31, 2017 – \$720) in response to a 1% depreciation or appreciation of the Canadian dollar currency exchange rate. In practice the actual change may differ materially.

## Note 7. Subscribers' Deposits

The changes in Subscribers' deposits for the six-month period ended April 30, 2018 and 2017 are as follows:

	April 30, 2018	April 30, 2017
Payments from subscribers	\$ 126	\$ 828
Inter-plan principal transfers	(5,326)	(3,684)
Account maintenance fees	(74)	(114)
Return of principal	(9,673)	(8,875)
Net decrease in Subscribers' deposits	(14,947)	(11,845)
<b>Balance, Beginning of Period</b>	<b>132,568</b>	<b>211,685</b>
<b>Balance, End of Period</b>	<b>\$ 117,621</b>	<b>\$ 199,840</b>

## Note 8. General Fund and Donations from the Foundation

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

- i. interest earned on 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. The amount is allocated annually between the Plans according to the payout forecast in each of the Plans.

As at April 30, 2018 the balance of the general fund and the discretionary donation remaining to be paid to beneficiaries, included in the Statement of Financial Position, were \$3,874

(October 31, 2017 – \$ 3,785) and \$609 (October 31, 2017 – \$609), respectively.

## Note 9. Sales Charge Refund

### (a) Sales Charge Refund Entitlements

The Plan refunds sales charges to the beneficiaries from the SCR Fund, which amount to 100% of sales charges paid. This SCR Entitlement is paid with the first instalment of the EAP payouts to qualified beneficiaries. The total amount refunded for the six-month period ended April 30, 2018 was \$1,421 (2017 – \$1,224).

As at April 30, 2018, the SCR Entitlements amount of \$25,199 (October 31, 2017 – \$24,669) presented in the Statements of Financial Position represents the average cost of the Plan's investments in the SCR Fund of \$25,155 (October 31, 2017 – \$24,212), less funds to be transferred to the direct investment holdings of the plan of \$6 (October 31, 2017 – \$489) for SCR payments made to beneficiaries during the period, plus accrued interest of \$50 (October 31, 2017 – \$32). The fair value of the investments in the SCR Fund as at April 30, 2018, after adjusting for the above, amounted to \$25,000 (October 31, 2017 – \$26,095), of which \$24,901 and \$55 are included in Investments, at fair value and Cash and cash equivalents, respectively, in the Statements of Financial Position. The difference between the present value of SCR Entitlements and the Fair Value of the SCR Fund is not recorded in the financial statements of the plan.

### (b) Sales Charge Refund Entitlements Valuation

Two separate valuations are performed for SCR Entitlements. First, on an annual basis, a valuation of SCR Entitlements is prepared based on management's best estimates. This valuation is used to estimate the current funded status for SCR Entitlements. The present value of the SCR Entitlements is determined using the expected long-term investment rates of return based on the investment policy for the SCR Fund as explained in (i) below.

Second, a 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 expected long-term investment rates of return as determined by management to calculate the present value of the SCR Entitlements and to project the asset growth of the SCR Fund to ensure that future SCR Entitlements will be fully funded, as set out in (ii) below.

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

The 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, 2017 of 5.4%

# Notes to the Financial Statements (continued)

Six months ended April 30, 2018 and 2017 (Unaudited, in thousands of Canadian dollars)

## Note 9. Sales Charge Refund (continued)

### (b) Sales Charge Refund Entitlements Valuation (continued)

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

(2016 – 4.5%) based on the investment policy approved by the Board of the Foundation. As underlying conditions change over time, assumptions may also change, which could cause a material change in the present value of the SCR Entitlements.

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

	2017	2016
Present value of SCR Entitlements	\$ 19,765	\$ 30,478
Fair value of SCR Fund (Note 9 (a))	25,638	33,819
Overfunded portion of SCR Entitlements	\$ (5,873)	\$ (3,341)

A 1% decrease or increase in the discount rate used will increase or decrease the present value of SCR Entitlements by \$280 or \$260, respectively (2016 – \$620 or \$600, respectively).

#### (ii) Funding Valuation

A valuation was completed based on assets and obligations as at December 31, 2016. 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. The discount rate used for the Plan was 5.7%, which resulted in liability being fully funded. 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 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 2019 based on assets and obligations as at October 31, 2018.

## Note 10. 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).

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 290,981	-	\$ 290,981
Equity Securities, ETFs and Pooled equity funds	78,597	-	-	78,597
<b>Total Investment Fund</b>	<b>\$78,597</b>	<b>\$ 290,981</b>	<b>\$ -</b>	<b>\$ 369,578</b>

	Level 1	Level 2	Level 3	Total
Fixed income securities	\$ -	\$ 315,441	-	\$ 315,441
Equity Securities, ETFs and Pooled equity funds	83,519	-	-	83,519
<b>Total Investment Fund</b>	<b>\$83,519</b>	<b>\$ 315,441</b>	<b>\$ -</b>	<b>\$ 398,960</b>

For the six-month period ended April 30, 2018 and year ended October 31, 2017, there were no transfers between Levels 1 or 2.

