

ScotiaFunds®

Annual Report

December 31, 2016

1832 AM Canadian Dividend LP
1832 AM Canadian Growth LP
1832 AM Canadian Preferred Share LP
1832 AM Global Completion LP
1832 AM North American Preferred Share LP
1832 AM Tactical Asset Allocation LP
Scotia Global Low Volatility Equity LP
Scotia Total Return Bond LP
Scotia U.S. Dividend Growers LP
Scotia U.S. Low Volatility Equity LP

Table of Contents

Financial Statements

1	1832 AM Canadian Dividend LP
5	1832 AM Canadian Growth LP
9	1832 AM Canadian Preferred Share LP
15	1832 AM Global Completion LP
19	1832 AM North American Preferred Share LP
25	1832 AM Tactical Asset Allocation LP
29	Scotia Global Low Volatility Equity LP
34	Scotia Total Return Bond LP
40	Scotia U.S. Dividend Growers LP
43	Scotia U.S. Low Volatility Equity LP
46	Notes to the Financial Statements
54	Management's Responsibility for Financial Reporting
55	Independent Auditor's Report

1832 AM Canadian Dividend LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	527,294,737	442,723,600
Unrealized gain on currency forward contracts	13,820	–
Unrealized gain on currency spot contracts	9,426	–
Cash	37,369,682	67,795,316
Receivable for securities sold	10,263,600	353,797
Subscriptions receivable	–	159,000
Accrued investment income and other	1,114,015	831,498
	<u>576,065,280</u>	<u>511,863,211</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	977,803	19,802,169
Accrued expenses	710	–
Unrealized loss on currency forward contracts	94,027	–
	<u>1,072,540</u>	<u>19,802,169</u>
Net assets attributable to holders of redeemable units	<u>574,992,740</u>	<u>492,061,042</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>574,992,740</u>	<u>492,061,042</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>10.29</u>	<u>8.87</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	14,911,102	8,158,457
Interest for distribution purposes	331,539	253,817
Net realized gain (loss) on non-derivative financial assets	(422,804)	(1,251,434)
Net realized gain (loss) on currency forward contracts	1,411,662	–
Change in unrealized gain (loss) on non-derivative financial assets	66,777,043	(62,528,101)
Change in unrealized gain (loss) on currency forward contracts	(80,207)	–
Change in unrealized gain (loss) on currency spots contracts	9,426	–
Net gain (loss) on investments	<u>82,937,761</u>	<u>(55,367,261)</u>
Net realized and unrealized foreign currency translation gain (loss)	129,219	432,570
Total income (loss), net	<u>83,066,980</u>	<u>(54,934,691)</u>
EXPENSES		
Fixed administration fees (note 6)	214,420	124,135
Independent Review Committee fees	1,184	704
Interest expense and bank overdraft charges	32	1,978
Foreign withholding taxes/tax reclaims	131,208	163,117
Other fund costs	93	613
Harmonized Sales Tax/Goods and Services Tax	28,041	16,266
Transaction costs	767,288	1,032,819
Total expenses	<u>1,142,266</u>	<u>1,339,632</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>81,924,714</u>	<u>(56,274,323)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>81,924,714</u>	<u>(56,274,323)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>1.45</u>	<u>(1.26)</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>56,572,488</u>	<u>44,699,026</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	492,061,042	–
	<u>492,061,042</u>	<u>–</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	81,924,714	(56,274,323)
	<u>81,924,714</u>	<u>(56,274,323)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	31,269,001	551,600,365
Payments on redemption		
Series I	(30,262,017)	(3,265,000)
	<u>1,006,984</u>	<u>548,335,365</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	82,931,698	492,061,042
	<u>82,931,698</u>	<u>492,061,042</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	574,992,740	492,061,042
	<u>574,992,740</u>	<u>492,061,042</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	81,924,714	(56,274,323)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	422,804	1,251,434
Unrealized foreign currency translation (gain) loss	42,270	(42,026)
Change in unrealized (gain) loss on non-derivative financial assets	(66,777,043)	62,528,101
Change in unrealized (gain) loss on currency forward contracts	80,207	–
Change in unrealized (gain) loss on currency spot contracts	(9,426)	–
Purchases of portfolio investments	(503,517,503)	(778,854,464)
Proceeds from sale of portfolio investments	456,566,436	291,799,701
Accrued investment income and other receivables	(282,517)	(831,498)
Accrued expenses and other payables	710	–
Net cash provided by (used in) operating activities	<u>(31,549,348)</u>	<u>(480,423,075)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	31,428,001	551,441,365
Amounts paid on redemption of redeemable units	(30,262,017)	(3,265,000)
Net cash provided by (used in) financing activities	1,165,984	548,176,365
Unrealized foreign currency translation gain (loss)	(42,270)	42,026
Net increase (decrease) in cash	(30,383,364)	67,753,290
Cash (bank overdraft), beginning of period	67,795,316	–
CASH (BANK OVERDRAFT), END OF PERIOD	<u>37,369,682</u>	<u>67,795,316</u>
Interest paid ⁽¹⁾	32	1,978
Interest received ⁽¹⁾	341,101	230,090
Dividends received, net of withholding taxes ⁽¹⁾	14,487,816	7,187,569

⁽¹⁾ Classified as operating items.

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

1832 AM Canadian Dividend LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
Consumer Discretionary – 13.0%				Financials (cont'd)			
776,600	Aimia Inc.	10,290,491	6,896,208	214,100	Toronto-Dominion Bank, The	10,928,068	14,177,702
65,500	Aritzia Inc., Subordinated Voting	1,048,000	1,146,250			93,814,723	95,700,946
430,000	Cineplex, Inc.	21,213,901	22,024,600	Health Care – 1.8%			
28,700	Dollar General Corporation	2,735,789	2,855,812	18,000	Aetna Inc.	2,744,585	2,999,315
30,600	Dollar Tree, Inc.	2,985,019	3,172,718	23,313	Anthem, Inc.	4,601,858	4,503,157
423,400	EnerCare Inc.	6,644,229	7,553,456	24,900	MEDNAX, Inc.	2,347,816	2,230,323
522,800	Hudson's Bay Company	10,601,467	6,895,732	35,500	Valeant Pharmaceuticals International, Inc.	5,831,111	691,185
63,200	Mattel, Inc.	2,631,297	2,339,074			15,525,370	10,423,980
410,200	Shaw Communications, Inc., Class B	11,199,225	11,050,788	Industrials – 12.0%			
365,600	Uni-Select Inc.	11,123,706	10,781,544	263,400	Aecon Group Inc.	3,780,791	4,016,850
		80,473,124	74,716,182	23,300	Boyd Group Income Fund	1,239,256	1,993,548
Consumer Staples – 5.5%				51,600	Canadian National Railway Company	3,982,206	4,662,576
165,500	Alimentation Couche-Tard Inc., Class B	10,171,792	10,075,640	76,836	Canadian Pacific Railway Limited	15,241,724	14,718,704
22,100	CVS Health Corporation	2,824,175	2,343,809	226,000	K-Bro Linen Inc.	11,033,629	9,525,900
162,700	Empire Company Limited, Class A	3,228,640	2,557,644	17,700	MacDonald, Dettwiler and Associates Ltd.	1,462,678	1,183,953
59,300	Kroger Company, The	2,448,378	2,750,386	912,000	Morneau Shepell, Inc.	15,710,703	17,501,280
121,100	Loblaw Companies Limited	8,233,811	8,578,724	208,100	Stantec Inc.	6,649,284	7,058,752
132,500	Metro Inc., Class A	5,361,717	5,321,200	76,876	Waste Connections Inc.	6,277,772	8,098,118
		32,268,513	31,627,403			65,378,043	68,759,681
Energy – 24.9%				Information Technology – 3.9%			
381,900	Canadian Natural Resources Ltd.	13,476,335	16,341,501	504,791	Davis + Henderson Income Corporation	17,338,880	11,246,743
323,200	Crescent Point Energy Corporation	6,447,135	5,898,400	134,500	Open Text Corporation	9,631,342	11,152,740
384,800	Enbridge Inc.	20,493,241	21,741,200			26,970,222	22,399,483
950,100	Enerplus Corporation	7,827,816	12,104,274	Materials – 3.6%			
17,000	Freehold Royalties Ltd.	241,397	240,890	174,200	Agnico-Eagle Mines Limited	11,620,442	9,833,590
218,000	Gibson Energy Inc.	3,961,349	4,137,640	59,300	Detour Gold Corporation	1,548,417	1,084,597
776,900	NuVista Energy Ltd.	6,243,823	5,391,686	183,500	Dominion Diamond Corporation	2,173,446	2,387,335
103,100	Parkland Fuel Corporation	2,833,240	2,900,203	391,000	SEMAFO Inc.	1,500,267	1,728,220
340,100	Pason Systems Inc.	5,916,733	6,679,564	135,100	Silver Wheaton Corporation	4,607,357	3,504,494
138,400	Pembina Pipeline Corporation	4,626,862	5,807,264	190,800	Tahoe Resources Inc.	2,949,159	2,413,620
1,371,629	Precision Drilling Corporation	8,504,004	10,040,324			24,399,088	20,951,856
325,100	Secure Energy Services Inc.	4,497,021	3,806,921	Real Estate – 1.7%			
43,200	ShawCor Ltd.	1,362,960	1,548,288	322,200	Altus Group Ltd.	5,910,366	9,975,312
68,556	Suncor Energy, Inc.	2,595,746	3,009,608	Telecommunication Services – 2.9%			
429,600	TORC Oil & Gas Ltd.	4,054,449	3,552,792	317,400	Rogers Communications, Inc., Class B	14,925,657	16,438,146
296,700	TransCanada Corporation	13,558,971	17,962,218	Utilities – 5.8%			
2,805,000	Trinidad Drilling Ltd.	12,809,032	9,368,700	331,440	Emera Inc.	15,014,630	15,044,062
807,300	Veresen Inc.	8,787,278	10,583,703	223,300	Fortis, Inc.	9,154,385	9,258,018
165,600	Whitecap Resources, Inc.	2,238,874	2,013,696	376,200	Hydro One Limited	8,792,342	8,870,796
		130,476,266	143,128,872			32,961,357	33,172,876
Financials – 16.6%				TOTAL INVESTMENT PORTFOLIO			
153,100	Bank of Nova Scotia, The	8,735,651	11,445,756			523,102,729	527,294,737
785,375	Canaccord Financial Inc.	5,103,601	3,746,239	Unrealized Gain (Loss) on Derivatives – 0.0%			
58,900	CI Financial Corporation	2,026,757	1,700,443	OTHER ASSETS, LESS LIABILITIES – 8.3%			
897,670	Gluskin Sheff + Associates Inc.	23,966,375	15,655,364	NET ASSETS – 100.0%			
241,985	Intact Financial Corporation	21,958,207	23,254,759				(80,207)
552,400	Manulife Financial Corporation	11,297,449	13,207,884				47,778,210
137,700	Royal Bank of Canada	9,798,615	12,512,799				574,992,740

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Bank of Montreal	A-1	Jan. 19, 2017	US Dollar	3,000,000	Canadian Dollar	4,014,915	1.338	1.343	13,820
									13,820

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Bank of Montreal	A-1	Jan. 19, 2017	Canadian Dollar	6,208,378	US Dollar	4,650,000	0.749	0.745	(36,083)
Royal Bank of Canada	A-1+	Jan. 19, 2017	Canadian Dollar	2,069,452	US Dollar	1,550,000	0.749	0.745	(12,035)
Toronto-Dominion Bank, The	A-1+	Feb. 24, 2017	Canadian Dollar	2,073,210	US Dollar	1,550,000	0.748	0.745	(7,299)
Canadian Imperial Bank of Commerce	A-1	Feb. 24, 2017	Canadian Dollar	9,022,590	US Dollar	6,750,000	0.748	0.745	(37,691)
Bank of Montreal	A-1	Feb. 24, 2017	US Dollar	600,000	Canadian Dollar	806,280	1.344	1.342	(919)
									(94,027)

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

1832 AM Canadian Dividend LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund seeks to provide income and long-term capital growth by investing primarily in equity securities of Canadian business that pay dividend or distribution.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2016 and December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	24,865,576	(15,892,208)	8,973,368	1.6
	24,865,576	(15,892,208)	8,973,368	1.6

Currency	December 31, 2015			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	104,248,010	–	104,248,010	21.2
	104,248,010	–	104,248,010	21.2

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$897,337 or 0.2% of net assets (December 31, 2015 – \$10,424,801 or 2.1%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 91.7% (December 31, 2015 – 90.0%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$52,729,474 (December 31, 2015 – \$44,272,360). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2016 or December 31, 2015.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Consumer Discretionary	13.0	17.8
Consumer Staples	5.5	1.0
Energy	24.9	14.7
Financials	16.6	17.4
Health Care	1.8	13.6
Industrials	12.0	17.2
Information Technology	3.9	4.9
Materials	3.6	–
Real Estate	1.7	–
Telecommunication Services	2.9	2.4
Utilities	5.8	1.0

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	527,294,737	–	–	527,294,737
Unrealized gain on currency forward contracts	–	13,820	–	13,820
Unrealized gain on currency spot contracts	–	9,426	–	9,426
	527,294,737	23,246	–	527,317,983
Unrealized loss on currency forward contracts	–	(94,027)	–	(94,027)
	527,294,737	(70,781)	–	527,223,956

December 31, 2015	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	442,723,600	–	–	442,723,600
	442,723,600	–	–	442,723,600

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements. As at December 31, 2015, the

1832 AM Canadian Dividend LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

December 31, 2016				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Currency forward contracts	13,820	(13,820)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	13,820	(13,820)	–	–

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Currency forward contracts	94,027	(13,820)	–	80,207
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	94,027	(13,820)	–	80,207

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2016 or December 31, 2015.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

1832 AM Canadian Growth LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	240,940,420	190,740,869
Unrealized gain on currency forward contracts	656	2,698
Cash	2,052,831	2,147,146
Subscriptions receivable	3,018,600	—
Accrued investment income and other	353,975	352,427
	<u>246,366,482</u>	<u>193,243,140</u>
LIABILITIES		
Current liabilities		
Redemptions payable	17,800	—
Accrued expenses	304	—
Unrealized loss on currency forward contracts	102,035	55,232
	<u>120,139</u>	<u>55,232</u>
Net assets attributable to holders of redeemable units	<u>246,246,343</u>	<u>193,187,908</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	246,246,343	193,187,908
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	10.31	9.81

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	4,051,308	2,067,750
Interest for distribution purposes	32,618	8,363
Net realized gain (loss) on non-derivative financial assets	(10,345,676)	(388,292)
Net realized gain (loss) on currency forward contracts	(1,139,623)	(464,281)
Change in unrealized gain (loss) on non-derivative financial assets	22,019,874	(4,734,073)
Change in unrealized gain (loss) on currency forward contracts	(48,845)	(52,534)
Net gain (loss) on investments	14,569,656	(3,563,067)
Net realized and unrealized foreign currency translation gain (loss)	39,305	460,468
Total income (loss), net	<u>14,608,961</u>	<u>(3,102,599)</u>
EXPENSES		
Fixed administration fees (note 6)	86,528	49,342
Independent Review Committee fees	1,184	973
Interest expense and bank overdraft charges	2,771	1,744
Foreign withholding taxes/tax reclaims	94,144	48,497
Other fund costs	36	242
Harmonized Sales Tax/Goods and Services Tax	11,407	6,556
Transaction costs	315,256	301,499
Total expenses	<u>511,326</u>	<u>408,853</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>14,097,635</u>	<u>(3,511,452)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	14,097,635	(3,511,452)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	0.62	(0.21)
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	22,615,426	16,649,530

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	193,187,908	—
	<u>193,187,908</u>	<u>—</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	14,097,635	(3,511,452)
	<u>14,097,635</u>	<u>(3,511,452)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	46,859,400	196,949,360
Payments on redemption		
Series I	(7,898,600)	(250,000)
	<u>38,960,800</u>	<u>196,699,360</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	53,058,435	193,187,908
	<u>53,058,435</u>	<u>193,187,908</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	246,246,343	193,187,908
	<u>246,246,343</u>	<u>193,187,908</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	14,097,635	(3,511,452)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	10,345,676	388,292
Unrealized foreign currency translation (gain) loss	4,328	(146,810)
Change in unrealized (gain) loss on non-derivative financial assets	(22,019,874)	4,734,073
Change in unrealized (gain) loss on currency forward contracts	48,845	52,534
Purchases of portfolio investments	(171,625,566)	(256,228,222)
Proceeds from sale of portfolio investments	133,100,213	60,364,988
Accrued investment income and other receivables	(1,548)	(352,427)
Accrued expenses and other payables	304	—
Net cash provided by (used in) operating activities	<u>(36,049,987)</u>	<u>(194,699,024)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	43,840,800	196,949,360
Amounts paid on redemption of redeemable units	(7,880,800)	(250,000)
Net cash provided by (used in) financing activities	35,960,000	196,699,360
Unrealized foreign currency translation gain (loss)	(4,328)	146,810
Net increase (decrease) in cash	(89,987)	2,000,336
Cash (bank overdraft), beginning of period	2,147,146	—
CASH (BANK OVERDRAFT), END OF PERIOD	<u>2,057,159</u>	<u>2,147,146</u>
Interest paid ⁽¹⁾	2,771	1,744
Interest received ⁽¹⁾	31,869	7,866
Dividends received, net of withholding taxes ⁽¹⁾	3,956,365	1,667,323

⁽¹⁾ Classified as operating items.