# Government Grants

## Appendix I to Schedule I

### Statement of Investment Portfolio

As at April 30, 2018 (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 (\$)
<b>Bonds</b>						<b>Bonds (continued)</b>					
<b>Federal – 6.6%</b>						<b>Provincial – 33.6%</b>					
Canada Housing Trust	1.95	15 Jun 2019	2,050	2,054	2,105	Province of Alberta	4.00	1 Dec 2019	780	805	847
Canada Housing Trust	3.75	15 Mar 2020	3,685	3,805	4,090	Province of Alberta	1.25	1 Jun 2020	1,902	1,869	1,883
Canada Housing Trust	1.20	15 Jun 2020	825	811	816	Province of Alberta	1.35	1 Sep 2021	765	741	761
Canada Housing Trust	1.25	15 Dec 2020	1,500	1,467	1,516	Province of Alberta	1.60	1 Sep 2022	439	423	438
Canada Housing Trust	1.25	15 Jun 2021	1,477	1,435	1,491	Province of Alberta	2.55	15 Dec 2022	225	225	232
Canada Housing Trust	3.80	15 Jun 2021	130	136	144	Province of Alberta	2.35	1 Jun 2025	725	704	720
Canada Housing Trust	1.15	15 Dec 2021	589	566	584	Province of Alberta	4.45	15 Dec 2025	1,785	1,964	2,052
Canada Housing Trust	1.50	15 Dec 2021	688	670	688	Province of Alberta	2.20	1 Jun 2026	1,597	1,518	1,594
Canada Housing Trust	1.75	15 Jun 2022	1,243	1,214	1,249	Province of Alberta	2.55	1 Jun 2027	1,110	1,074	1,094
Canada Housing Trust	2.40	15 Dec 2022	8,110	8,112	8,433	Province of Alberta	2.90	20 Sep 2029	650	639	651
Canada Housing Trust	2.35	15 Jun 2023	635	632	635	Province of Alberta	3.50	1 Jun 2031	1,025	1,068	1,081
Canada Housing Trust	2.90	15 Jun 2024	1,685	1,721	1,809	Province of Alberta	3.90	1 Dec 2033	3,522	3,838	3,819
Canada Housing Trust	2.55	15 Mar 2025	1,500	1,499	1,598	Province of Alberta	4.50	1 Dec 2040	3,000	3,603	3,639
Canada Housing Trust	1.90	15 Sep 2026	823	778	813	Province of Alberta	3.45	1 Dec 2043	4,545	4,713	4,712
Canada Housing Trust	2.35	15 Jun 2027	860	838	868	Province of Alberta	3.30	1 Dec 2046	5,026	5,083	5,145
Canada Housing Trust	2.35	15 Mar 2028	238	231	237	Province of Alberta	3.05	1 Dec 2048	3,476	3,356	3,399
Canada Housing Trust	2.65	15 Mar 2028	254	253	253	Province of British Columbia	4.10	18 Dec 2019	1,200	1,242	1,315
Canada Post Corporation	4.36	16 Jun 2040	375	453	472	Province of British Columbia	3.70	18 Dec 2020	1,300	1,351	1,409
Government of Canada	1.14	31 May 2018	50	50	50	Province of British Columbia	3.30	18 Dec 2023	750	778	781
Government of Canada	1.21	14 Jun 2018	360	359	359	Province of British Columbia	2.30	18 Jun 2026	898	867	900
Government of Canada	1.11	28 Jun 2018	100	100	100	Province of British Columbia	2.55	18 Jun 2027	1,511	1,476	1,504
Government of Canada	1.12	12 Jul 2018	110	110	110	Province of British Columbia	5.70	18 Jun 2029	3,650	4,602	4,785
Government of Canada	1.21	26 Jul 2018	909	905	905	Province of British Columbia	6.35	18 Jun 2031	2,975	4,063	4,234
Government of Canada	1.22	9 Aug 2018	130	129	129	Province of British Columbia	4.70	18 Jun 2037	2,995	3,698	3,667
Government of Canada	1.25	23 Aug 2018	1,430	1,421	1,421	Province of British Columbia	4.95	18 Jun 2040	5,000	6,485	6,480
Government of Canada	3.75	1 Jun 2019	1,000	1,022	1,043	Province of British Columbia	4.30	18 Jun 2042	4,080	4,915	4,776