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

1832 AM Canadian Growth LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
Consumer Discretionary – 13.4%				Health Care – 2.3%			
34,400	Canadian Tire Corporation, Limited, Class A	4,630,881	4,790,888	15,000	Biogen Inc.	6,435,343	5,718,047
42,800	Cara Operations Ltd.	1,251,900	1,067,860	Industrials – 9.7%			
114,900	Gildan Activewear Inc.	4,453,385	3,916,941	76,300	Canadian National Railway Company	6,133,273	6,894,468
348,500	Hudson's Bay Company	8,526,401	4,596,715	17,900	Canadian Pacific Railway Limited	3,478,976	3,428,924
106,500	Magna International Inc.	5,787,584	6,208,950	15,000	FedEx Corporation	3,674,190	3,752,620
83,800	Restaurant Brands International Inc.	4,448,726	5,359,010	179,200	Finning International Inc.	4,224,710	4,711,168
255,200	Shaw Communications, Inc., Class B	6,325,792	6,875,088	153,100	Stantec Inc.	5,202,071	5,193,152
		<u>35,424,669</u>	<u>32,815,452</u>			<u>22,713,220</u>	<u>23,980,332</u>
Consumer Staples – 4.7%				Information Technology – 15.8%			
77,900	Alimentation Couche-Tard Inc., Class B	4,927,480	4,742,552	8,600	Alphabet Inc., Class C	6,114,399	8,925,224
96,700	Loblaws Companies Limited	6,303,912	6,850,228	174,240	BuildDirect.com Technologies Inc., Restricted*	1,184,004	409,629
		<u>11,231,392</u>	<u>11,592,780</u>	417,700	Celestica Inc.	6,184,635	6,645,607
Energy – 19.2%				133,300	CGI Group Inc., Class A	6,925,475	8,589,852
159,200	ARC Resources Ltd.	3,692,432	3,679,112	241,500	First Data Corporation	4,617,619	4,603,677
872,100	Birchcliff Energy Ltd.	6,611,761	8,171,577	93,900	Microsoft Corporation	6,743,863	7,838,666
308,100	Cenovus Energy Inc.	6,202,047	6,254,430	21,500	Salesforce.com, Inc.	2,152,536	1,977,770
129,500	Keyera Corporation	5,277,217	5,239,570			<u>33,922,531</u>	<u>38,990,425</u>
624,100	Precision Drilling Corporation	3,590,354	4,568,412	Materials – 6.4%			
352,500	Secure Energy Services Inc.	3,236,764	4,127,775	63,000	Agnico-Eagle Mines Limited	3,407,593	3,556,350
164,100	Suncor Energy, Inc.	5,911,114	7,203,990	106,500	Barrick Gold Corporation	2,390,968	2,288,685
174,600	Veresen Inc.	1,505,392	2,289,006	18,200	CCL Industries Inc., Class B	2,766,493	4,801,160
471,300	Whitecap Resources, Inc.	4,592,590	5,731,008	79,800	First Quantum Minerals Ltd.	1,210,419	1,065,330
		<u>40,619,671</u>	<u>47,264,880</u>	168,600	Potash Corporation of Saskatchewan Inc.	4,295,628	4,095,294
						<u>14,071,101</u>	<u>15,806,819</u>
Financials – 21.6%				Telecommunication Services – 4.7%			
100,700	Canadian Imperial Bank of Commerce	9,721,918	11,032,692	82,000	Level 3 Communications, Inc.	5,601,346	6,208,549
77,200	Canadian Western Bank	2,289,246	2,342,248	123,200	TELUS Corporation	5,114,999	5,266,800
402,200	Element Financial Corporation	5,395,940	5,011,412			<u>10,716,345</u>	<u>11,475,349</u>
49,850	INFOR Acquisition Corporation Warrants Jul 06, 2020	–	17,946	TOTAL INVESTMENT PORTFOLIO			
99,700	INFOR Acquisition Corporation, Restricted	997,000	993,012			<u>223,622,678</u>	<u>240,940,420</u>
72,000	Intact Financial Corporation	6,757,355	6,919,200	Unrealized Gain (Loss) on Derivatives – 0.0%			
323,900	Manulife Financial Corporation	7,041,887	7,744,449	OTHER ASSETS, LESS LIABILITIES – 2.2%			
53,200	Morgan Stanley	2,272,989	3,019,560	NET ASSETS – 100.0%			
35,000	Power Financial Corporation	1,154,085	1,174,600				(101,379)
80,700	Royal Bank of Canada	6,245,215	7,333,209				5,407,302
116,400	Toronto-Dominion Bank, The	6,612,771	7,708,008				<u>246,246,343</u>
		<u>48,488,406</u>	<u>53,296,336</u>				

* This security is not actively traded and considered illiquid.

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 19, 2017	US Dollar	100,000	Canadian Dollar	134,287	1.343	1.343	4
Toronto-Dominion Bank, The	A-1+	Feb. 24, 2017	US Dollar	300,000	Canadian Dollar	402,030	1.34	1.342	652
									<u>656</u>

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Bank of Montreal	A-1	Jan. 19, 2017	Canadian Dollar	9,826,594	US Dollar	7,360,000	0.749	0.745	(57,112)
Toronto-Dominion Bank, The	A-1+	Feb. 24, 2017	Canadian Dollar	12,760,275	US Dollar	9,540,000	0.748	0.745	(44,923)
									<u>(102,035)</u>

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

1832 AM Canadian Growth LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to provide long-term capital growth. It invests primarily in a broad range of Canadian equity securities.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2016 and December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	44,450,726	(22,152,198)	22,298,528	9.1
	44,450,726	(22,152,198)	22,298,528	9.1

December 31, 2015				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	57,807,316	–	57,807,316	29.9
British Pound	758,653	(1,644,481)	(885,828)	(0.5)
	58,565,969	(1,644,481)	56,921,488	29.4

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$2,229,853 or 0.9% of net assets (December 31, 2015 – \$5,692,149 or 3.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 97.8% (December 31, 2015 – 98.7%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$24,094,042 (December 31, 2015 – \$19,074,087). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2016 or December 31, 2015.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Consumer Discretionary	13.4	14.1
Consumer Staples	4.7	3.2
Energy	19.2	1.4
Financials	21.6	31.4
Health Care	2.3	6.3
Industrials	9.7	11.5
Information Technology	15.8	20.9
Materials	6.4	6.9
Telecommunication Services	4.7	3.0

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	240,512,845	–	409,629	240,922,474
Warrants, rights and options	17,946	–	–	17,946
Unrealized gain on currency forward contracts	–	656	–	656
	240,530,791	656	409,629	240,941,076
Unrealized loss on currency forward contracts	–	(102,035)	–	(102,035)
	240,530,791	(101,379)	409,629	240,839,041

December 31, 2015	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	188,643,892	758,653	1,314,396	190,716,941
Warrants, rights and options	23,928	–	–	23,928
Currency forward contracts – assets	–	2,698	–	2,698
	188,667,820	761,351	1,314,396	190,743,567
Currency forward contracts – liabilities	–	(55,232)	–	(55,232)
	188,667,820	706,119	1,314,396	190,688,335

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

1832 AM Canadian Growth LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Reconciliation of Level 3 financial instruments

The following table presents the movement in the Fund's Level 3 financial instruments for the periods ended:

	December 31, 2016 (\$)	December 31, 2015 (\$)
Beginning of period	1,314,396	–
Purchases	–	1,184,004
Sales	–	–
Transfers into Level 3	–	–
Transfers out of Level 3	–	–
Net realized gains (losses)	–	–
Net changes in unrealized gain (loss)*	(904,767)	130,392
End of period	409,629	1,314,396

* Net change in unrealized gain (loss) for Level 3 financial instruments held as at December 31, 2016 and December 31, 2015 was \$(904,767) and \$130,392, respectively.

Level 3 valuation techniques

The tables below summarize the valuation techniques and the significant unobservable inputs used in the fair value measurement of Level 3 financial instruments. The significant unobservable inputs used in valuation of Level 3 financial instruments can vary considerably over time depending on company specific factors and economic or market conditions. The tables also illustrate the potential impact on the Fund if the significant unobservable inputs used in the valuation techniques had increased or decreased by 5%, with all other variables held constant. Certain significant unobservable inputs used in the valuation techniques are not reasonably expected to shift and are indicated in the tables below as "n/a". Securities where the reasonable possible shift in the significant unobservable input did not result in a material impact on the Fund are indicated in the table below as nil.

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2016 (\$)	Reasonable possible shift (+/-) (\$)
Equities	Financing transaction price	Financing price	409,629	n/a
			409,629	

Security	Valuation technique	Significant unobservable input	Carrying value as at December 31, 2015 (\$)	Reasonable possible shift (+/-) (\$)
Equities	Financing transaction price	Financing price	1,314,396	n/a
			1,314,396	

Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as

bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

	December 31, 2016			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	656	(656)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	656	(656)	–	–

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	102,035	(656)	–	101,379
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	102,035	(656)	–	101,379

	December 31, 2015			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	2,698	(2,698)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	2,698	(2,698)	–	–

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	55,232	(2,698)	–	52,534
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	55,232	(2,698)	–	52,534

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2016 or December 31, 2015.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

1832 AM Canadian Preferred Share LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	134,897,517	125,251,043
Unrealized gain on currency forward contracts	6,235	–
Cash	4,068,386	1,458,268
Receivable for securities sold	2,081,163	–
Accrued investment income and other	449,602	162,017
	<u>141,502,903</u>	<u>126,871,328</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	878,217	160,287
Redemptions payable	–	70,000
Accrued expenses	304	–
Unrealized loss on currency forward contracts	36,666	1,456
	<u>915,187</u>	<u>231,743</u>
Net assets attributable to holders of redeemable units	<u>140,587,716</u>	<u>126,639,585</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	140,587,716	126,639,585
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNIT PER UNIT		
Series I	9.96	9.19

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	6,421,254	6,770,011
Interest for distribution purposes	142,057	109,546
Net realized gain (loss) on non-derivative financial assets	(6,077,876)	(5,596,100)
Net realized gain (loss) on currency forward contracts	(45,255)	(77,525)
Change in unrealized gain (loss) on non-derivative financial assets	10,401,376	(20,847,915)
Change in unrealized gain (loss) on currency forward contracts	(28,975)	18,757
Net gain (loss) on investments	<u>10,812,581</u>	<u>(19,623,226)</u>
Securities lending	4,556	8,438
Net realized and unrealized foreign currency translation gain (loss)	10,817	927
Total income (loss), net	<u>10,827,954</u>	<u>(19,613,861)</u>
EXPENSES		
Fixed administration fees (note 6)	86,915	98,811
Independent Review Committee fees	1,184	1,170
Interest expense and bank overdraft charges	850	–
Foreign withholding taxes/tax reclaims	7,596	–
Other fund costs	21	154
Harmonized Sales Tax/Goods and Services Tax	11,459	13,007
Transaction costs	58,569	145,101
Total expenses	<u>166,594</u>	<u>258,243</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>10,661,360</u>	<u>(19,872,104)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	10,661,360	(19,872,104)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	0.77	(1.36)
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	13,818,553	14,621,140

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	126,639,585	160,841,749
	<u>126,639,585</u>	<u>160,841,749</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	10,661,360	(19,872,104)
	<u>10,661,360</u>	<u>(19,872,104)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	17,931,733	53,739,942
Payments on redemption		
Series I	(14,644,962)	(68,070,002)
	<u>3,286,771</u>	<u>(14,330,060)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	13,948,131	(34,202,164)
	<u>13,948,131</u>	<u>(34,202,164)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	140,587,716	126,639,585
	<u>140,587,716</u>	<u>126,639,585</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	10,661,360	(19,872,104)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	6,077,876	5,596,100
Unrealized foreign currency translation (gain) loss	800	(3,232)
Change in unrealized (gain) loss on non-derivative financial assets	(10,401,376)	20,847,915
Change in unrealized (gain) loss on currency forward contracts	28,975	(18,757)
Purchases of portfolio investments	(38,927,571)	(62,253,704)
Proceeds from sale of portfolio investments	32,241,364	57,167,366
Accrued investment income and other receivables	(23,753)	(60,831)
Accrued expenses and other payables	304	–
Net cash provided by (used in) operating activities	<u>(342,021)</u>	<u>1,402,753</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	17,931,733	53,739,942
Amounts paid on redemption of redeemable units	(14,714,962)	(68,000,002)
Net cash provided by (used in) financing activities	3,216,771	(14,260,060)
Unrealized foreign currency translation gain (loss)	(800)	3,232
Net increase (decrease) in cash	2,874,750	(12,857,307)
Cash (bank overdraft), beginning of period	1,458,268	14,312,343
CASH (BANK OVERDRAFT), END OF PERIOD	<u>4,332,218</u>	<u>1,458,268</u>
Interest paid ⁽¹⁾	850	–
Interest received ⁽¹⁾	119,941	124,844
Dividends received, net of withholding taxes ⁽¹⁾	6,412,020	6,693,882

⁽¹⁾ Classified as operating items.