Government of Canada	0.75	1 Aug 2019	350	346	347	Province of British Columbia	3.20	18 Jun 2044	1,750	1,784	1,741
Government of Canada	1.75	1 Sep 2019	3,054	3,053	3,093	Province of British Columbia	2.80	18 Jun 2048	5,757	5,443	5,545
Government of Canada	1.50	1 Mar 2020	5,825	5,786	5,850	Province of Manitoba	1.15	21 Nov 2019	253	250	253
Government of Canada	3.50	1 Jun 2020	3,175	3,278	3,415	Province of Manitoba	1.55	5 Sep 2021	623	607	620
Government of Canada	0.75	1 Sep 2020	1,075	1,046	1,067	Province of Manitoba	3.85	1 Dec 2021	1,000	1,050	1,088
Government of Canada	0.75	1 Mar 2021	2,798	2,703	2,760	Province of Manitoba	2.55	2 Jun 2023	400	399	413
Government of Canada	3.25	1 Jun 2021	552	572	604	Province of Manitoba	2.45	2 Jun 2025	250	244	252
Government of Canada	0.75	1 Sep 2021	585	561	579	Province of Manitoba	4.40	5 Sep 2025	1,300	1,430	1,462
Government of Canada	0.50	1 Mar 2022	1,182	1,114	1,126	Province of Manitoba	2.55	2 Jun 2026	730	710	743
Government of Canada	2.75	1 Jun 2022	1,599	1,641	1,686	Province of Manitoba	2.60	2 Jun 2027	1,013	981	995
Government of Canada	1.00	1 Sep 2022	1,415	1,351	1,377	Province of Manitoba	3.00	2 Jun 2028	269	268	268
Government of Canada	1.75	1 Mar 2023	823	809	812	Province of Manitoba	3.25	5 Sep 2029	650	658	674
Government of Canada	1.50	1 Jun 2023	2,308	2,237	2,299	Province of Manitoba	4.10	5 Sep 2041	6,300	7,117	7,136
Government of Canada	2.50	1 Jun 2024	1,925	1,958	2,060	Province of Manitoba	4.40	5 Mar 2042	3,300	3,900	3,894
Government of Canada	2.25	1 Jun 2025	1,494	1,495	1,520	Province of Manitoba	3.35	5 Mar 2043	1,300	1,312	1,298
Government of Canada	1.50	1 Jun 2026	588	555	587	Province of Manitoba	4.05	5 Sep 2045	2,050	2,326	2,438
Government of Canada	1.00	1 Jun 2027	356	319	318	Province of Manitoba	2.85	5 Sep 2046	196	180	181
Government of Canada	2.00	1 Jun 2028	1,148	1,117	1,115	Province of Manitoba	3.40	5 Sep 2048	1,101	1,125	1,115
Government of Canada	5.75	1 Jun 2029	1,025	1,367	1,410	Province of New Brunswick	4.40	3 Jun 2019	1,400	1,439	1,556
Government of Canada	5.75	1 Jun 2033	850	1,215	1,299	Province of New Brunswick	2.85	2 Jun 2023	700	707	720
Government of Canada	5.00	1 Jun 2037	1,297	1,814	1,823	Province of New Brunswick	3.65	3 Jun 2024	550	577	577
Government of Canada	4.00	1 Jun 2041	1,425	1,825	1,846	Province of New Brunswick	2.60	14 Aug 2026	167	162	167
Government of Canada	3.50	1 Dec 2045	1,656	2,020	2,042	Province of New Brunswick	2.35	14 Aug 2027	659	622	640
Government of Canada	2.75	1 Dec 2048	3,635	3,911	4,015	Province of New Brunswick	3.10	14 Aug 2028	122	122	122
Government of Canada	2.75	1 Dec 2064	2,550	2,826	2,955						
Labrador-Island Link Funding Trust	3.76	1 Jun 2033	150	163	176						
Labrador-Island Link Funding Trust	3.86	1 Dec 2045	2,200	2,492	2,641						
Labrador-Island Link Funding Trust	3.85	1 Dec 2053	100	116	126						
Muskrat Falls Funding Trust	3.83	1 Jun 2037	4,150	4,591	4,591						
Muskrat Falls Funding Trust	3.86	1 Dec 2048	150	172	186						
				83,224	85,643						

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, 2018 (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 (\$)
<b>Bonds (continued)</b>						<b>Bonds (continued)</b>					
<b>Provincial – 33.6% (continued)</b>						<b>Provincial – 33.6% (continued)</b>					
Province of New Brunswick	5.65	27 Dec 2028	245	300	300	Province of Québec	3.00	1 Sep 2023	3,250	3,316	3,467
Province of New Brunswick	5.50	27 Jan 2034	1,075	1,367	1,265	Province of Québec	3.75	1 Sep 2024	7,557	8,019	8,323
Province of New Brunswick	4.65	26 Sep 2035	710	835	739	Province of Québec	2.50	1 Sep 2026	1,279	1,246	1,304
Province of New Brunswick	4.55	26 Mar 2037	1,700	1,989	1,986	Province of Québec	2.75	1 Sep 2027	3,139	3,100	3,190
Province of New Brunswick	4.80	26 Sep 2039	950	1,157	1,183	Province of Québec	2.75	1 Sep 2028	729	716	719
Province of New Brunswick	3.55	3 Jun 2043	3,450	3,557	3,476	Province of Québec	6.00	1 Oct 2029	1,850	2,383	2,465
Province of New Brunswick	3.80	14 Aug 2045	2,550	2,747	2,727	Province of Québec	6.25	1 Jun 2032	4,650	6,334	6,490
Province of New Brunswick	3.10	14 Aug 2048	446	424	437	Province of Québec	5.25	1 Jun 2034	3,000	3,766	3,800
Province of Newfoundland and Labrador	1.95	2 Jun 2022	248	242	247	Province of Québec	5.75	1 Dec 2036	8,815	12,061	12,029
Province of Newfoundland and Labrador	2.30	2 Jun 2025	200	192	199	Province of Québec	5.00	1 Dec 2038	4,465	5,714	5,045
Province of Newfoundland and Labrador	3.00	2 Jun 2026	1,324	1,324	1,329	Province of Québec	5.00	1 Dec 2041	15,925	20,782	20,602
Province of Newfoundland and Labrador	6.15	17 Apr 2028	350	438	466	Province of Québec	4.25	1 Dec 2043	7,750	9,228	9,186
Province of Newfoundland and Labrador	2.85	2 Jun 2028	211	206	210	Province of Québec	3.50	1 Dec 2045	9,650	10,254	9,900
Province of Newfoundland and Labrador	6.55	17 Oct 2030	1,750	2,331	2,377	Province of Québec	3.50	1 Dec 2048	9,645	10,313	10,373
Province of Newfoundland and Labrador	4.65	17 Oct 2040	1,350	1,613	1,593	Province of Saskatchewan	3.20	3 Jun 2024	80	82	83
Province of Newfoundland and Labrador	3.30	17 Oct 2046	1,780	1,745	1,662	Province of Saskatchewan	2.55	2 Jun 2026	1,343	1,310	1,366
Province of Newfoundland and Labrador	3.70	17 Oct 2048	1,615	1,707	1,685	Province of Saskatchewan	2.65	2 Jun 2027	577	563	576
Province of Nova Scotia	4.10	1 Jun 2021	550	579	611	Province of Saskatchewan	6.40	5 Sep 2031	4,500	6,102	6,341
Province of Nova Scotia	2.10	1 Jun 2027	462	431	442	Province of Saskatchewan	4.75	1 Jun 2040	2,725	3,372	3,435
Province of Nova Scotia	5.80	1 Jun 2033	2,275	2,989	2,873	Province of Saskatchewan	3.90	2 Jun 2045	3,100	3,467	3,429
Province of Nova Scotia	4.40	1 Jun 2042	3,600	4,295	4,187	Province of Saskatchewan	2.75	2 Dec 2046	3,681	3,346	3,284
Province of Nova Scotia	3.45	1 Jun 2045	2,950	3,061	2,975	Province of Saskatchewan	3.30	2 Jun 2048	1,403	1,422	1,446
Province of Nova Scotia	3.50	2 Jun 2062	600	637	599	Province of Saskatchewan	3.75	5 Mar 2054	384	427	427
Province of Ontario	4.40	2 Jun 2019	2,300	2,364	2,533					428,364	430,761