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

1832 AM Canadian Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Face Value (\$)/ Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 1.7%				EQUITIES (cont'd)			
Corporate Bonds – 1.7%				Financials (cont'd)			
2,100,000	TransCanada PipeLines Ltd. (Callable) 6.35% May 15, 2017	1,898,840	2,370,322	150,100	Bank of Montreal, 4.85%, Preferred, Series 38	3,751,888	3,874,068
	TOTAL BONDS AND DEBENTURES	1,898,840	2,370,322	13,200	Bank of Nova Scotia, The, 0.79%, Preferred, Series 23	298,002	308,352
EQUITIES – 94.2%				3,900	Bank of Nova Scotia, The, 1.41%, Preferred, Series 31	73,817	78,936
Consumer Discretionary – 0.3%				13,500	Bank of Nova Scotia, The, 2.06%, Preferred, Series 32	272,841	282,960
26,400	Shaw Communications, Inc., 4.50%, Preferred, CI2 Series A	411,462	394,152	5,500	Bank of Nova Scotia, The, 2.69%, Preferred, Series 21	123,750	127,353
Consumer Staples – 0.1%				19,000	Bank of Nova Scotia, The, 3.03%, Preferred, Series 19	437,950	455,050
3,500	George Weston Limited, 5.20%, Preferred, Series D	84,330	85,155	46,500	Bank of Nova Scotia, The, 3.35%, Preferred, Series 18	1,168,545	1,152,038
4,400	George Weston Limited, 5.20%, Preferred, Series III	105,732	106,920	2,400	Bank of Nova Scotia, The, 1.82%, Preferred, Series 30	49,300	51,384
		190,062	192,075	39,300	Brookfield Asset Management Inc. (Floating Rate), 1.89%, Preferred, Series 13	414,615	438,588
Energy – 19.5%				7,500	Brookfield Asset Management Inc. (Floating Rate), 1.89%, Preferred, Series 2	79,080	84,525
500	AltaGas Ltd. (Floating Rate), Preferred, Series B	8,089	8,485	3,400	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 4	35,547	37,978
19,000	AltaGas Ltd., 4.75%, Preferred, Series G	436,254	422,560	73,300	Brookfield Asset Management Inc., 4.20%, Preferred, Series 34	1,524,031	1,441,811
42,200	AltaGas Ltd., 5.00%, Preferred, Series A	782,618	755,380	39,200	Brookfield Asset Management Inc., 4.40%, Preferred, Series 38	969,369	811,832
7,000	AltaGas Ltd., 5.00%, Preferred, Series E	156,746	165,340	78,000	Brookfield Asset Management Inc., 4.50%, Preferred, Series 26	1,814,216	1,350,180
4,600	Enbridge Inc., 4.00%, Preferred, Series 1	105,728	135,952	29,700	Brookfield Asset Management Inc., 4.50%, Preferred, Series 32	708,816	635,877
116,400	Enbridge Inc., 4.00%, Preferred, Series 3	2,558,016	2,013,720	90,000	Brookfield Asset Management Inc., 4.50%, Preferred, Series 40	2,269,865	1,996,200
10,800	Enbridge Inc., 4.00%, Preferred, Series B	212,411	186,624	15,800	Brookfield Asset Management Inc., 4.50%, Preferred, Series 42	386,148	353,920
99,800	Enbridge Inc., 4.00%, Preferred, Series D	2,278,149	1,712,568	34,850	Brookfield Asset Management Inc., 4.60%, Preferred, Series 28	725,981	530,069
61,200	Enbridge Inc., 4.00%, Preferred, Series F	1,339,150	1,074,060	7,300	Brookfield Asset Management Inc., 4.75%, Preferred, Series 17	158,261	155,709
66,100	Enbridge Inc., 4.00%, Preferred, Series H	1,387,391	1,055,617	13,500	Brookfield Asset Management Inc., 4.75%, Preferred, Series 18	289,845	288,563
8,000	Enbridge Inc., 4.00%, Preferred, Series L	170,329	237,621	11,896	Brookfield Asset Management Inc., 4.80%, Preferred, Series 30	243,022	245,652
34,700	Enbridge Inc., 4.00%, Preferred, Series N	634,555	639,868	75,900	Brookfield Asset Management Inc., 4.80%, Preferred, Series 46	1,897,420	1,946,835
133,000	Enbridge Inc., 4.00%, Preferred, Series P	2,915,656	2,369,395	74,900	Brookfield Asset Management Inc., 4.85%, Preferred, Series 36	1,630,134	1,610,350
46,300	Enbridge Inc., 4.00%, Preferred, Series R	1,007,375	827,613	31,600	Brookfield Asset Management Inc., 4.90%, Preferred, Series 37	660,213	693,620
96,100	Enbridge Inc., 4.40%, Preferred, Series 11	2,419,800	1,802,836	46,200	Brookfield Asset Management Inc., 5.40%, Preferred, Series 24	830,265	809,886
19,600	Enbridge Inc., 4.40%, Preferred, Series 13	417,183	370,048	49,900	Brookfield Office Properties Inc., 4.60%, Preferred, Series T	1,171,544	1,018,459
1,700	Enbridge Inc., 4.40%, Preferred, Series 15	29,450	32,360	40,900	Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	924,439	850,720
3,000	Enbridge Inc., 4.40%, Preferred, Series 5	68,063	86,649	78,300	Brookfield Properties Corporation, Inc., 5.10%, Preferred, Series R	1,732,451	1,629,423
32,650	Enbridge Inc., 4.40%, Preferred, Series 9	817,778	613,820	104,650	Brookfield Properties Corporation, Inc., 6.15%, Preferred, Series N	1,980,710	1,936,025
2,500	Husky Energy Inc., 4.45%, Preferred, Series 1	34,860	33,500	21,100	Brookfield Property Partners LP, 5.20%, Preferred, Series K	532,353	531,931
10,500	Husky Energy Inc., 4.50%, Preferred, Series 3	191,302	228,900	2,800	Brookfield Renewable Power Inc., 1.10%, Preferred, Series 2	39,164	44,744
5,000	Husky Energy Inc., 4.50%, Preferred, Series 5	94,002	114,250	85,200	Brookfield Renewable Power Inc., 4.40%, Preferred, Series 3	1,930,613	1,652,028
29,500	Husky Energy Inc., 4.60%, Preferred, Series G	610,912	677,025	53,450	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 6	1,121,033	1,086,371
47,300	Pembina Pipeline Corporation, 4.25%, Preferred, Series A	849,362	886,875	23,150	Brookfield Renewable Power Inc., 5.25%, Preferred, Series I	424,546	392,508
73,040	Pembina Pipeline Corporation, 4.50%, Preferred, Series 7	1,380,849	1,511,563	3,600	Brookfield Renewable Power Preferred Equity Inc., 5.00%, Preferred, Series 5		73,001
27,950	Pembina Pipeline Corporation, 4.70%, Preferred, Series C	695,729	550,755	12,300	Canadian Imperial Bank of Commerce, 3.60%, Preferred, Series 43	231,039	268,632
7,600	Pembina Pipeline Corporation, 4.75%, Preferred, Series 9	187,087	186,808	44,600	Canadian Imperial Bank of Commerce, 3.75%, Preferred, Series 41	778,443	861,003
2,000	TransCanada Corporation, 1.78%, Preferred, Series 4	21,288	24,280	75,700	Canadian Imperial Bank of Commerce, 3.90%, Preferred, Series 39	1,816,934	1,484,856
53,675	TransCanada Corporation, 3.43%, Preferred, Series 2	1,047,307	805,662	12,400	E-L Financial Corporation Limited, 5.30%, Preferred, Series F	308,882	297,972
200	TransCanada Corporation, 3.52%, Preferred, Series 6	2,373	2,634	12,900	E-L Financial Corporation Limited, 5.50%, Preferred, Series H	328,448	318,114
22,000	TransCanada Corporation, 3.80%, Preferred, Series 11	416,602	484,000	43,000	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series E	815,705	632,100
71,630	TransCanada Corporation, 4.00%, Preferred, Series 7	1,329,015	1,350,226	32,000	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series M	737,242	752,000
57,650	TransCanada Corporation, 4.00%, Preferred, Series B	1,068,053	766,745	35,300	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series G	735,382	581,568
6,450	TransCanada Corporation, 4.25%, Preferred, Series 9	163,992	127,452	87,550	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series I	1,670,419	1,612,671
14,550	TransCanada Corporation, 4.40%, Preferred, Series 5	312,395	201,663	25,040	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series K	595,033	546,999
8,800	TransCanada Corporation, 4.60%, Preferred, Series 1	179,289	143,088	32,385	Fairfax Financial Holdings Limited, 5.75%, Preferred, Series C	757,979	658,063
101,500	TransCanada Corporation, 4.90%, Preferred, Series 15	2,536,866	2,584,190	1,300	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series F	17,795	18,077
33,000	TransCanada Corporation, 5.50%, Preferred, Series 13	824,850	879,780	34,350	Great-West Lifeco Inc., 3.65%, Preferred, Series N	661,550	491,205
47,800	Veresen Inc., 4.40%, Preferred, Series A	944,627	855,620	10,600	Great-West Lifeco Inc., 4.50%, Preferred, Series 1	240,299	228,801
8,250	Veresen Inc., 5.00%, Preferred, Series C	207,773	173,250	8,700	Great-West Lifeco Inc., 4.80%, Preferred, Series R	190,120	196,185
12,000	Veresen Inc., 5.00%, Preferred, Series E	290,337	277,680	10,600	Great-West Lifeco Inc., 4.85%, Preferred, Series H	243,432	240,302
		31,133,611	27,376,462	30,900	Great-West Lifeco Inc., 5.15%, Preferred, Series Q	753,839	743,763
Financials – 58.6%				45,800	Great-West Lifeco Inc., 5.20%, Preferred, Series G	1,125,676	1,115,688
1,400	Bank of Montreal (Floating Rate), Preferred, Series 17	31,920	32,690	29,800	Great-West Lifeco Inc., 5.40%, Preferred, Series P	770,548	745,149
48,100	Bank of Montreal, 3.80%, Preferred, Series 31 Class B	1,130,473	936,988	24,100	Great-West Lifeco Inc., 5.65%, Preferred, Series L	624,310	617,804
200	Bank of Montreal, 3.80%, Preferred, Series 33	3,740	4,425	3,700	Great-West Lifeco Inc., 5.80%, Preferred, Series M	97,346	95,460
2,500	Bank of Montreal, 3.90%, Preferred, Series 25	49,693	52,125	23,000	Industrial Alliance, 4.30%, Preferred, Series G	601,625	513,590
37,000	Bank of Montreal, 3.90%, Preferred, Series 29	920,560	721,130	2,000	Industrial Alliance, 4.60%, Preferred, Series A	48,895	44,000
68,200	Bank of Montreal, 4.00%, Preferred, Series 27	1,453,787	1,379,686	65,925	Intact Financial Corporation, 4.20%, Preferred, Series 1	1,452,014	1,134,899

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

1832 AM Canadian Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Telecommunication Services – 5.4%			
71,750	Intact Financial Corporation, 4.20%, Preferred, Series 3	1,572,527	1,509,979	12,900	BCE Inc., 4.15%, Preferred, Series 19	275,320	183,051
47,500	Manulife Financial Corporation, 3.80%, Preferred, Series 13	1,057,940	926,725	219,200	BCE Inc., 4.15%, Preferred, Series AK	3,544,806	3,342,800
30,200	Manulife Financial Corporation, 3.80%, Preferred, Series 19	692,549	607,020	26,600	BCE Inc., 4.25%, Preferred, Series AQ	634,973	564,718
70,900	Manulife Financial Corporation, 3.90%, Preferred, Series 15	1,769,727	1,401,339	19,400	BCE Inc., 4.35%, Preferred, Series 17	260,674	275,480
45,700	Manulife Financial Corporation, 3.90%, Preferred, Series 17	940,299	919,484	14,600	BCE Inc., 4.50%, Preferred, Series T	301,686	217,686
16,900	Manulife Financial Corporation, 4.00%, Preferred, Series 11	416,731	365,632	31,300	BCE Inc., 4.54%, Preferred, Series 16	635,328	469,500
400	Manulife Financial Corporation, 4.20%, Preferred, Series 3	5,014	5,720	1,950	BCE Inc., 4.55%, Preferred, Series AO	47,685	43,076
61,700	Manulife Financial Corporation, 4.40%, Preferred, Series 5	1,277,878	1,371,591	65,200	BCE Inc., 4.85%, Preferred, Series AM	1,181,324	1,023,640
17,900	Manulife Financial Corporation, 4.40%, Preferred, Series 9	430,474	402,482	23,750	BCE Inc., 5.45%, Preferred, Series AA	489,782	368,838
29,550	Manulife Financial Corporation, 4.50%, Preferred, Series 3	639,178	639,167	53,600	BCE Inc., 5.54%, Preferred, Series AC	1,106,795	831,872
4,500	Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	118,144	107,663	18,700	BCE Inc., Preferred, Series 18	404,640	284,614
76,500	Manulife Financial Corporation, 4.65%, Preferred, Series B	1,762,316	1,709,775			<u>8,883,013</u>	<u>7,605,275</u>
55,400	Manulife Financial Corporation, 4.85%, Preferred, Series 23	1,384,320	1,396,080				
5,000	National Bank of Canada, 3.90%, Preferred, Series 32	96,382	94,300	Utilities – 9.6%			
9,000	National Bank of Canada, 4.10%, Preferred, Series 30	163,718	175,950	26,700	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	551,783	571,380
35,000	Power Corporation of Canada, 5.00%, Preferred, Series D	872,400	808,500	23,100	Brookfield Infrastructure Partners LP, 5.35%, Preferred, Series 5	582,728	598,175
11,600	Power Corporation of Canada, 5.36%, Preferred, Series B	291,511	284,200	16,700	Brookfield Infrastructure Partners LP, 5.50%, Preferred, Series 3	419,307	432,948
12,300	Power Corporation of Canada, 5.60%, Preferred, Series G	300,852	311,190	18,800	Brookfield Renewable Partners LP, 5.50%, Preferred, Series 7	468,180	483,160
9,400	Power Financial Corporation, 4.80%, Preferred, Series S	224,555	210,560	7,600	Brookfield Renewable Partners LP, 5.75%, Preferred, Series 9	193,400	197,600
12,200	Power Financial Corporation, 4.95%, Preferred, Series K	297,515	283,162	95,800	Brookfield Renewable Partners LP, Preferred, Series 5	1,975,480	1,992,640
4,200	Power Financial Corporation, 5.10%, Preferred, Series L	106,279	99,666	10,100	Canadian Utilities Limited, 4.00%, Preferred, Series Y	207,142	210,686
10,600	Power Financial Corporation, 5.25%, Preferred, Series E	262,681	259,594	1,000	Canadian Utilities Limited, 4.50%, Preferred, Series DD	19,990	21,415
2,700	Power Financial Corporation, 5.50%, Preferred, Series D	68,115	68,121	1,000	Canadian Utilities Limited, 4.90%, Preferred, Series AA	22,180	23,320
13,000	Power Financial Corporation, 5.50%, Preferred, Series R	336,068	328,380	11,000	Canadian Utilities Limited, 4.90%, Preferred, Series BB	238,600	256,740
12,500	Royal Bank of Canada, 3.60%, Preferred, Series BD	303,280	269,125	25,000	Canadian Utilities Limited, 5.25%, Preferred, Series EE	587,500	621,250
182,000	Royal Bank of Canada, 3.60%, Preferred, Series BF	4,465,143	3,913,000	20,250	Capital Power Corporation, 4.50%, Preferred, Series 5	459,980	369,563
98,700	Royal Bank of Canada, 3.90%, Preferred, Series BB	2,101,905	1,940,442	3,900	Capital Power Corporation, 4.60%, Preferred, Series 1	82,481	53,820
8,000	Royal Bank of Canada, 4.00%, Preferred, Series AZ	149,209	156,640	3,400	Capital Power Corporation, 4.60%, Preferred, Series 3	79,560	64,192
3,800	Royal Bank of Canada, 4.45%, Preferred, Series AA	92,080	95,570	3,500	CU Inc., 4.60%, Preferred, Series 1	75,316	76,563
11,600	Royal Bank of Canada, 4.45%, Preferred, Series AF	298,775	291,508	13,450	Emera Inc., 4.10%, Preferred, Series C	280,891	291,193
43,700	Royal Bank of Canada, 4.50%, Preferred, Series AD	1,120,903	1,099,055	15,000	Emera Inc., 4.25%, Preferred, Series F	375,710	321,450
11,000	Royal Bank of Canada, 4.50%, Preferred, Series AE	282,913	276,540	2,420	Fortis, Inc., 1.92%, Preferred, Series 1	28,435	30,855
18,700	Royal Bank of Canada, 4.50%, Preferred, Series AG	480,476	469,370	34,100	Fortis, Inc., 3.88%, Preferred, Series G	658,559	637,329
30,200	Royal Bank of Canada, 4.60%, Preferred, Series AC	774,185	759,832	32,700	Fortis, Inc., 4.00%, Preferred, Series K	636,230	595,467
2,500	Royal Bank of Canada, 4.70%, Preferred, Series B	61,750	63,050	56,100	Fortis, Inc., 4.10%, Preferred, Series M	1,053,182	1,148,648
600	Royal Bank of Canada, 4.90%, Preferred, Series BH	13,688	14,685	2,100	Fortis, Inc., 4.75%, Preferred, Series J	52,535	47,502
6,200	Royal Bank of Canada, 4.90%, Preferred, Series BI	138,813	151,466	10,600	Fortis, Inc., 4.90%, Preferred, Series F	253,039	244,436
11,500	Royal Bank of Canada, 4.90%, Preferred, Series W	258,842	284,855	93,500	TransAlta Corporation, 4.60%, Preferred, Series A	1,222,238	1,131,350
17,200	Royal Bank of Canada, 5.00%, Preferred, Series AJ	434,691	426,474	55,700	TransAlta Corporation, 4.60%, Preferred, Series C	1,167,249	930,747
30,900	Sun Life Financial Inc. (Floating Rate), Preferred, Series 9QR	638,190	448,050	10,300	TransAlta Corporation, 5.00%, Preferred, Series E	163,095	193,949
52,600	Sun Life Financial Inc., 3.90%, Preferred, Series 10R	1,039,484	926,812	5,400	TransAlta Corporation, 5.30%, Preferred, Series G	93,196	105,516
41,000	Sun Life Financial Inc., 4.25%, Preferred, Series 12R	866,685	895,030	26,740	Valener Inc., 4.35%, Preferred, Series A	560,658	534,800
24,900	Sun Life Financial Inc., 4.45%, Preferred, Series 3	542,861	531,615	16,000	Westcoast Energy Inc., 5.20%, Preferred, Series 12	400,000	412,800
34,000	Sun Life Financial Inc., 4.45%, Preferred, Series F	764,771	725,900	18,000	Westcoast Energy Inc., 5.25%, Preferred, Series 10	446,400	462,420
17,000	Sun Life Financial Inc., 4.50%, Preferred, Series 5	393,133	363,970	15,000	Westcoast Energy Inc., 5.50%, Preferred, Series H	375,909	374,100
66,600	Sun Life Financial Inc., 4.75%, Preferred, Series A	1,567,433	1,515,150	4,600	Westcoast Energy Inc., 5.60%, Preferred, Series J	113,543	115,920
38,100	Sun Life Financial Inc., 4.80%, Preferred, Series 2	882,465	874,014			<u>13,844,136</u>	<u>13,551,934</u>
2,400	Toronto-Dominion Bank, The (Floating Rate), Preferred, Series T	55,212	56,124				
2,700	Toronto-Dominion Bank, The, 1.58%, Preferred, Series Z	60,650	62,910				
5,000	Toronto-Dominion Bank, The, 3.60%, Preferred, Series 7	103,500	111,550		TOTAL EQUITIES	<u>144,008,680</u>	<u>132,527,195</u>
12,900	Toronto-Dominion Bank, The, 3.70%, Preferred, Series 9	271,476	292,830		TOTAL INVESTMENT PORTFOLIO	<u>145,907,520</u>	<u>134,897,517</u>
42,600	Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	861,346	825,588				
46,100	Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	1,141,965	897,567		Unrealized Gain (Loss) on Derivatives – (0.0%)		(30,431)
19,200	Toronto-Dominion Bank, The, 3.90%, Preferred, Series 1	468,854	380,640		OTHER ASSETS, LESS LIABILITIES – 4.1%		5,720,630
86,900	Toronto-Dominion Bank, The, 4.85%, Preferred, Series 14	2,171,996	2,242,020				
4,800	Toronto-Dominion Bank, The, 4.90%, Preferred, Series 11	108,826	119,040		NET ASSETS – 100.0%		<u>140,587,716</u>
11,400	Toronto-Dominion Bank, The, 5.50%, Preferred, Series 12	285,225	309,510				
		<u>88,223,801</u>	<u>82,379,542</u>				
Real Estate – 0.7%							
51,475	Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	1,280,368	978,025				
2,000	RioCan Real Estate Investment Trust, 4.70%, Preferred, Series C	42,227	49,730				
		<u>1,322,595</u>	<u>1,027,755</u>				