Province of Ontario	4.20	2 Jun 2020	5,875	6,126	6,427	<b>Municipal – 1.4%</b>					
Province of Ontario	4.00	2 Jun 2021	6,390	6,710	6,947	City of Montreal	5.45	1 Dec 2019	200	211	227
Province of Ontario	1.35	8 Mar 2022	1,189	1,142	1,163	City of Montreal	3.50	1 Sep 2023	225	233	241
Province of Ontario	3.15	2 Jun 2022	4,800	4,925	5,105	City of Montreal	3.00	1 Sep 2025	831	830	837
Province of Ontario	1.95	27 Jan 2023	1,050	1,024	1,056	City of Montreal	2.75	1 Sep 2026	223	217	223
Province of Ontario	2.85	2 Jun 2023	2,850	2,885	2,862	City of Montreal	4.25	1 Dec 2032	350	387	384
Province of Ontario	2.60	8 Sep 2023	1,192	1,191	1,191	City of Montreal	4.10	1 Dec 2034	375	410	399
Province of Ontario	3.50	2 Jun 2024	4,165	4,349	4,343	City of Montreal	3.15	1 Dec 2036	900	871	898
Province of Ontario	2.60	2 Jun 2025	2,925	2,889	2,966	City of Montreal	6.00	1 Jun 2043	550	787	782
Province of Ontario	2.40	2 Jun 2026	2,078	2,007	2,065	City of Ottawa	4.60	14 Jul 2042	500	599	590
Province of Ontario	2.60	2 Jun 2027	2,681	2,609	2,649	City of Ottawa	3.10	27 Jul 2048	83	78	82
Province of Ontario	7.60	2 Jun 2027	1,620	2,221	2,322	City of Toronto	4.50	2 Dec 2019	225	234	250
Province of Ontario	2.90	2 Jun 2028	1,346	1,336	1,342	City of Toronto	3.50	6 Dec 2021	200	207	219
Province of Ontario	6.50	8 Mar 2029	9,175	12,104	12,761	City of Toronto	3.90	29 Sep 2023	1,200	1,267	1,329
Province of Ontario	6.20	2 Jun 2031	1,925	2,572	2,655	City of Toronto	2.40	24 Jun 2026	225	215	225
Province of Ontario	5.85	8 Mar 2033	6,425	8,510	8,752	City of Toronto	2.95	28 Apr 2035	300	285	277
Province of Ontario	5.60	2 Jun 2035	7,225	9,564	9,439	City of Toronto	3.50	2 Jun 2036	1,309	1,332	1,304
Province of Ontario	4.70	2 Jun 2037	7,845	9,564	9,174	City of Toronto	5.20	1 Jun 2040	1,350	1,725	1,764
Province of Ontario	4.60	2 Jun 2039	8,040	9,782	9,651	City of Toronto	4.70	10 Jun 2041	325	392	383
Province of Ontario	4.65	2 Jun 2041	18,125	22,446	22,282	City of Toronto	3.80	13 Dec 2042	550	586	578
Province of Ontario	3.50	2 Jun 2043	6,775	7,137	7,205	City of Toronto	4.15	10 Mar 2044	225	254	246
Province of Ontario	3.45	2 Jun 2045	21,075	22,062	21,708	City of Toronto	3.25	24 Jun 2046	109	106	109
Province of Ontario	2.90	2 Dec 2046	12,663	11,976	11,947	City of Vancouver	3.70	18 Oct 2052	145	153	166
Province of Ontario	2.80	2 Jun 2048	17,397	16,126	16,404	City of Winnipeg	4.10	1 Jun 2045	42	46	48
Province of Ontario	2.90	2 Jun 2049	1,123	1,063	1,099	City of Winnipeg	4.30	15 Nov 2051	450	515	512
Province of Québec	4.50	1 Dec 2019	1,600	1,663	1,754	Municipal Finance Authority of British Columbia	4.88	3 Jun 2019	350	361	392
Province of Québec	4.50	1 Dec 2020	900	952	966	Municipal Finance Authority of British Columbia	4.15	1 Jun 2021	273	287	306
Province of Québec	4.25	1 Dec 2021	2,700	2,873	3,032	Municipal Finance Authority of British Columbia	3.75	26 Sep 2023	225	237	251
Province of Québec	3.50	1 Dec 2022	2,100	2,190	2,297	Municipal Finance Authority of British Columbia	2.50	19 Apr 2026	822	796	823

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, 2018 (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 (\$)
<b>Bonds (continued)</b>						<b>Bonds (continued)</b>					
<b>Municipal – 1.4% (continued)</b>						<b>Corporate – 25.3% (continued)</b>					
Regional Municipality of Halton	4.05	11 Oct 2041	300	330	336	Manufacturers Life Insurance Company	2.10	1 Jun 2025	3,749	3,709	3,720
Region of Peel	2.30	2 Nov 2026	77	73	77	Manufacturers Life Insurance Company	2.39	5 Jan 2026	5,508	5,455	5,485
Region of Peel	5.10	29 Jun 2040	550	694	694	Manufacturers Life Insurance Company	3.18	22 Nov 2027	6,164	6,222	6,326
Region of Peel	3.85	30 Oct 2042	300	322	317	Royal Bank of Canada	2.86	4 Mar 2021	690	694	703
Regional Municipality of York	2.60	15 Dec 2025	1,350	1,315	1,317	Royal Bank of Canada	2.03	15 Mar 2021	4,872	4,792	4,898
Regional Municipality of York	2.50	2 Jun 2026	77	74	79	Royal Bank of Canada	1.65	15 Jul 2021	13,674	13,241	13,551
Regional Municipality of York	4.00	31 May 2032	300	323	329	Royal Bank of Canada	1.58	13 Sep 2021	1,800	1,735	1,764
Regional Municipality of York	4.05	1 May 2034	625	679	688	Royal Bank of Canada	2.00	21 Mar 2022	25,283	24,573	24,823
				17,431	17,682	Royal Bank of Canada	2.36	5 Dec 2022	755	739	743
						Royal Bank of Canada	4.93	16 Jul 2025	10,415	11,660	12,092
<b>Corporate – 25.3%</b>						Sun Life Capital Trust	3.05	19 Sep 2028	2,215	2,199	2,212
Bank of Montreal	2.10	6 Oct 2020	10,376	10,267	10,465	Sun Life Capital Trust	7.09	30 Jun 2052	3,955	5,156	5,142
Bank of Montreal	1.88	31 Mar 2021	661	647	661	Toronto Dominion Bank	2.45	2 Apr 2019	9,273	9,308	9,492
Bank of Montreal	3.40	23 Apr 2021	13,927	14,224	14,922	Toronto Dominion Bank	2.05	8 Mar 2021	1,585	1,561	1,572
Bank of Montreal	1.61	28 Oct 2021	770	742	744	Toronto Dominion Bank	1.68	8 Jun 2021	7,083	6,904	7,011
Bank of Montreal	2.27	11 Jul 2022	1,080	1,057	1,076	Toronto Dominion Bank	2.62	22 Dec 2021	14,095	14,063	14,341
Bank of Montreal	2.70	11 Sep 2024	3,155	3,099	3,100	Toronto Dominion Bank	1.99	23 Mar 2022	12,765	12,422	12,478
Bank of Montreal	3.19	1 Mar 2028	823	824	822	Toronto Dominion Bank	1.91	18 Jul 2023	780	744	748
Bank of Nova Scotia	2.27	13 Jan 2020	7,466	7,452	7,483	Toronto Dominion Bank	3.23	24 Jul 2024	870	883	907
Bank of Nova Scotia	2.09	9 Sep 2020	14,295	14,143	14,228	Wells Fargo Financial Corporation Canada	3.04	29 Jan 2021	3,675	3,710	3,739
Bank of Nova Scotia	2.87	4 Jun 2021	13,425	13,497	13,757	Wells Fargo Financial Corporation Canada	3.46	24 Jan 2023	7,789	7,963	8,090
Bank of Nova Scotia	1.90	2 Dec 2021	760	738	760				321,482	326,881	
Bank of Nova Scotia	1.83	27 Apr 2022	13,683	13,184	13,283	<b>Total Fixed Income – 66.9%</b>			<b>850,501</b>	<b>860,967</b>	
Bank of Nova Scotia	2.98	17 Apr 2023	2,046	2,052	2,045						
Bank of Nova Scotia	3.10	2 Feb 2028	1,865	1,850	1,864	<b>Security</b>		<b>Number of Securities</b>	<b>Fair Value (\$)</b>	<b>Average Cost (\$)</b>	
Caisse Centrale Desjardins	2.44	17 Jul 2019	3,983	3,993	3,994	<b>Equities – 6.4%</b>					
Caisse Centrale Desjardins	1.75	2 Mar 2020	14,470	14,293	14,303	Alimentation Couche-Tard Inc.		62	3,446	3,583	
Canadian Imperial Bank of Commerce	1.66	20 Jan 2020	1,726	1,705	1,705	ATCO Ltd.		17	663	741	
Canadian Imperial Bank of Commerce	2.30	11 Jul 2022	7,801	7,643	7,772	AutoCanada Inc.		16	358	374	
Canadian Imperial Bank of Commerce	2.47	5 Dec 2022	750	738	741	Bank of Nova Scotia		59	4,689	3,874	
Great-West Lifeco Inc.	3.34	28 Feb 2028	2,242	2,249	2,242	Birchcliff Energy Ltd.		136	632	844	
Great-West Lifeco Inc.	6.67	21 Mar 2033	1,506	1,994	2,011	Boardwalk Real Estate Investment Trust		31	1,414	1,479	
HSBC Bank Canada	2.08	26 Nov 2018	1,128	1,129	1,135	Brookfield Asset Management Inc.		21	1,048	887	
HSBC Bank Canada	2.49	13 May 2019	950	952	952	Brookfield Infrastructure Partners L.P.		15	784	646	
HSBC Bank Canada	2.91	29 Sep 2021	10,485	10,514	10,696	Brookfield Renewable Partners L.P.		15	583	615	
HSBC Bank Canada	2.17	29 Jun 2022	2,463	2,392	2,449	CAE Inc.		34	818	526	
HSBC Bank Canada	2.54	31 Jan 2023	12,424	12,181	12,336	Canadian National Railway Company		22	2,138	1,789	
Hydro One Inc.	8.90	18 Aug 2022	1,000	1,255	1,422	Canadian Natural Resources Limited		33	1,538	933	
Hydro One Inc.	8.25	22 Jun 2026	2,950	4,052	4,397	Canadian Pacific Railway Company		6	1,498	1,186	
Hydro-Québec	1.00	25 May 2019	775	769	772	Canadian Western Bank		10	339	236	
Hydro-Québec	11.00	15 Aug 2020	3,000	3,589	4,332	Cara Operations Limited		17	446	433	
Hydro-Québec	6.50	15 Feb 2035	1,000	1,438	1,463	CCL Industries Inc.		24	1,485	1,284	
Hydro-Québec	6.00	15 Feb 2040	8,000	11,539	11,489	CGI Group Inc.		14	1,053	851	
Hydro-Québec	5.00	15 Feb 2045	1,450	1,929	1,901	CI Financial Corp.		51	1,369	1,384	
Hydro-Québec	5.00	15 Feb 2050	2,600	3,559	3,538	Computer Modeling Group Ltd.		45	428	458	
Hydro-Québec	4.00	15 Feb 2055	793	940	933	DREAM Unlimited Corporation		58	553	422	
Intact Financial Corporation	3.77	2 Mar 2026	2,175	2,231	2,247	Empire Company Limited		50	1,252	1,032	
Manufacturers Life Insurance Company	2.84	12 Jan 2023	1,111	1,106	1,111	Enbridge Inc.		57	2,207	2,839	
Manufacturers Life Insurance Company	2.93	29 Nov 2023	2,448	2,462	2,505	Enerflex Ltd.		107	1,679	1,582	
Manufacturers Life Insurance Company	2.64	15 Jan 2025	5,309	5,321	5,388						