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

1832 AM Canadian Preferred Share LP (Continued)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Canadian Imperial Bank of Commerce	A-1	Feb. 24, 2017	Canadian Dollar	13,526	US Dollar	10,000	0.739	0.745	103
Canadian Imperial Bank of Commerce	A-1	Mar. 22, 2017	Canadian Dollar	750,848	US Dollar	555,000	0.739	0.745	6,132
									<u>6,235</u>

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 19, 2017	Canadian Dollar	712,233	US Dollar	545,000	0.765	0.745	(19,645)
Toronto-Dominion Bank, The	A-1+	Jan. 19, 2017	Canadian Dollar	65,535	US Dollar	50,000	0.763	0.745	(1,609)
Bank of Montreal	A-1	Jan. 19, 2017	Canadian Dollar	26,725	US Dollar	20,000	0.748	0.745	(133)
Bank of Montreal	A-1	Jan. 19, 2017	Canadian Dollar	13,383	US Dollar	10,000	0.747	0.745	(46)
Canadian Imperial Bank of Commerce	A-1	Feb. 24, 2017	Canadian Dollar	433,389	US Dollar	330,000	0.761	0.745	(9,558)
Canadian Imperial Bank of Commerce	A-1	Feb. 24, 2017	Canadian Dollar	26,732	US Dollar	20,000	0.748	0.745	(113)
Bank of Montreal	A-1	Apr. 20, 2017	Canadian Dollar	879,714	US Dollar	660,000	0.75	0.746	(5,562)
									<u>(36,666)</u>

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

1832 AM Canadian Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to provide income and the potential for modest long term capital growth. It invests primarily in a diversified portfolio of preferred shares of Canadian corporations.

Risks associated with financial instruments (note 4)

Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2016 (\$)	December 31, 2015 (\$)
Less than 1 year	2,370,322	–
1-3 years	–	–
3-5 years	–	–
5-10 years	–	–
> 10 years	–	–
	2,370,322	–

As at December 31, 2016, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$1,814 or approximately 0.0% (December 31, 2015 – nil).

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	2,934,129	(2,952,517)	(18,388)	0.0
	2,934,129	(2,952,517)	(18,388)	0.0

Currency	December 31, 2015			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	218,764	(207,400)	11,364	0.0
	218,764	(207,400)	11,364	0.0

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$1,839 or 0.0% of net assets (December 31, 2015 – \$1,136 or 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 94.2% (December 31, 2015 – 98.9%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$13,252,720 (December 31, 2015 – \$12,525,104). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The table below summarizes the credit ratings of the bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

Credit ratings	December 31, 2016		December 31, 2015	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Short Term Rating				
Bond Credit Rating				
A	8.6	8.2	15.6	15.4
BBB	67.0	64.3	59.7	59.1
BB	24.4	23.4	24.2	23.9
NOT RATED	–	–	0.5	0.5
	100.0	95.9	100.0	98.9

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Consumer Discretionary	0.3	0.4
Consumer Staples	0.1	0.2
Corporate Bonds	1.7	–
Energy	19.5	17.5
Financials	58.6	68.3
Real Estate	0.7	–
Telecommunication Services	5.4	6.8
Utilities	9.6	5.7

1832 AM Canadian Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
December 31, 2016				
Equities	132,527,195	-	-	132,527,195
Bonds and debentures	-	2,370,322	-	2,370,322
Unrealized gain on currency forward contracts	-	6,235	-	6,235
	132,527,195	2,376,557	-	134,903,752
Unrealized loss on currency forward contracts	-	(36,666)	-	(36,666)
	132,527,195	2,339,891	-	134,867,086
December 31, 2015				
Equities	125,251,043	-	-	125,251,043
	125,251,043	-	-	125,251,043
Unrealized loss on currency forward contracts	-	(1,456)	-	(1,456)
	125,251,043	(1,456)	-	125,249,587

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

	December 31, 2016			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	6,235	(6,235)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	6,235	(6,235)	-	-
Financial liabilities – by type				
Currency forward contracts	36,666	(6,235)	-	30,431
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	36,666	(6,235)	-	30,431

	December 31, 2015			
	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/ received (\$)	Net Amount (\$)
Financial assets – by type				
Currency forward contracts	-	-	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	-	-	-	-
Financial liabilities – by type				
Currency forward contracts	1,456	-	-	1,456
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	1,456	-	-	1,456

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2016 or December 31, 2015.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

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

1832 AM Global Completion LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	427,786,621	393,656,075
Cash	5,734,740	5,091,065
Subscriptions receivable	–	313,000
Accrued investment income and other	308,608	451,069
	<u>433,829,969</u>	<u>399,511,209</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	–	2,355,592
Redemptions payable	–	89,250
Accrued expenses	938	–
	<u>938</u>	<u>2,444,842</u>
Net assets attributable to holders of redeemable units	<u>433,829,031</u>	<u>397,066,367</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>433,829,031</u>	<u>397,066,367</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>13.85</u>	<u>12.91</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	11,997,844	11,070,805
Interest for distribution purposes	666,100	6,769
Net realized gain (loss) on non-derivative financial assets	5,412,497	10,452,256
Change in unrealized gain (loss) on non-derivative financial assets	13,785,225	20,494,828
Net gain (loss) on investments	31,861,666	42,024,658
Securities lending	296,628	1,028,470
Net realized and unrealized foreign currency translation gain (loss)	(177,795)	524,028
Total income (loss), net	<u>31,980,499</u>	<u>43,577,156</u>
EXPENSES		
Fixed administration fees (note 6)	286,407	251,144
Independent Review Committee fees	1,184	1,052
Interest expense and bank overdraft charges	–	213
Foreign withholding taxes/tax reclaims	1,900,462	1,593,023
Other fund costs	68	492
Harmonized Sales Tax/Goods and Services Tax	37,396	32,815
Transaction costs	14,727	43,091
Total expenses	<u>2,240,244</u>	<u>1,921,830</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>29,740,255</u>	<u>41,655,326</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>29,740,255</u>	<u>41,655,326</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>0.96</u>	<u>1.46</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>31,140,837</u>	<u>28,614,223</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	397,066,367	289,513,603
	<u>397,066,367</u>	<u>289,513,603</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	29,740,255	41,655,326
	<u>29,740,255</u>	<u>41,655,326</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	20,529,260	88,434,047
Payments on redemption		
Series I	(13,506,851)	(22,536,609)
	<u>7,022,409</u>	<u>65,897,438</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	36,762,664	107,552,764
	<u>36,762,664</u>	<u>107,552,764</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	433,829,031	397,066,367
	<u>433,829,031</u>	<u>397,066,367</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	29,740,255	41,655,326
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(5,412,497)	(10,452,256)
Unrealized foreign currency translation (gain) loss	165,166	(139,008)
Change in unrealized (gain) loss on non-derivative financial assets	(13,785,225)	(20,494,828)
Purchases of portfolio investments	(60,143,138)	(169,969,891)
Proceeds from sale of portfolio investments	42,854,722	93,258,866
Accrued investment income and other receivables	142,461	(297,430)
Accrued expenses and other payables	938	–
Net cash provided by (used in) operating activities	<u>(6,437,318)</u>	<u>(66,439,221)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	20,842,260	88,153,847
Amounts paid on redemption of redeemable units	(13,596,101)	(22,447,359)
Net cash provided by (used in) financing activities	7,246,159	65,706,488
Unrealized foreign currency translation gain (loss)	(165,166)	139,008
Net increase (decrease) in cash	808,841	(732,733)
Cash (bank overdraft), beginning of period	5,091,065	5,684,790
CASH (BANK OVERDRAFT), END OF PERIOD	<u>5,734,740</u>	<u>5,091,065</u>
Interest paid ⁽¹⁾	–	213
Interest received ⁽¹⁾	665,601	7,404
Dividends received, net of withholding taxes ⁽¹⁾	10,240,341	9,179,717

⁽¹⁾ Classified as operating items.

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

1832 AM Global Completion LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Number of Units	Issuer	Average Cost (\$)	Carrying Value (\$)
Canada – 5.9%			
708,470	iShares Global Agriculture Index ETF	20,555,941	25,501,378
United States – 92.7%			
250,460	iShares Core S&P Mid-Cap ETF	44,347,058	55,645,067
163,100	iShares Core S&P Small-Cap ETF	20,894,601	30,137,281
697,560	iShares Edge MSCI Emerging Markets Minimum Volatility ETF	48,008,232	45,810,232
1,226,440	iShares Global Infrastructure ETF	56,019,103	64,322,278
723,670	iShares J.P. Morgan USD Emerging Markets Bond ETF	92,460,935	107,153,480
791,040	iShares MSCI EAFE Small-Cap ETF	46,676,219	52,964,123
372,230	Vanguard Global ex-U.S. Real Estate ETF	23,526,268	24,787,664
193,640	Vanguard REIT ETF	16,426,343	21,465,118
		<u>348,358,759</u>	<u>402,285,243</u>
	TOTAL INVESTMENT PORTFOLIO	<u>368,914,700</u>	<u>427,786,621</u>
	OTHER ASSETS, LESS LIABILITIES – 1.4%		6,042,410
	NET ASSETS – 100.0%		<u><u>433,829,031</u></u>

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

1832 AM Global Completion LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to achieve long-term capital growth. It invests primarily in a mixed portfolio of equity and/or fixed income exchange-traded funds ("ETFs") but may also invest directly in fixed income securities, equity securities, commodities and cash or cash equivalents.

The Fund also invests a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2016 and December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	406,871,264	–	406,871,264	93.8
	406,871,264	–	406,871,264	93.8

December 31, 2015				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	373,618,558	–	373,618,558	94.1
	373,618,558	–	373,618,558	94.1

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$40,687,126 or 9.4% of net assets (December 31, 2015 – \$37,361,856 or 9.4%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities,

underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 98.6% (December 31, 2015 – 99.1%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$42,778,662 (December 31, 2015 – \$39,365,608). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2016 or December 31, 2015.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Canada	5.9	5.9
United States	92.7	93.2

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	427,786,621	–	–	427,786,621
	427,786,621	–	–	427,786,621

December 31, 2015	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	393,656,075	–	–	393,656,075
	393,656,075	–	–	393,656,075

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2016 and December 31, 2015, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

1832 AM Global Completion LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The following tables present the percentage of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	25,501,378	10.5
iShares Global Infrastructure ETF	64,322,278	3.3
iShares J.P. Morgan USD Emerging Markets Bond ETF	107,153,480	1.0
iShares Edge MSCI Emerging Markets Minimum Volatility ETF	45,810,232	0.9
iShares MSCI EAFE Small-Cap ETF	52,964,123	0.6
Vanguard Global ex-U.S. Real Estate ETF	24,787,664	0.5
iShares Core S&P Small-Cap ETF	30,137,281	0.1
iShares Core S&P Mid-Cap ETF	55,645,067	0.1
Vanguard REIT ETF	21,465,118	0.0
	427,786,621	

Underlying Fund	December 31, 2015	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
iShares Global Agriculture Index ETF	23,332,123	9.3
iShares Global Infrastructure ETF	58,574,431	4.1
iShares J.P. Morgan USD Emerging Markets Bond ETF	98,264,934	1.5
iShares MSCI Emerging Markets Minimum Volatility ETF	49,701,748	1.3
iShares MSCI EAFE Small-Cap ETF	50,189,709	0.7
Vanguard Global ex-U.S. Real Estate ETF	23,258,496	0.5
iShares Core S&P Mid-Cap ETF	48,581,661	0.1
iShares Core S&P Small-Cap ETF	21,376,403	0.1
Vanguard REIT ETF	20,376,570	0.0
	393,656,075	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

1832 AM North American Preferred Share LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	246,836,280	208,281,246
Unrealized gain on currency forward contracts	100,803	4,795
Unrealized gain on futures contracts	-	35,547
Cash	4,690,535	4,955,101
Margin deposited on futures	14	1,291,753
Receivable for securities sold	2,099,060	-
Accrued investment income and other	1,035,732	538,003
	<u>254,762,424</u>	<u>215,106,445</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	1,485,759	279,757
Accrued expenses	546	-
Unrealized loss on currency forward contracts	689,249	2,144,851
	<u>2,175,554</u>	<u>2,424,608</u>
Net assets attributable to holders of redeemable units	<u>252,586,870</u>	<u>212,681,837</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	252,586,870	212,681,837
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	10.61	9.71

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	10,243,661	10,626,301
Interest for distribution purposes	1,869,224	4,644,678
Net realized gain (loss) on non-derivative financial assets	2,203,545	8,053,356
Net realized gain (loss) on currency forward contracts	(1,217,457)	(19,901,280)
Net realized gain (loss) on futures contracts	(401,724)	(536,546)
Change in unrealized gain (loss) on non-derivative financial assets	9,525,205	(30,174,034)
Change in unrealized gain (loss) on currency forward contracts	1,551,610	2,150,979
Change in unrealized gain (loss) on currency spots contracts	-	360
Change in unrealized gain (loss) on futures contracts	(35,547)	35,547
Net gain (loss) on investments	<u>23,738,517</u>	<u>(25,100,639)</u>
Securities lending	16,486	16,320
Net realized and unrealized foreign currency translation gain (loss)	(92,990)	455,444
Total income (loss), net	<u>23,662,013</u>	<u>(24,628,875)</u>
EXPENSES		
Fixed administration fees (note 6)	156,188	204,322
Independent Review Committee fees	1,184	1,296
Interest expense and bank overdraft charges	255	314
Foreign withholding taxes/tax reclaims	783,589	126,066
Other fund costs	38	262
Harmonized Sales Tax/Goods and Services Tax	20,463	26,747
Transaction costs	105,149	257,643
Total expenses	<u>1,066,866</u>	<u>616,650</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>22,595,147</u>	<u>(25,245,525)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	22,595,147	(25,245,525)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	0.97	(0.87)
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	23,228,516	29,078,700

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	212,681,837	368,726,968
	<u>212,681,837</u>	<u>368,726,968</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	22,595,147	(25,245,525)
	<u>22,595,147</u>	<u>(25,245,525)</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	33,104,594	72,738,263
Payments on redemption		
Series I	(15,794,708)	(203,537,869)
	<u>17,309,886</u>	<u>(130,799,606)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	39,905,033	(156,045,131)
	<u>39,905,033</u>	<u>(156,045,131)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	252,586,870	212,681,837
	<u>252,586,870</u>	<u>212,681,837</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	22,595,147	(25,245,525)
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(2,203,545)	(8,053,356)
Unrealized foreign currency translation (gain) loss	47,176	(272,905)
Change in unrealized (gain) loss on non-derivative financial assets	(9,525,205)	30,174,034
Change in unrealized (gain) loss on currency forward contracts	(1,551,610)	(2,150,979)
Change in unrealized (gain) loss on currency spot contracts	-	(360)
Change in unrealized (gain) loss on futures contracts	35,547	(35,547)
Purchases of portfolio investments	(99,522,789)	(134,692,406)
Proceeds from sale of portfolio investments	71,803,447	265,062,460
Margin deposited on derivatives	1,291,739	(628,659)
Accrued investment income and other receivables	(59,705)	803,863
Accrued expenses and other payables	546	-
Net cash provided by (used in) operating activities	<u>(17,089,252)</u>	<u>124,960,620</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	33,104,594	72,818,263
Amounts paid on redemption of redeemable units	(15,794,708)	(203,537,869)
Net cash provided by (used in) financing activities	<u>17,309,886</u>	<u>(130,719,606)</u>
Unrealized foreign currency translation gain (loss)	(47,176)	272,905
Net increase (decrease) in cash	220,634	(5,758,986)
Cash (bank overdraft), beginning of period	4,955,101	10,441,182
CASH (BANK OVERDRAFT), END OF PERIOD	<u>5,128,559</u>	<u>4,955,101</u>
Interest paid ⁽¹⁾	255	314
Interest received ⁽¹⁾	1,126,728	5,402,798
Dividends received, net of withholding taxes ⁽¹⁾	10,142,866	10,545,976

⁽¹⁾ Classified as operating items.

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

1832 AM North American Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Face Value (\$)/ Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
BONDS AND DEBENTURES – 14.0%				EQUITIES (cont'd)			
Corporate Bonds – 14.0%				Energy (cont'd)			
2,150,000	Bank of America Corporation (Callable) 5.13% Jun 17, 2019	2,318,539	2,870,258	56,300	Enbridge Inc., 4.40%, Preferred, Series 9	1,360,561	1,058,440
1,525,000	Bank of America Corporation (Callable) 6.10% Mar 17, 2025	1,976,019	2,081,976	4,100	Husky Energy Inc., 4.45%, Preferred, Series 1	56,621	54,940
1,950,000	Bank of America Corporation 6.25% Sep 05, 2024	2,131,450	2,660,575	12,700	Husky Energy Inc., 4.50%, Preferred, Series 3	228,922	276,860
635,000	Chubb Corporation, The 6.38% Apr 15, 2017	712,827	801,969	7,000	Husky Energy Inc., 4.50%, Preferred, Series 5	132,194	159,950
2,200,000	Citigroup Inc. (Callable) 5.88% Mar 27, 2020	2,993,327	3,007,201	55,275	Husky Energy Inc., 4.60%, Preferred, Series G	1,135,544	1,268,561
1,100,000	Citigroup Inc. (Callable) 6.30% May 15, 2024	1,507,696	1,476,380	74,100	Pembina Pipeline Corporation, 4.25%, Preferred, Series A	1,445,871	1,389,375
2,200,000	Fifth Third Bancorp 4.90% Sep 30, 2019	2,442,332	2,770,688	131,440	Pembina Pipeline Corporation, 4.50%, Preferred, Series 7	2,507,118	2,720,151
2,175,000	JPMorgan Chase & Company (Callable) 6.10% Oct 01, 2024	3,022,382	2,987,053	40,400	Pembina Pipeline Corporation, 4.70%, Preferred, Series C	962,028	796,082
2,650,000	JPMorgan Chase & Company (Callable) 5.00% Jul 01, 2019	3,466,173	3,580,068	12,600	Pembina Pipeline Corporation, 4.75%, Preferred, Series 9	311,388	309,708
1,250,000	Morgan Stanley 5.45% Jul 15, 2019	1,355,445	1,691,156	3,000	TransCanada Corporation, 1.78%, Preferred, Series 4	31,933	36,420
500,000	PNC Preferred Funding Trust II (Floating Rate) 1.86% Mar 15, 2017	530,031	646,441	95,600	TransCanada Corporation, 3.43%, Preferred, Series 2	2,131,301	1,434,956
4,655,000	TransCanada PipeLines Ltd. (Callable) 6.35% May 15, 2017	4,225,764	5,254,210	400	TransCanada Corporation, 3.52%, Preferred, Series 6	4,745	5,268
1,000,000	USB Realty Corporation (Floating Rate) 1.78% Jan 15, 2017	999,717	1,186,390	38,200	TransCanada Corporation, 3.80%, Preferred, Series 11	732,369	840,400
650,000	Voya Financial Inc. (Callable) 5.65% May 15, 2023	786,629	865,495	129,539	TransCanada Corporation, 4.00%, Preferred, Series 7	2,411,383	2,441,810
2,550,000	Wells Fargo & Company 5.90% Jun 15, 2024	3,507,188	3,485,054	81,900	TransCanada Corporation, 4.00%, Preferred, Series B	1,587,841	1,089,270
	TOTAL BONDS AND DEBENTURES	31,975,519	35,364,914	10,700	TransCanada Corporation, 4.25%, Preferred, Series 9	201,576	211,432
				25,200	TransCanada Corporation, 4.40%, Preferred, Series 5	478,523	349,272
				17,400	TransCanada Corporation, 4.60%, Preferred, Series 1	341,736	282,924
				184,000	TransCanada Corporation, 4.90%, Preferred, Series 15	4,598,580	4,684,640
				59,900	TransCanada Corporation, 5.50%, Preferred, Series 13	1,497,210	1,596,934
				68,900	Veresen Inc., 4.40%, Preferred, Series A	1,484,236	1,233,310
				14,900	Veresen Inc., 5.00%, Preferred, Series C	372,349	312,900
				22,300	Veresen Inc., 5.00%, Preferred, Series E	535,842	516,022
						53,564,569	48,337,332
				Financials – 49.7%			
				2,600	Bank of Montreal (Floating Rate), Preferred, Series 17	58,500	60,710
				52,400	Bank of Montreal, 3.80%, Preferred, Series 31 Class B	907,535	1,020,752
				4,600	Bank of Montreal, 3.90%, Preferred, Series 25	91,419	95,910
				27,800	Bank of Montreal, 3.90%, Preferred, Series 29	477,931	541,822
				33,650	Bank of Montreal, 4.00%, Preferred, Series 27	599,883	680,740
				9,800	Bank of Montreal, 5.00%, Preferred, Series 35	224,513	241,570
				276,900	Bank of Montreal, 4.85%, Preferred, Series 38	6,924,303	7,146,789
				20,700	Bank of Nova Scotia, The, 0.79%, Preferred, Series 23	475,044	483,552
				7,100	Bank of Nova Scotia, The, 1.41%, Preferred, Series 31	134,108	143,704
				24,500	Bank of Nova Scotia, The, 2.06%, Preferred, Series 32	495,213	513,520
				8,900	Bank of Nova Scotia, The, 2.69%, Preferred, Series 21	200,250	206,080
				2,000	Bank of Nova Scotia, The, 3.03%, Preferred, Series 19	46,181	47,900
				5,000	Bank of Nova Scotia, The, 1.82%, Preferred, Series 30	102,750	107,050
				69,500	Brookfield Asset Management Inc. (Floating Rate), 1.89%, Preferred, Series 13	733,090	775,620
				14,000	Brookfield Asset Management Inc. (Floating Rate), 1.89%, Preferred, Series 2	147,610	157,780
				6,700	Brookfield Asset Management Inc. (Floating Rate), Preferred, Series 4	69,962	74,839
				139,900	Brookfield Asset Management Inc., 4.20%, Preferred, Series 34	2,884,615	2,751,833
				93,000	Brookfield Asset Management Inc., 4.40%, Preferred, Series 38	2,126,540	1,926,030
				101,700	Brookfield Asset Management Inc., 4.50%, Preferred, Series 26	2,198,694	1,760,427
				31,800	Brookfield Asset Management Inc., 4.50%, Preferred, Series 32	746,839	680,838
				88,000	Brookfield Asset Management Inc., 4.50%, Preferred, Series 40	2,167,072	1,951,840
				28,800	Brookfield Asset Management Inc., 4.50%, Preferred, Series 42	659,019	645,120
				63,050	Brookfield Asset Management Inc., 4.60%, Preferred, Series 28	1,336,423	958,991
				17,500	Brookfield Asset Management Inc., 4.75%, Preferred, Series 17	352,162	373,275
				14,700	Brookfield Asset Management Inc., 4.75%, Preferred, Series 18	296,362	314,213
				21,087	Brookfield Asset Management Inc., 4.80%, Preferred, Series 30	440,934	435,447
				136,800	Brookfield Asset Management Inc., 4.80%, Preferred, Series 46	3,419,840	3,508,920
				126,000	Brookfield Asset Management Inc., 4.85%, Preferred, Series 36	2,647,858	2,709,000
				45,500	Brookfield Asset Management Inc., 4.90%, Preferred, Series 37	947,801	998,725
				84,300	Brookfield Asset Management Inc., 5.40%, Preferred, Series 24	1,539,032	1,477,779
				90,300	Brookfield Office Properties Inc., 4.60%, Preferred, Series T	2,079,042	1,843,023
				73,500	Brookfield Office Properties Inc., 4.75%, Preferred, Series AA	1,685,076	1,528,800
				116,350	Brookfield Properties Corporation, Inc., 5.10%, Preferred, Series R	2,559,789	2,421,244
				182,300	Brookfield Properties Corporation, Inc., 6.15%, Preferred, Series N	4,071,795	3,372,550
				17,200	Brookfield Property Partners LP, 5.20%, Preferred, Series K	433,956	433,612
				4,800	Brookfield Renewable Power Inc., 1.10%, Preferred, Series 2	67,441	76,704

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

1832 AM North American Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)				EQUITIES (cont'd)			
Financials (cont'd)				Financials (cont'd)			
141,000	Brookfield Renewable Power Inc., 4.40%, Preferred, Series 3	3,024,699	2,733,990	10,700	Royal Bank of Canada, 4.90%, Preferred, Series BI	239,632	261,401
96,200	Brookfield Renewable Power Inc., 5.00%, Preferred, Series 6	1,943,089	1,955,265	21,300	Royal Bank of Canada, 4.90%, Preferred, Series W	471,785	527,601
37,800	Brookfield Renewable Power Inc., 5.25%, Preferred, Series I	775,353	640,899	30,800	Royal Bank of Canada, 5.00%, Preferred, Series AJ	776,160	763,686
5,600	Brookfield Renewable Power Preferred Equity Inc., 5.00%, Preferred, Series 5	113,750	114,240	2,300	Royal Bank of Canada, 5.60%, Preferred, Series AL	59,702	58,190
7,700	Canadian Imperial Bank of Commerce, 3.60%, Preferred, Series 43	148,916	168,168	48,200	Sun Life Financial Inc. (Floating Rate), Preferred, Series 9QR	999,993	698,900
68,320	Canadian Imperial Bank of Commerce, 3.75%, Preferred, Series 41	1,200,268	1,318,918	93,000	Sun Life Financial Inc., 3.90%, Preferred, Series 10R	1,786,803	1,638,660
45,200	Canadian Imperial Bank of Commerce, 3.90%, Preferred, Series 39	814,855	886,598	71,400	Sun Life Financial Inc., 4.25%, Preferred, Series 12R	1,555,467	1,558,662
16,300	E-L Financial Corporation Limited, 5.30%, Preferred, Series F	407,737	391,689	40,500	Sun Life Financial Inc., 4.45%, Preferred, Series 3	895,791	864,675
9,200	E-L Financial Corporation Limited, 5.50%, Preferred, Series H	215,010	226,872	56,500	Sun Life Financial Inc., 4.45%, Preferred, Series F	1,196,571	1,206,275
62,400	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series E	1,141,159	917,280	30,900	Sun Life Financial Inc., 4.50%, Preferred, Series 5	672,653	661,569
56,900	Fairfax Financial Holdings Limited, 4.75%, Preferred, Series M	1,318,227	1,337,150	119,200	Sun Life Financial Inc., 4.75%, Preferred, Series A	2,722,621	2,711,800
59,500	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series G	1,235,882	980,263	69,100	Sun Life Financial Inc., 4.80%, Preferred, Series 2	1,555,905	1,585,154
159,050	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series I	3,117,639	2,929,701	2,400	Toronto-Dominion Bank, The (Floating Rate), Preferred, Series T	54,720	56,124
53,991	Fairfax Financial Holdings Limited, 5.00%, Preferred, Series K	1,282,534	1,179,433	5,300	Toronto-Dominion Bank, The, 1.58%, Preferred, Series Z	119,070	123,490
55,987	Fairfax Financial Holdings Limited, 5.75%, Preferred, Series C	1,309,553	1,137,656	7,500	Toronto-Dominion Bank, The, 3.60%, Preferred, Series 7	155,250	167,325
1,800	Fairfax Financial Holdings Limited (Floating Rate), Preferred, Series F	24,678	25,029	23,300	Toronto-Dominion Bank, The, 3.70%, Preferred, Series 9	480,507	528,910
33,400	Great-West Lifeco Inc., 3.65%, Preferred, Series N	725,525	477,620	69,200	Toronto-Dominion Bank, The, 3.75%, Preferred, Series 5	1,221,853	1,341,096
28,200	Great-West Lifeco Inc., 4.50%, Preferred, Series 1	631,726	608,697	52,900	Toronto-Dominion Bank, The, 3.80%, Preferred, Series 3	971,025	1,029,963
15,200	Great-West Lifeco Inc., 4.80%, Preferred, Series R	331,979	342,760	24,700	Toronto-Dominion Bank, The, 3.90%, Preferred, Series 1	433,270	489,678
19,600	Great-West Lifeco Inc., 4.85%, Preferred, Series H	438,960	444,332	157,000	Toronto-Dominion Bank, The, 4.85%, Preferred, Series 14	3,924,091	4,050,600
65,700	Great-West Lifeco Inc., 5.15%, Preferred, Series Q	1,565,948	1,581,399	5,600	Toronto-Dominion Bank, The, 4.90%, Preferred, Series 11	126,875	138,880
79,600	Great-West Lifeco Inc., 5.20%, Preferred, Series G	1,904,468	1,939,056	20,200	Toronto-Dominion Bank, The, 5.50%, Preferred, Series 12	505,405	548,430
38,000	Great-West Lifeco Inc., 5.40%, Preferred, Series P	939,752	950,190			<u>130,174,568</u>	<u>125,300,137</u>
49,200	Great-West Lifeco Inc., 5.65%, Preferred, Series L	1,264,794	1,261,242	Real Estate – 0.7%			
6,800	Great-West Lifeco Inc., 5.80%, Preferred, Series M	178,296	175,440	92,600	Brookfield Office Properties Inc., 5.15%, Preferred, Series SP	2,113,501	1,759,400
34,800	Industrial Alliance, 4.30%, Preferred, Series G	803,343	777,084	3,800	RioCan Real Estate Investment Trust, 4.70%, Preferred, Series C	80,232	94,487
120,000	Intact Financial Corporation, 4.20%, Preferred, Series 1	2,658,377	2,065,800			<u>2,193,733</u>	<u>1,853,887</u>
127,000	Intact Financial Corporation, 4.20%, Preferred, Series 3	2,711,541	2,672,715	Telecommunication Services – 5.0%			
74,300	Manulife Financial Corporation, 3.80%, Preferred, Series 13	1,793,434	1,449,593	4,700	BCE Inc., 4.15%, Preferred, Series 19	99,045	66,693
54,400	Manulife Financial Corporation, 3.80%, Preferred, Series 19	1,228,208	1,093,440	397,100	BCE Inc., 4.15%, Preferred, Series AK	6,283,041	6,055,775
164,000	Manulife Financial Corporation, 3.90%, Preferred, Series 15	3,985,683	3,241,460	48,000	BCE Inc., 4.25%, Preferred, Series AQ	1,108,039	1,019,040
80,200	Manulife Financial Corporation, 3.90%, Preferred, Series 17	1,619,497	1,613,624	18,100	BCE Inc., 4.35%, Preferred, Series 17	242,800	257,020
29,500	Manulife Financial Corporation, 4.00%, Preferred, Series 11	750,755	638,233	11,000	BCE Inc., 4.50%, Preferred, Series T	226,919	164,010
700	Manulife Financial Corporation, 4.20%, Preferred, Series 3	8,775	10,010	36,400	BCE Inc., 4.54%, Preferred, Series 16	707,756	546,000
109,200	Manulife Financial Corporation, 4.40%, Preferred, Series 5	2,058,271	2,427,516	3,800	BCE Inc., 4.55%, Preferred, Series AO	79,121	83,942
30,500	Manulife Financial Corporation, 4.40%, Preferred, Series 9	765,345	685,793	117,600	BCE Inc., 4.85%, Preferred, Series AM	2,029,951	1,846,320
49,500	Manulife Financial Corporation, 4.50%, Preferred, Series 3	1,032,462	1,070,685	42,200	BCE Inc., 5.45%, Preferred, Series AA	857,700	655,366
9,000	Manulife Financial Corporation, 4.60%, Preferred, Series 1-7	234,783	215,325	88,400	BCE Inc., 5.54%, Preferred, Series AC	1,733,791	1,371,968
127,900	Manulife Financial Corporation, 4.65%, Preferred, Series B	2,816,193	2,858,565	33,800	BCE Inc., Preferred, Series 18	540,553	514,436
101,200	Manulife Financial Corporation, 4.85%, Preferred, Series 23	2,528,760	2,550,240			<u>13,908,716</u>	<u>12,580,570</u>
5,400	National Bank of Canada, 3.90%, Preferred, Series 32	94,434	101,844	Utilities – 8.9%			
14,100	National Bank of Canada, 4.10%, Preferred, Series 30	258,368	275,655	48,200	Brookfield Infrastructure Partners LP, 4.50%, Preferred, Series 1	995,519	1,031,480
62,200	Power Corporation of Canada, 5.00%, Preferred, Series D	1,501,019	1,436,820	41,600	Brookfield Infrastructure Partners LP, 5.35%, Preferred, Series 5	1,049,761	1,077,232
10,200	Power Corporation of Canada, 5.36%, Preferred, Series B	256,799	249,900	29,925	Brookfield Infrastructure Partners LP, 5.50%, Preferred, Series 3	751,737	775,806
15,000	Power Corporation of Canada, 5.60%, Preferred, Series G	366,000	379,500	32,000	Brookfield Renewable Partners LP, 5.50%, Preferred, Series 7	796,900	822,400
16,100	Power Financial Corporation, 4.80%, Preferred, Series S	366,747	360,640	13,500	Brookfield Renewable Partners LP, 5.75%, Preferred, Series 9	342,900	351,000
23,800	Power Financial Corporation, 4.95%, Preferred, Series K	585,373	552,398	172,300	Brookfield Renewable Partners LP, Preferred, Series 5	3,489,639	3,583,840
3,000	Power Financial Corporation, 5.10%, Preferred, Series L	71,807	71,190	18,200	Canadian Utilities Limited, 4.00%, Preferred, Series Y	376,277	379,652
9,800	Power Financial Corporation, 5.25%, Preferred, Series E	229,320	240,002	2,000	Canadian Utilities Limited, 4.50%, Preferred, Series DD	40,392	42,830
13,700	Power Financial Corporation, 5.50%, Preferred, Series D	337,705	345,651	1,500	Canadian Utilities Limited, 4.90%, Preferred, Series AA	33,270	34,980
30,800	Power Financial Corporation, 5.50%, Preferred, Series R	770,898	778,008	7,000	Canadian Utilities Limited, 4.90%, Preferred, Series BB	152,200	163,380
22,200	Royal Bank of Canada, 3.60%, Preferred, Series BD	436,594	477,966	43,100	Canadian Utilities Limited, 5.25%, Preferred, Series EE	992,600	1,071,035
123,000	Royal Bank of Canada, 3.60%, Preferred, Series BF	2,874,307	2,644,500	34,300	Capital Power Corporation, 4.50%, Preferred, Series 5	784,538	625,975
81,000	Royal Bank of Canada, 3.90%, Preferred, Series BB	1,440,250	1,592,460	8,400	Capital Power Corporation, 4.60%, Preferred, Series 1	170,503	115,920
13,700	Royal Bank of Canada, 4.00%, Preferred, Series AZ	258,271	268,246	600	Capital Power Corporation, 4.60%, Preferred, Series 3	10,536	11,328
24,300	Royal Bank of Canada, 4.45%, Preferred, Series AA	611,963	611,145	6,400	CU Inc., 4.60%, Preferred, Series 1	137,720	140,000
21,600	Royal Bank of Canada, 4.45%, Preferred, Series AF	553,207	542,808	25,300	Emera Inc., 4.10%, Preferred, Series C	562,067	547,745
19,400	Royal Bank of Canada, 4.50%, Preferred, Series AE	492,633	487,716	16,000	Emera Inc., 4.25%, Preferred, Series F	350,945	342,880
11,200	Royal Bank of Canada, 4.50%, Preferred, Series AG	284,866	281,120	1,000	Fortis, Inc., 1.92%, Preferred, Series 1	12,080	12,750
20,700	Royal Bank of Canada, 4.60%, Preferred, Series AC	532,099	520,812	61,300	Fortis, Inc., 3.88%, Preferred, Series G	1,118,615	1,145,697
59,000	Royal Bank of Canada, 4.70%, Preferred, Series B	1,507,449	1,487,980	54,100	Fortis, Inc., 4.00%, Preferred, Series K	1,027,847	985,161
900	Royal Bank of Canada, 4.90%, Preferred, Series BH	20,504	22,028				

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

1832 AM North American Preferred Share LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES (cont'd)			
Utilities (cont'd)			
102,000	Fortis, Inc., 4.10%, Preferred, Series M	1,903,174	2,088,450
4,800	Fortis, Inc., 4.75%, Preferred, Series J	120,081	108,576
18,900	Fortis, Inc., 4.90%, Preferred, Series F	462,602	435,834
171,900	TransAlta Corporation, 4.60%, Preferred, Series A	2,181,879	2,079,990
100,600	TransAlta Corporation, 4.60%, Preferred, Series C	2,058,454	1,681,026
18,800	TransAlta Corporation, 5.00%, Preferred, Series E	301,447	354,004
11,400	TransAlta Corporation, 5.30%, Preferred, Series G	196,941	222,756
46,990	Valener Inc., 4.35%, Preferred, Series A	994,603	939,800
28,000	Westcoast Energy Inc., 5.20%, Preferred, Series 12	700,000	722,400
20,000	Westcoast Energy Inc., 5.25%, Preferred, Series 10	496,000	513,800
5,200	Westcoast Energy Inc., 5.60%, Preferred, Series J	128,960	131,040
		<u>22,740,187</u>	<u>22,538,767</u>
	TOTAL EQUITIES	<u>223,501,383</u>	<u>211,471,366</u>
	TOTAL INVESTMENT PORTFOLIO	<u>255,476,902</u>	<u>246,836,280</u>
	Unrealized Gain (Loss) on Derivatives – (0.2%)		(588,446)
	OTHER ASSETS, LESS LIABILITIES – 2.5%		<u>6,339,036</u>
	NET ASSETS – 100.0%		<u>252,586,870</u>

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 19, 2017	US Dollar	300,000	Canadian Dollar	393,212	1.311	1.343	9,665
Canadian Imperial Bank of Commerce	A-1	Feb. 24, 2017	Canadian Dollar	405,768	US Dollar	300,000	0.739	0.745	3,089
Bank of Montreal	A-1	Mar. 22, 2017	Canadian Dollar	4,463,679	US Dollar	3,300,000	0.739	0.745	35,635
Canadian Imperial Bank of Commerce	A-1	Mar. 22, 2017	Canadian Dollar	6,418,063	US Dollar	4,744,000	0.739	0.745	52,414
									<u>100,803</u>

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 19, 2017	Canadian Dollar	11,238,910	US Dollar	8,600,000	0.765	0.745	(309,986)
Toronto-Dominion Bank, The	A-1+	Jan. 19, 2017	Canadian Dollar	133,896	US Dollar	100,000	0.747	0.745	(394)
Canadian Imperial Bank of Commerce	A-1	Jan. 19, 2017	US Dollar	300,000	Canadian Dollar	406,140	1.354	1.343	(3,268)
Canadian Imperial Bank of Commerce	A-1	Feb. 24, 2017	Canadian Dollar	13,821,169	US Dollar	10,524,000	0.761	0.745	(304,816)
Canadian Imperial Bank of Commerce	A-1	Feb. 24, 2017	Canadian Dollar	133,660	US Dollar	100,000	0.748	0.745	(566)
Bank of Montreal	A-1	Apr. 20, 2017	Canadian Dollar	11,105,723	US Dollar	8,332,000	0.75	0.746	(70,219)
									<u>(689,249)</u>

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

1832 AM North American Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to provide income and the potential for modest long term capital growth. It invests primarily in a diversified portfolio of preferred shares of North American corporations.

Risks associated with financial instruments (note 4)

Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2016 (\$)	December 31, 2015 (\$)
Less than 1 year	5,900,651	–
1-3 years	9,221,014	628,307
3-5 years	3,007,201	10,621,944
5-10 years	13,556,533	16,272,049
> 10 years	3,679,515	12,166,379
	35,364,914	39,688,679

As at December 31, 2016, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$419,037 or approximately 0.2% (December 31, 2015 – \$557,883 or approximately 0.3%).

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	47,365,928	(47,516,067)	(150,139)	(0.1)
	47,365,928	(47,516,067)	(150,139)	(0.1)

Currency	December 31, 2015			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	49,536,830	(48,656,550)	880,280	0.4
	49,536,830	(48,656,550)	880,280	0.4

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$15,014 or 0.0% of net assets (December 31, 2015 – \$88,028 or 0.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 83.7% (December 31, 2015 – 79.3%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$21,147,137 (December 31, 2015 – \$16,859,257). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The table below summarizes the credit ratings of the bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

	December 31, 2016		December 31, 2015	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Credit ratings				
A	7.6	7.5	14.3	13.7
BBB	65.0	63.5	64.5	61.8
BB	27.4	26.7	20.9	20.1
NOT RATED	–	–	0.3	0.3
	100.0	97.7	100.0	95.9

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Consumer Discretionary	0.3	0.4
Consumer Staples	0.0	0.1
Corporate Bonds	14.0	18.6
Energy	19.1	16.2
Financials	49.7	50.8
Index Based ETFs	–	2.0
Real Estate	0.7	–
Telecommunication Services	5.0	5.0
Utilities	8.9	4.9

1832 AM North American Preferred Share LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
December 31, 2016	(\$)	(\$)	(\$)	(\$)
Equities	211,471,366	-	-	211,471,366
Bonds and debentures	-	35,364,914	-	35,364,914
Unrealized gain on currency forward contracts	-	100,803	-	100,803
	211,471,366	35,465,717	-	246,937,083
Unrealized loss on currency forward contracts	-	(689,249)	-	(689,249)
	211,471,366	34,776,468	-	246,247,834

	Level 1	Level 2	Level 3	Total
December 31, 2015	(\$)	(\$)	(\$)	(\$)
Equities	168,592,570	-	-	168,592,570
Bonds and debentures	-	39,688,676	-	39,688,676
Unrealized gain on currency forward contracts	-	4,795	-	4,795
Unrealized gain on futures contracts	35,547	-	-	35,547
	168,628,117	39,693,471	-	208,321,588
Unrealized loss on currency forward contracts	-	(2,144,851)	-	(2,144,851)
	168,628,117	37,548,620	-	206,176,737

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

	December 31, 2016			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	100,803	(100,803)	-	-
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	100,803	(100,803)	-	-

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	689,249	(100,803)	-	588,446
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	689,249	(100,803)	-	588,446

	December 31, 2015			
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	4,795	(364)	-	4,431
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	4,795	(364)	-	4,431

Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	2,144,851	(364)	-	2,144,487
Options contracts – OTC	-	-	-	-
Swap contracts – OTC	-	-	-	-
	2,144,851	(364)	-	2,144,487

Interest in Underlying Funds (note 2)

The following table presents the percentage of the Underlying Funds owned by the Fund. The Fund did not hold any interest in Underlying Funds as at December 31, 2016.

	December 31, 2015	
Underlying Fund	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
BMO S&P/TSX Laddered Preferred Share Index ETF	4,248,000	0.3
	4,248,000	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

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

1832 AM Tactical Asset Allocation LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	177,625,922	173,857,301
Cash	5,852,570	923,418
Subscriptions receivable	–	57,500
Accrued investment income and other	3,151	338
	<u>183,481,643</u>	<u>174,838,557</u>
LIABILITIES		
Current liabilities		
Redemptions payable	–	63,750
Accrued expenses	227	–
	<u>227</u>	<u>63,750</u>
Net assets attributable to holders of redeemable units	<u>183,481,416</u>	<u>174,774,807</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	183,481,416	174,774,807
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	<u>11.18</u>	<u>10.70</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	92,397	–
Interest for distribution purposes	35,377	9,268
Net realized gain (loss) on non-derivative financial assets	3,879,966	831,929
Change in unrealized gain (loss) on non-derivative financial assets	3,841,113	9,589,058
Net gain (loss) on investments	<u>7,848,853</u>	<u>10,430,255</u>
Net realized and unrealized foreign currency translation gain (loss)	11,287	–
Total income (loss), net	<u>7,860,140</u>	<u>10,430,255</u>
EXPENSES		
Fixed administration fees (note 6)	69,353	41,704
Independent Review Committee fees	1,184	983
Foreign withholding taxes/tax reclaims	13,860	–
Other fund costs	29	218
Harmonized Sales Tax/Goods and Services Tax	9,174	5,562
Transaction costs	29,774	77,403
Total expenses	<u>123,374</u>	<u>125,870</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>7,736,766</u>	<u>10,304,385</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	7,736,766	10,304,385
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>0.48</u>	<u>0.76</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	16,108,037	13,507,368

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	174,774,807	–
	<u>174,774,807</u>	<u>–</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	7,736,766	10,304,385
	<u>7,736,766</u>	<u>10,304,385</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	9,724,000	168,898,482
Payments on redemption		
Series I	(8,754,157)	(4,428,060)
	<u>969,843</u>	<u>164,470,422</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	8,706,609	174,774,807
	<u>8,706,609</u>	<u>174,774,807</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	183,481,416	174,774,807
	<u>183,481,416</u>	<u>174,774,807</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	7,736,766	10,304,385
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(3,879,966)	(831,929)
Unrealized foreign currency translation (gain) loss	695	–
Change in unrealized (gain) loss on non-derivative financial assets	(3,841,113)	(9,589,058)
Purchases of portfolio investments	(52,556,327)	(175,136,429)
Proceeds from sale of portfolio investments	56,508,786	11,700,115
Accrued investment income and other receivables	(2,813)	(338)
Accrued expenses and other payables	227	–
Net cash provided by (used in) operating activities	<u>3,966,255</u>	<u>(163,553,254)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	9,781,499	168,840,982
Amounts paid on redemption of redeemable units	(8,817,907)	(4,364,310)
Net cash provided by (used in) financing activities	963,592	164,476,672
Unrealized foreign currency translation gain (loss)	(695)	–
Net increase (decrease) in cash	4,929,847	923,418
Cash (bank overdraft), beginning of period	923,418	–
CASH (BANK OVERDRAFT), END OF PERIOD	<u>5,852,570</u>	<u>923,418</u>
Interest received ⁽¹⁾	32,563	8,930
Dividends received, net of withholding taxes ⁽¹⁾	78,537	–

⁽¹⁾ Classified as operating items.

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

1832 AM Tactical Asset Allocation LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Number of Units	Issuer	Average Cost (\$)	Carrying Value (\$)
INDEX BASED EXCHANGE-TRADED FUNDS – 96.8%			
1,909,100	Horizons Canadian Select Universe Bond Exchange Traded Fund	81,465,050	83,714,035
1,430,800	Horizons S&P 500 Index Exchange Traded Fund	68,642,463	79,409,400
52,600	Vanguard S&P 500 ETF	14,104,748	14,502,487
		<u>164,212,261</u>	<u>177,625,922</u>
	TOTAL INVESTMENT PORTFOLIO	<u>164,212,261</u>	<u>177,625,922</u>
	OTHER ASSETS, LESS LIABILITIES – 3.2%		<u>5,855,494</u>
	NET ASSETS – 100.0%		<u>183,481,416</u>

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

1832 AM Tactical Asset Allocation LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to provide total return over the long term by having exposure to and/or investing directly in fixed income and equity securities. The Fund will invest primarily in a mix of fixed income and/or equity exchange-traded funds ("ETFs") listed primarily in North America. The Fund may also invest directly in mutual funds, individual fixed income or equity securities, and cash or cash equivalents.

The Fund also invests a portion of its assets in funds managed by the Manager and/or by third party investment managers (the "Underlying Funds"). In addition to the risks described below, the Fund could be exposed to indirect risk to the extent that the Underlying Funds held financial instruments that were subject to the below risks.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2016 and December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable. The Fund did not have significant currency risk exposure as at December 31, 2015.

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	14,580,329	–	14,580,329	7.9
	14,580,329	–	14,580,329	7.9

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$1,458,033 or 0.8% of net assets. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 96.8% (December 31, 2015 – 99.5%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased

or increased, respectively, by approximately \$17,762,592 (December 31, 2015 – \$17,385,730). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2016 or December 31, 2015.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Index Based ETFs	96.8	99.5

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	177,625,922	–	–	177,625,922
	177,625,922	–	–	177,625,922

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	173,857,301	–	–	173,857,301
	173,857,301	–	–	173,857,301

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2016 and December 31, 2015, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

1832 AM Tactical Asset Allocation LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

Interest in Underlying Funds (note 2)

The following tables present the percentage of the Underlying Funds owned by the Fund.