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, 2018 (in thousands of Canadian dollars)

Security	Number of Securities	Fair Value (\$)	Average Cost (\$)	Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
<b>Equities – 6.4% (continued)</b>				<b>Government Grant Investments Allocation</b>			
Fairfax Financial Holdings Limited	2	1,611	1,401	Plan II	905		872
Finning International Inc.	36	1,180	742	Founders' Plan	14,078		13,395
FirstService Corporation	6	574	331	Group Savings Plan	119,871		115,213
Franco-Nevada Corporation	28	2,522	2,279	Group Savings Plan 2001	1,030,429		1,012,135
Freehold Royalties Ltd.	131	1,702	1,547	Family Savings Plan	100,822		99,249
Granite REIT Holdings Limited Partnership	11	580	451	Individual Savings Plan	3,092		3,026
Great Canadian Gaming Corporation	22	805	433		<b>1,269,197</b>		<b>1,243,890</b>
Great-West Lifeco Inc.	31	1,068	1,056	<b>Cash and Short-term Investments Allocation</b>			
IGM Financial Inc.	16	631	575	Plan II	1		1
Imperial Oil Limited	39	1,577	1,584	Founders' Plan	14		14
Industrial Alliance Insurance and Financial Services Inc.	11	589	637	Group Savings Plan	123		123
Intact Financial Corporation	34	3,308	3,151	Group Savings Plan 2001	1,079		1,079
Loblaw Companies Limited	39	2,512	2,679	Family Savings Plan	106		106
Magna International Inc.	18	1,386	1,043	Individual Savings Plan	3		3
Maxar Technologies Ltd.	31	1,813	2,127		<b>1,326</b>		<b>1,326</b>
Methanex Corporation	8	652	405				
METRO Inc.	26	1,051	1,052				
Morguard Corporation	3	456	396				
Mullen Group Ltd.	98	1,427	1,630				
Nutrien Ltd.	44	2,579	2,424				
Onex Corporation	4	403	349				
Pason System Inc.	61	1,102	1,121				
PrairieSky Royalty Ltd.	56	1,592	1,354				
Restaurant Brands International Inc.	7	481	439				
Ritchie Brothers Auctioneers	25	1,045	943				
Royal Bank of Canada	10	968	981				
Saputo Inc.	30	1,248	1,253				
ShawCor Ltd.	36	885	1,045				
Stella-Jones Inc.	15	691	632				
Suncor Energy Inc.	47	2,324	1,682				
TELUS Corporation	45	2,062	1,893				
Toromont Industries Ltd.	24	1,354	1,000				
Toronto Dominion Bank	68	4,867	3,727				
Total Energy Services Inc.	37	504	525				
Tucows Inc.	6	501	451				
Wajax Corporation	20	475	430				
Westshore Terminals Investment Corporation	75	1,672	1,727				
Winpak Ltd.	14	677	689				
		<b>81,294</b>	<b>74,182</b>				
<b>Exchange-traded Funds – 26.6%</b>							
BMO S&P 500 Index ETF	2,581	96,452	88,640				
iShares Core S&P U.S. Total Market Index ETF	9,179	240,950	220,101				
<b>Total Equities and ETFs – 33.0%</b>		<b>418,696</b>	<b>382,923</b>				
<b>Total Investments – 99.9%</b>		<b>1,269,197</b>	<b>1,243,890</b>				
<b>Cash and cash equivalents – 0.1%</b>		<b>1,326</b>	<b>1,326</b>				
<b>Total Portfolio Assets – 100.0%</b>		<b>1,270,523</b>	<b>1,245,216</b>				