Underlying Fund	December 31, 2016	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Horizons Canadian Select Universe Bond Exchange Traded Fund	83,714,035	41.9
Horizons S&P 500 Index Exchange Traded Fund	79,409,400	16.1
Vanguard S&P 500 ETF	14,502,487	0.0
	177,625,922	

Underlying Fund	December 31, 2015	
	Carrying value of the Underlying Fund (\$)	Ownership percentage in Underlying Fund (%)
Horizons Canadian Select Universe Bond Exchange Traded Fund	86,676,480	55.0
Horizons S&P 500 Index Exchange Traded Fund	87,180,821	23.6
	173,857,301	

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Global Low Volatility Equity LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	943,987,160	882,897,519
Unrealized gain on currency spot contracts	420	—
Cash	3,055,486	1,637,664
Receivable for securities sold	1,948,029	—
Subscriptions receivable	—	58,400
Accrued investment income and other	1,745,466	1,644,205
	<u>950,736,561</u>	<u>886,237,788</u>
LIABILITIES		
Current liabilities		
Redemptions payable	—	167,000
Accrued expenses	2,935	—
	<u>2,935</u>	<u>167,000</u>
Net assets attributable to holders of redeemable units	<u>950,733,626</u>	<u>886,070,788</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	950,733,626	886,070,788
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	14.79	14.19

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	24,273,088	26,352,923
Interest for distribution purposes	10,882	15,989
Net realized gain (loss) on non-derivative financial assets	(2,020,103)	13,360,692
Change in unrealized gain (loss) on non-derivative financial assets	20,196,815	95,690,750
Change in unrealized gain (loss) on currency spots contracts	420	—
Net gain (loss) on investments	<u>42,461,102</u>	<u>135,420,354</u>
Securities lending	64,497	122,278
Net realized and unrealized foreign currency translation gain (loss)	(104,185)	92,457
Total income (loss), net	<u>42,421,414</u>	<u>135,635,089</u>
EXPENSES		
Fixed administration fees (note 6)	890,882	776,843
Independent Review Committee fees	1,184	904
Interest expense and bank overdraft charges	5,032	2,090
Foreign withholding taxes/tax reclaims	3,397,585	3,338,062
Other fund costs	148	1,090
Harmonized Sales Tax/Goods and Services Tax	115,988	101,172
Transaction costs	79,999	179,284
Total expenses	<u>4,490,818</u>	<u>4,399,445</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>37,930,596</u>	<u>131,235,644</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>37,930,596</u>	<u>131,235,644</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>0.61</u>	<u>2.24</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	62,287,438	58,622,928

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	886,070,788	604,444,720
	<u>886,070,788</u>	<u>604,444,720</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	37,930,596	131,235,644
	<u>37,930,596</u>	<u>131,235,644</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	61,107,150	224,121,695
Payments on redemption		
Series I	(34,374,908)	(73,731,271)
	<u>26,732,242</u>	<u>150,390,424</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	64,662,838	281,626,068
	<u>64,662,838</u>	<u>281,626,068</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	950,733,626	886,070,788
	<u>950,733,626</u>	<u>886,070,788</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	37,930,596	131,235,644
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	2,020,103	(13,360,692)
Unrealized foreign currency translation (gain) loss	75,858	222,180
Change in unrealized (gain) loss on non-derivative financial assets	(20,196,815)	(95,690,750)
Change in unrealized (gain) loss on currency spot contracts	(420)	—
Non-cash transactions	—	(2,909,571)
Purchases of portfolio investments	(164,777,963)	(372,673,378)
Proceeds from sale of portfolio investments	119,917,005	203,821,070
Accrued investment income and other receivables	(101,261)	(607,423)
Accrued expenses and other payables	2,935	—
Net cash provided by (used in) operating activities	<u>(25,129,962)</u>	<u>(149,962,920)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	61,165,550	224,192,295
Amounts paid on redemption of redeemable units	(34,541,908)	(73,564,271)
Net cash provided by (used in) financing activities	26,623,642	150,628,024
Unrealized foreign currency translation gain (loss)	(75,858)	(222,180)
Net increase (decrease) in cash	1,493,680	665,104
Cash (bank overdraft), beginning of period	1,637,664	1,194,740
CASH (BANK OVERDRAFT), END OF PERIOD	<u>3,055,486</u>	<u>1,637,664</u>
Interest paid ⁽¹⁾	5,032	2,090
Interest received ⁽¹⁾	10,070	16,069
Dividends received, net of withholding taxes ⁽¹⁾	20,775,053	19,503,915

⁽¹⁾ Classified as operating items.

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

Scotia Global Low Volatility Equity LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
Australia – 4.6%				Japan – 6.5%			
3,338,951	Alumina Ltd.	4,854,186	5,896,673	25,100	Alfresa Holdings Corporation	440,365	556,418
1,266,526	AusNet Services	1,763,545	1,936,513	104,400	Brother Industries, Ltd.	2,282,163	2,524,392
49,916	Australian Stock Exchange Ltd.	1,813,784	2,400,026	128,300	Idemitsu Kosan Co., Ltd.	3,077,661	4,572,975
28,775	BHP Billiton Limited	891,134	689,491	960,200	JX Holdings Inc	5,326,845	5,444,349
35,527	Caltex Australia Limited	1,114,888	1,047,036	270,500	Kobe Steel Ltd.	4,338,779	3,452,859
775,470	Coca-Cola Amatil Ltd.	6,878,783	7,591,565	6,300	Lawson Inc.	513,336	594,673
38,341	Cochlear Limited	2,869,351	4,543,552	227,000	Maruichi Steel Tube Ltd.	6,872,549	9,911,028
150,521	Computershare Ltd.	1,701,198	1,816,442	243,300	McDonald's Holdings Company Japan Ltd.	7,132,270	8,550,974
107,198	GPT Group	459,234	521,813	94,900	Miraca Holdings Inc.	4,911,792	5,715,095
103,331	Harvey Norman Holdings Limited	350,532	514,029	52,600	Mitsubishi Materials Corporation	1,916,347	2,159,051
78,186	SEEK Ltd.	1,049,274	1,123,921	197,200	Nippon Steel Corporation	5,877,476	5,897,810
214,472	Sonic Healthcare Limited	4,012,323	4,443,159	92,600	Sega Sammy Holdings Inc.	1,760,575	1,848,800
820,970	South32 Ltd.	991,537	2,174,778	95,000	Sumitomo Metal Mining Co., Ltd.	1,766,776	1,642,971
379,399	Stockland	1,524,543	1,681,738	77,000	Suntory Beverage & Food Ltd.	2,833,322	4,283,093
890,706	Telstra Corporation Limited	4,788,110	4,394,350	20,000	Taisho Pharmaceutical Holdings Co., Ltd.	1,869,053	2,227,589
983,994	Vicinity Centres	2,462,743	2,857,236	99,000	Takashimaya Co., Ltd.	1,261,492	1,095,907
		<u>37,525,165</u>	<u>43,632,322</u>	24,300	Unicharm Corporation	770,518	713,596
				297	United Urban Investment Corporation	482,885	607,775
						<u>53,434,204</u>	<u>61,799,355</u>
Austria – 0.7%				New Zealand – 2.8%			
123,060	Voestalpine AG	6,087,348	6,493,845	1,069,317	Auckland International Airport Limited	4,048,902	6,219,548
				1,030,671	Contact Energy Ltd.	5,025,915	4,467,783
Belgium – 0.7%				209,070	Mercury NZ Ltd.	597,965	574,952
52,512	Colruyt SA	3,298,849	3,491,569	917,349	Ryman Healthcare Limited	6,834,412	6,946,870
35,608	UCB SA	4,209,000	3,063,469	2,513,089	Spark New Zealand Ltd.	5,977,108	7,975,446
		<u>7,507,849</u>	<u>6,555,038</u>			<u>22,484,302</u>	<u>26,184,599</u>
Denmark – 1.0%				Norway – 3.2%			
14,872	Coloplast A/S	1,618,340	1,345,311	1,765,619	Norsk Hydro ASA	9,409,808	11,335,893
34,909	ISS A/S	1,623,002	1,581,215	765,921	Orkla ASA	8,273,241	9,319,985
45,079	Tryg A/S	1,167,585	1,095,708	190,751	Statoil ASA	4,091,501	4,674,742
215,835	William Demant Holding A/S	4,809,829	5,044,870	258,411	Telenor ASA	5,648,198	5,181,889
		<u>9,218,756</u>	<u>9,067,104</u>			<u>27,422,748</u>	<u>30,512,509</u>
France – 0.9%				Singapore – 3.4%			
4,772	Atos SE	506,760	676,634	990,000	Ascendas Real Estate Investment Trust	2,047,714	2,078,161
187,573	Bolloré SA	1,299,594	888,199	1,015,000	Capitaland Commercial Trust	1,404,131	1,385,859
2,092	Iliad SA	685,880	540,107	2,520,000	Capitaland Mall Trust	4,344,581	4,389,247
70,814	Technip SA	5,153,643	6,754,283	127,000	Singapore Exchange Limited	832,459	843,170
		<u>7,645,877</u>	<u>8,859,223</u>	2,603,400	Singapore Press Holdings Ltd.	9,370,905	8,505,685
Germany – 0.5%				734,500	Singapore Telecommunications Limited	2,413,194	2,476,385
20,189	Fraport AG Frankfurt Airport Services Worldwide	1,658,590	1,602,783	2,643,600	Starhub Ltd.	9,410,240	6,868,997
16,203	Fresenius Medical Care AG & Co. KGaA	1,374,839	1,846,443	1,828,000	Suntec Real Estate Investment Trust	2,834,302	2,784,636
40,279	ThyssenKrupp AG	1,350,701	1,290,045	916,700	Wilmar International Ltd.	2,938,020	3,038,607
		<u>4,384,130</u>	<u>4,739,271</u>			<u>35,595,546</u>	<u>32,370,747</u>
Hong Kong – 3.2%				Sweden – 0.3%			
538,000	Cheung Kong Infrastructure Holdings Limited	3,992,317	5,748,969	91,760	Boliden AB	2,107,024	3,213,878
723,500	CLP Holdings Limited	6,827,950	8,881,887	Switzerland – 5.7%			
2,449,000	HKT Trust and HKT Ltd	3,872,507	4,026,880	34,726	Aryzta AG	2,989,512	2,056,130
1,574,903	Hong Kong and China Gas Company Limited	2,845,503	3,740,355	13,460	Baloise Holding AG	2,191,648	2,275,997
144,000	Hongkong Electric Holdings Limited	1,335,071	1,704,457	4,514	Duffy AG	725,409	756,869
79,000	Hysan Development Company Ltd.	422,338	437,572	990	Givaudan SA	1,730,583	2,438,927
226,500	Link Real Estate Investment Trust, The	1,246,909	1,965,086	34,021	Kuehne + Nagel International A	5,667,676	6,039,637
4,108,689	PCCW Limited	2,467,374	2,974,846	770	Lindt & Spruengli AG	4,041,272	5,362,845
952,000	Shangri-La Asia Limited	1,405,412	1,347,231	8	Lindt & Spruengli AG	467,917	653,414
		<u>24,415,381</u>	<u>30,827,283</u>	54,194	Nestlé SA	4,617,830	5,227,079
Israel – 2.9%				6,496	Pargesa Holding SA	540,650	568,830
614,937	Bank Hapoalim BM	3,617,923	4,907,730	499	Sika AG	2,243,108	3,223,219
1,466,104	Bank Leumi le-Israel Ltd.	6,397,007	8,100,456	37,535	Sonova Holdings AG	6,267,878	6,106,880
1,278,065	Bezeq Israeli Telecommunication Corporation Ltd.	2,665,017	3,263,240	10,803	Swiss Life Holding AG	3,545,292	4,110,234
269,861	Israel Chemicals Limited	2,598,140	1,481,631	53,928	Swiss Prime Site AG	4,733,493	5,934,654
402,186	Mizrahi Tefahot Bank Ltd.	5,620,931	7,895,131	15,792	Swisscom AG	9,983,050	9,494,905
20,751	NICE Systems Limited	1,248,966	1,913,667			<u>49,745,318</u>	<u>54,249,620</u>
		<u>22,147,984</u>	<u>27,561,855</u>				

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

Scotia Global Low Volatility Equity LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
United Kingdom – 3.8%				United States (cont'd)			
148,264	Antofagasta PLC	2,182,875	1,640,748	50,100	J.M. Smucker Company, The	6,451,125	8,617,983
60,566	British American Tobacco PLC	3,356,140	4,622,064	50,400	Kellogg Company	3,373,334	4,990,709
125,760	Coca-Cola HBC AG	3,562,059	3,684,253	58,500	Kimberly-Clark Corporation	7,363,670	8,968,564
57,779	Compass Group PLC	1,119,860	1,431,430	143,700	Kimco Realty Corporation	3,299,664	4,859,947
77,289	Fresnillo PLC	1,478,847	1,542,682	25,100	Laboratory Corporation of America Holdings	2,655,113	4,329,394
98,631	Imperial Brands PLC	4,263,599	5,766,868	8,900	Level 3 Communications, Inc.	601,691	673,855
250,623	INTU Properties PLC	1,439,534	1,170,158	37,200	Liberty Property Trust	1,668,428	1,973,992
288,972	National Grid PLC	4,743,334	4,542,432	52,200	M&T Bank Corporation	8,247,142	10,972,182
148,702	Petrofac Limited	2,350,267	2,135,928	74,000	McCormick & Company, Inc.	5,936,159	9,278,084
196,506	RELX PLC	3,261,141	4,697,077	58,800	Motorola Solutions, Inc.	4,805,237	6,549,614
391,076	Royal Mail PLC	3,633,674	2,990,737	56,300	National-Oilwell Varco Inc.	2,816,637	2,831,715
134,341	Tate & Lyle PLC	1,808,178	1,572,548	405,800	New York Community Bancorp, Inc.	7,597,788	8,673,363
		33,199,508	35,796,925	58,400	Newmont Mining Corporation	2,071,957	2,672,947
United States – 59.1%				80,900	News Corporation, Class A	1,741,592	1,245,485
4,600	Advance Auto Parts, Inc.	673,382	1,045,410	8,300	Nordstrom, Inc.	534,778	534,430
174,700	Alliant Energy Corporation	5,570,402	8,892,478	111,599	Nucor Corporation	6,257,531	8,927,110
181,300	Ally Financial Inc.	4,953,315	4,632,481	95,600	Occidental Petroleum Corporation	9,624,475	9,148,000
111,700	Altria Group, Inc.	5,393,969	10,149,152	139,900	OGE Energy Corporation	5,363,411	6,286,648
182,600	American Capital Agency Corporation	4,500,221	4,447,376	24,800	ONEOK, Inc.	1,249,909	1,912,690
63,600	American Electric Power Company, Inc.	3,385,247	5,379,317	24,700	O'Reilly Automotive, Inc.	4,203,352	9,238,194
72,000	American Water Works Co., Inc.	3,590,518	6,999,006	148,900	Patterson Companies Inc.	7,373,561	8,207,323
67,300	AmerisourceBergen Corporation	6,082,627	7,069,221	125,100	Paychex, Inc.	9,026,158	10,231,452
679,300	Annaly Capital Management Inc.	7,643,742	9,098,338	368,400	People's United Financial Inc.	6,184,793	9,581,429
103,400	Arthur J. Gallagher & Co.	6,081,084	7,217,636	75,900	Philip Morris International Inc.	7,232,764	9,331,240
9,000	AutoZone, Inc.	5,371,548	9,562,515	47,200	Phillips 66 Company	5,345,131	5,479,126
30,600	AvalonBay Communities, Inc.	4,796,014	7,285,372	62,200	Pinnacle West Capital Corporation	3,794,950	6,521,399
31,800	Axis Capital Holdings Ltd.	2,383,395	2,791,546	59,841	Procter & Gamble Company, The	5,584,447	6,768,469
15,400	Baker Hughes Incorporated	1,027,622	1,345,054	9,800	Public Storage Real Estate Investment Trust	1,828,955	2,940,540
11,200	Bed Bath & Beyond Inc.	840,450	611,473	30,451	Quintiles IMS Holdings Inc.	2,793,726	3,110,430
75,400	Brown-Forman Corporation, Class B	3,343,461	4,553,598	83,400	Regency Centers Corporation	4,830,700	7,726,808
20,000	Bunge Limited	1,724,126	1,940,944	20,300	RenaissanceRe Holdings Ltd.	3,019,458	3,714,858
7,000	C. R. Bard, Inc.	1,021,370	2,112,658	14,500	Ross Stores, Inc.	662,716	1,277,842
15,000	C.H. Robinson Worldwide, Inc.	1,505,177	1,476,262	89,900	SCANA Corporation	5,071,393	8,850,146
38,300	Camden Property Trust	2,990,083	4,325,588	82,200	Schlumberger Limited	8,938,292	9,270,386
123,600	Campbell Soup Company	6,970,131	10,040,688	46,900	Sempra Energy	4,917,201	6,340,869
14,900	CentrePoint Energy, Inc.	470,232	493,210	48,200	Southern Company	2,220,184	3,185,145
152,600	Church & Dwight Co., Inc.	5,869,523	9,059,075	36,800	Stryker Corporation	3,171,116	5,925,285
57,500	Clorox Company, The	6,152,601	9,272,163	59,400	Synopsis Inc.	3,185,858	4,696,907
123,200	CMS Energy Corporation	3,961,945	6,888,396	70,500	Sysco Corporation	3,245,020	5,244,076
98,600	Colgate-Palmolive Company	7,319,928	8,668,132	54,300	Torchmark Corporation	3,703,049	5,380,542
56,900	Consolidated Edison, Inc.	3,398,971	5,632,059	149,800	UDR Inc.	4,542,679	7,344,301
9,400	Cooper Companies, Inc., The	2,177,982	2,209,009	71,300	Vantiv, Inc.	5,020,028	5,710,667
19,600	Costco Wholesale Corporation	2,579,002	4,215,798	23,300	Varian Medical Systems, Inc.	2,181,029	2,810,849
87,900	DaVita, Inc.	6,989,446	7,582,819	78,700	VerSign, Inc.	6,489,680	8,044,130
114,400	DENTSPLY International Inc.	6,169,229	8,872,232	11,300	Vornado Realty Trust Real Estate Investment Trust	1,302,072	1,584,380
12,700	Dollar General Corporation	828,375	1,263,721	112,248	WEC Energy Group Inc.	5,750,439	8,846,327
76,827	Dollar Tree, Inc.	5,147,467	7,965,700	140,900	Weyerhaeuser Company	4,278,073	5,695,587
68,200	Dr. Pepper Snapple Group, Inc.	4,174,611	8,307,174	9,000	WR Berkley Corporation	516,501	804,146
45,500	DTE Energy Company	3,381,546	6,022,311	109,100	Xcel Energy, Inc.	3,514,988	5,967,391
27,200	Edgewell Personal Care Company	3,708,419	2,667,089			416,464,768	562,123,586
24,000	Entergy Corporation	1,997,739	2,368,790		TOTAL INVESTMENT PORTFOLIO	759,385,908	943,987,160
20,100	Equity Residential Real Estate Investment Trust	1,208,108	1,737,870				
69,100	Eversource Energy	3,308,680	5,126,942		OTHER ASSETS, LESS LIABILITIES – 0.7%		6,746,466
95,600	Expeditors International of Washington, Inc.	5,985,928	6,801,601		NET ASSETS – 100.0%		950,733,626
40,000	Express Scripts, Inc.	3,314,809	3,696,499				
45,300	Exxon Mobil Corporation	5,314,467	5,492,864				
10,400	F5 Networks, Inc.	1,427,843	2,021,935				
40,000	Federal Realty Investment Trust	5,244,561	7,636,422				
197,500	FMC Technologies, Inc.	8,579,798	9,426,872				
53,400	Gartner Inc., Class A	6,498,614	7,250,515				
39,300	Genuine Parts Company	4,843,039	5,044,093				
48,500	Halliburton Company	2,594,611	3,524,228				
6,300	Harris Corporation	764,164	867,247				
43,800	Henry Schein Inc.	6,155,288	8,926,755				
188,800	Hormel Foods Corporation	5,451,004	8,828,996				

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

Scotia Global Low Volatility Equity LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to achieve long-term capital growth. It invests primarily in equity securities located around the world.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2016 and December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	562,579,094	(1,801,284)	560,777,810	59.0
Japanese Yen	61,800,425	-	61,800,425	6.5
Swiss Franc	54,263,338	(99,820)	54,163,518	5.7
Australian Dollar	43,656,006	-	43,656,006	4.6
British Pound	35,904,331	(149,598)	35,754,733	3.8
Singapore Dollar	32,646,941	(249,467)	32,397,474	3.4
Hong Kong Dollar	30,915,986	-	30,915,986	3.3
Norwegian Krone	30,559,847	(249,410)	30,310,437	3.2
Israel Shekel	27,580,070	-	27,580,070	2.9
European Euro	26,658,935	-	26,658,935	2.8
New Zealand Dollar	26,299,562	-	26,299,562	2.8
Danish Krone	9,087,173	-	9,087,173	1.0
Swedish Krona	3,213,942	-	3,213,942	0.3
	945,165,650	(2,549,579)	942,616,071	99.3

Currency	December 31, 2015			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	510,001,998	-	510,001,998	57.6
Japanese Yen	70,846,556	-	70,846,556	8.0
Swiss Franc	55,005,050	-	55,005,050	6.2
Australian Dollar	41,392,561	-	41,392,561	4.7
British Pound	40,748,328	-	40,748,328	4.6
Hong Kong Dollar	35,630,346	-	35,630,346	4.0
Singapore Dollar	29,618,493	-	29,618,493	3.3
New Zealand Dollar	29,423,810	-	29,423,810	3.3
Israel Shekel	25,537,298	-	25,537,298	2.9
European Euro	23,799,779	-	23,799,779	2.7
Norwegian Krone	11,788,025	-	11,788,025	1.3
Danish Krone	10,279,835	-	10,279,835	1.2
	884,072,079	-	884,072,079	99.8

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$94,261,607 or 9.9% of net assets (December 31, 2015 – \$88,407,210 or 9.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 99.3% (December 31, 2015 – 99.6%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$94,398,716 (December 31, 2015 – \$88,289,752). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2016 or December 31, 2015.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Australia	4.6	4.7
Austria	0.7	0.2
Belgium	0.7	1.0
Denmark	1.0	1.2
France	0.9	0.9
Germany	0.5	0.5
Hong Kong	3.2	4.0
Israel	2.9	2.9
Japan	6.5	8.0
New Zealand	2.8	3.3
Norway	3.2	1.3
Singapore	3.4	3.3
Sweden	0.3	-
Switzerland	5.7	6.2
United Kingdom	3.8	4.6
United States	59.1	57.5

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	562,123,586	381,863,574	-	943,987,160
Unrealized gain on currency spot contracts	-	420	-	420
	562,123,586	381,863,994	-	943,987,580

Scotia Global Low Volatility Equity LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	509,835,677	373,058,915	–	882,894,592
Warrants, rights and options	–	2,927	–	2,927
	509,835,677	373,061,842	–	882,897,519

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2016 and December 31, 2015, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2016 or December 31, 2015.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia Total Return Bond LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	824,951,065	820,446,972
Unrealized gain on currency forward contracts	3,569,038	—
Cash	100,639,584	24,792,683
Margin deposited on futures	—	6,688,022
Receivable for securities sold	7,251,750	—
Subscriptions receivable	—	63,000
Accrued investment income and other	5,536,797	5,061,345
	<u>941,948,234</u>	<u>857,052,022</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	46,756,697	—
Redemptions payable	—	750,000
Accrued expenses	828	—
Unrealized loss on currency forward contracts	1,497,647	2,845,489
Unrealized loss on futures contracts	—	1,966,917
	<u>48,255,172</u>	<u>5,562,406</u>
Net assets attributable to holders of redeemable units	<u>893,693,062</u>	<u>851,489,616</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	<u>893,693,062</u>	<u>851,489,616</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNIT PER UNIT		
Series I	<u>11.66</u>	<u>11.37</u>

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Interest for distribution purposes	25,280,642	19,502,603
Net realized gain (loss) on non-derivative financial assets	17,680,739	14,039,857
Net realized gain (loss) on currency forward contracts	13,122,277	778,591
Net realized gain (loss) on futures contracts	(13,473,110)	(1,205,492)
Change in unrealized gain (loss) on non-derivative financial assets	(25,634,246)	9,540,192
Change in unrealized gain (loss) on currency forward contracts	4,916,880	(4,540,055)
Change in unrealized gain (loss) on futures contracts	1,966,917	(1,966,917)
Net gain (loss) on investments	<u>23,860,099</u>	<u>36,148,779</u>
Securities lending	64,394	28,140
Net realized and unrealized foreign currency translation gain (loss)	(2,217,545)	2,306,354
Total income (loss), net	<u>21,706,948</u>	<u>38,483,273</u>
EXPENSES		
Fixed administration fees (note 6)	262,924	198,588
Independent Review Committee fees	1,184	686
Interest expense and bank overdraft charges	164,368	6,552
Foreign withholding taxes/tax reclaims	230,974	272,692
Other fund costs	149	1,070
Harmonized Sales Tax/Goods and Services Tax	34,353	25,970
Transaction costs	52,550	130,808
Total expenses	<u>746,502</u>	<u>636,366</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>20,960,446</u>	<u>37,846,907</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	<u>20,960,446</u>	<u>37,846,907</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	<u>0.28</u>	<u>0.63</u>
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	<u>74,865,376</u>	<u>59,625,735</u>

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	851,489,616	359,431,822
	<u>851,489,616</u>	<u>359,431,822</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	20,960,446	37,846,907
	<u>20,960,446</u>	<u>37,846,907</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	42,998,098	472,850,579
Payments on redemption		
Series I	(21,755,098)	(18,639,692)
	<u>21,243,000</u>	<u>454,210,887</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	42,203,446	492,057,794
	<u>42,203,446</u>	<u>492,057,794</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	893,693,062	851,489,616
	<u>893,693,062</u>	<u>851,489,616</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	20,960,446	37,846,907
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(17,680,739)	(14,039,857)
Unrealized foreign currency translation (gain) loss	2,405,752	(3,214,728)
Change in unrealized (gain) loss on non-derivative financial assets	25,634,246	(9,540,192)
Change in unrealized (gain) loss on currency forward contracts	(4,916,880)	4,540,055
Change in unrealized (gain) loss on futures contracts	(1,966,917)	1,966,917
Purchases of portfolio investments	(1,346,929,432)	(2,458,342,010)
Proceeds from sale of portfolio investments	1,373,976,779	1,984,976,949
Margin deposited on derivatives	6,688,022	(4,831,005)
Accrued investment income and other receivables	(475,452)	(2,675,613)
Accrued expenses and other payables	828	—
Net cash provided by (used in) operating activities	<u>57,696,653</u>	<u>(463,312,577)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	43,061,098	472,836,779
Amounts paid on redemption of redeemable units	(22,505,098)	(17,889,692)
Net cash provided by (used in) financing activities	20,556,000	454,947,087
Unrealized foreign currency translation gain (loss)	(2,405,752)	3,214,728
Net increase (decrease) in cash	78,252,653	(8,365,490)
Cash (bank overdraft), beginning of period	24,792,683	29,943,445
CASH (BANK OVERDRAFT), END OF PERIOD	<u>100,639,584</u>	<u>24,792,683</u>
Interest paid ⁽¹⁾	164,368	6,552
Interest received ⁽¹⁾	24,574,213	16,554,301

⁽¹⁾ Classified as operating items.

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

Scotia Total Return Bond LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)
Corporate Bonds – 46.5%				Corporate Bonds (cont'd)			
4,470,000	Algonquin Power & Utilities Corporation 4.82% Feb 15, 2021	4,784,365	4,786,511	4,925,000	Daimler Canada Finance Inc. 2.28% Feb 17, 2017	4,981,536	4,933,244
1,000,000	Allied Properties Real Estate Investment Trust 3.75% May 13, 2020	1,014,500	1,027,784	420,000	DaVita Inc. (Callable) 5.00% May 01, 2020	543,465	560,702
60,000	Allied Properties Real Estate Investment Trust 3.93% Nov 14, 2022	60,000	60,757	725,000	DaVita Inc. (Callable) 5.13% Jul 15, 2019	947,626	975,182
2,270,000	Amazon.com Inc. (Callable) 3.30% Oct 05, 2021	2,911,187	3,158,370	7,400,000	Dollarama Inc. 1.45% May 16, 2017	7,387,050	7,402,146
3,580,000	Anheuser-Busch InBev Finance Inc. (Callable) 3.65% Nov 01, 2025	4,881,933	4,867,108	5,715,000	Dollarama Inc. 2.34% Jul 22, 2021	5,756,467	5,698,111
7,535,000	Apple Inc. (Callable) 3.25% Nov 23, 2025	10,293,945	10,138,511	1,855,474	Enbridge Southern Lights LP 4.01% Jun 30, 2040	1,871,858	1,856,662
11,119,000	APT Pipelines Ltd. (Callable) 4.20% Dec 23, 2024	14,215,594	14,899,696	5,615,000	Enercare Solutions Inc. 4.60% Feb 03, 2020	5,915,433	5,896,991
2,870,000	APT Pipelines Ltd. 4.25% Jul 24, 2019	3,003,037	2,997,997	770,000	Entegris Inc. (Callable) 6.00% Apr 01, 2017	1,072,273	1,084,851
8,550,000	Avnet Inc. (Callable) 4.63% Jan 15, 2026	11,203,071	11,275,529	2,700,000	Federal Republic of Germany 3.75% Jun 14, 2018	2,488,699	2,548,275
2,600,000	Banco Santander Chile 4.50% Mar 13, 2017	2,589,541	2,525,196	6,510,000	First Capital Realty Inc. 4.50% Mar 01, 2021	7,170,068	7,011,356
2,790,000	Bank of America Corporation 4.00% Apr 01, 2024	3,353,076	3,868,512	5,100,000	Ford Credit Canada Ltd. (Floating Rate) 1.78% Dec 22, 2017	5,100,000	5,131,569
5,585,000	Bank of Montreal 2.84% Jun 04, 2020	5,854,756	5,791,235	4,130,000	Gilead Sciences Inc. (Callable) 4.40% Sep 01, 2021	5,641,712	5,988,134
2,550,000	Bank of Nova Scotia, The (Floating Rate) 2.90% Aug 03, 2017	2,612,235	2,571,201	1,000,000	Glacier Credit Card Trust 2.76% Nov 20, 2018	1,029,459	1,023,647
6,030,000	Bank of Nova Scotia, The 2.13% Jun 15, 2020	6,129,815	6,105,785	1,735,000	Goldman Sachs Group Inc., The 3.55% Feb 12, 2021	1,733,074	1,817,830
2,300,000	Bell Canada 3.35% Jun 18, 2019	2,408,008	2,393,580	1,690,000	Hanesbrands Inc. (Callable) 4.88% Feb 15, 2026	2,300,753	2,229,956
2,995,000	Bow Centre Street LP 3.80% Jun 13, 2023	2,933,240	2,896,158	1,830,000	HCA Inc. (Callable) 5.25% Dec 15, 2025	2,464,846	2,546,138
4,285,000	Brookfield Asset Management Inc. (Callable) 5.04% Dec 08, 2023	4,663,961	4,723,570	4,130,000	HCA Inc. 5.00% Mar 15, 2024	5,560,222	5,721,624
3,650,000	Cadence Design Systems Inc. (Callable) 4.38% Jul 15, 2024	4,782,163	4,837,630	910,000	HCA Inc. 5.25% Apr 15, 2025	1,234,172	1,282,274
7,555,000	Canadian Imperial Bank of Commerce 1.85% Jul 14, 2020	7,541,023	7,580,364	4,625,000	Heathrow Funding Ltd. 3.00% Jun 17, 2021	4,660,906	4,765,546
3,180,000	Canadian Western Bank 3.08% Jan 14, 2019	3,268,614	3,240,084	3,695,000	Hollis Receivables Term Trust II 1.79% Feb 26, 2020	3,696,175	3,701,100
3,800,000	Caterpillar Financial Services Ltd. 1.75% Jun 03, 2019	3,826,725	3,817,157	2,295,000	Honda Canada Finance Inc. 2.16% Feb 18, 2021	2,323,710	2,313,234
2,940,000	Caterpillar Financial Services Ltd. 2.63% Jun 01, 2017	3,009,655	2,960,644	1,806,985	Hospital Infrastructure Partners NOH Partnership 5.44% Jan 31, 2045	2,049,118	2,017,023
6,185,000	Choice Properties LP (Callable) 3.60% Jan 20, 2020	6,561,608	6,460,008	11,085,000	HSBC Bank of Canada 1.82% Jul 07, 2020	11,034,238	11,020,105
4,365,000	Coca-Cola Company, The 2.55% Jun 01, 2026	5,940,061	5,591,590	5,200,000	Inter Pipeline Ltd. (Floating Rate) 1.40% May 30, 2017	5,191,836	5,199,064
3,025,000	Comcast Corporation (Callable) 2.35% Oct 15, 2026	3,937,121	3,746,850	7,000,000	International Bank for Reconstruction & Development 3.75% Feb 10, 2020	6,417,505	6,622,551
2,000,000	Cominar Real Estate Investment Trust 4.16% Jun 01, 2022	2,000,000	2,038,937	5,800,000	John Deere Financial Ltd. 3.50% Dec 18, 2019	5,494,086	5,678,272
6,400,000	Cominar Real Estate Investment