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

# Sales Charge Refund Entitlements

## Appendix II to Schedule I

### Statement of Investment Portfolio

As at April 30, 2018 (in thousands of Canadian dollars)

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

Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)	Security	Interest Rate (%)	Maturity Date	Par Value (\$)	Fair Value (\$)	Average Cost (\$)
<b>Bonds</b>						<b>Bonds (continued)</b>					
<b>Federal – 1.8%</b>						<b>Corporate – 27.5% (continued)</b>					
Canada Housing Trust	2.65	1 Oct 2027	160	151	154	TransCanada PipeLines Limited	11.80	20 Nov 2020	172	209	260
Government of Canada Kreditanstalt für Wiederaufbau Global	1.70	1 Aug 2020	2,400	1,613	1,582	TransCanada PipeLines Limited	8.29	5 Feb 2026	214	282	283
						TransCanada PipeLines Limited	6.28	26 May 2028	35	42	42
				2,080	2,074	TransCanada PipeLines Limited	6.89	7 Aug 2028	117	147	146
<b>Provincial – 0.3%</b>						University Health Network	5.64	8 Dec 2022	1,409	1,501	1,606
Province of New Brunswick	6.47	30 Nov 2027	278	321	339	University of Ontario Institute of Technology	6.35	15 Oct 2034	1,153	1,334	1,225
				321	339	Walt Disney Company	2.76	7 Oct 2024	1,456	1,430	1,457
<b>Corporate – 27.5%</b>						WTH Car Rental ULC	2.54	20 Aug 2019	1,215	1,217	1,214
407 International Inc.	6.75	27 Jul 2039	181	237	249					32,052	31,874
407 International Inc.	7.13	26 Jul 2040	438	656	672	<b>Total Fixed Income – 29.6%</b>				<b>34,453</b>	<b>34,287</b>
Apple Inc.	2.51	19 Aug 2024	2,692	2,616	2,692						
AT&T Inc.	4.85	25 May 2047	1,075	1,071	1,071						
Bank of Montreal	2.00	1 Feb 2023	1,917	1,912	1,917						
Blue Water Bridge Authority	6.41	9 Jul 2027	1,246	797	822						
Caisse Francaise de Financement Local	5.00	9 Mar 2020	200	209	219						
Canadian Pacific Railway Company	6.91	1 Oct 2024	180	98	106						
Cogeco Inc.	4.18	26 May 2023	908	940	904						
Enbridge Inc.	4.57	11 Mar 2044	907	878	852						
EUROFIMA Maple Bond	4.55	30 Mar 2027	212	234	237						
GE Capital Canada Funding Company	1.62	15 Feb 2022	1,052	1,046	965						
Greater Toronto Airports Authority	6.45	30 Jul 2029	1,231	1,466	1,498						
InPower BC General Partnership	4.47	31 Mar 2033	535	555	532						
Kraft Canada Inc.	2.20	6 Jul 2020	1,783	1,805	1,783						
KS SP Limited Partnership	3.21	15 Jun 2019	1,373	1,211	1,209						
Loblaw Companies Limited	6.54	17 Feb 2033	173	215	214						
Maritimes and Northeast Pipelines Limited Partnership	4.34	30 Nov 2019	172	174	177						
Maritimes and Northeast Pipelines Limited Partnership	6.90	30 Nov 2019	37	39	42						
McCain Finance Limited	3.87	7 Feb 2023	737	759	737						
NAV Canada	7.56	1 Mar 2027	1,488	1,794	1,871						
North Battleford Power L.P.	4.96	31 Dec 2032	173	187	196						
Nova Gas Transmission Ltd.	9.90	16 Dec 2024	109	149	167						
Ornge Issuer Trust	5.73	11 Jun 2034	1,737	1,984	2,002						
Pembina Pipeline Corp	4.75	26 Mar 2048	420	420	420						
Public Sector Pension Investment Board	3.27	12 Jun 2020	1,652	1,647	1,660						
Shaw Communications Inc.	6.75	9 Nov 2039	1,284	1,606	1,274						
SNC-Lavalin Group Inc.	2.69	24 Nov 2020	449	447	449						
St. Clair Holding ULC	4.88	31 Aug 2031	363	361	363						
Strait Crossing Development Inc.	6.17	15 Sep 2031	451	377	341						

  

Security	Number of Securities	Fair Value (\$)	Average Cost (\$)
<b>Pooled Equity Funds</b>			
CC&L Global Equity Fund	3,715	81,810	87,877
<b>Total Equities – 70.2%</b>		<b>81,810</b>	<b>87,877</b>
<b>Total Investments – 99.8%</b>		<b>116,263</b>	<b>122,164</b>
<b>Cash and cash equivalents – 0.2%</b>		<b>268</b>	<b>268</b>
<b>Total Portfolio Assets – 100.0%</b>		<b>116,531</b>	<b>122,432</b>
<b>Total Investments Allocation</b>			
Group Savings Plan 2001		91,362	97,064
Group Savings Plan		24,901	25,100
		<b>116,263</b>	<b>122,164</b>
<b>Cash and cash equivalents Allocation</b>			
Group Savings Plan 2001		213	213
Group Savings Plan		55	55
		<b>268</b>	<b>268</b>

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

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2235 Sheppard Avenue East, Suite 1600  
Toronto, Ontario M2J 5B8

## Trustee

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Toronto, Ontario M5V 3L3

## Auditor

Deloitte LLP  
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8 Adelaide Street West, Suite 200  
Toronto, Ontario M5H 0A9

## Bank

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Royal Bank Plaza  
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For updates on your Plan account, login to Online Services at [www.cst.org](http://www.cst.org)  
In Quebec, Canadian Scholarship Trust Plan is distributed by  
C.S.T. Consultants Inc. Scholarship Plan Brokerage Firm.

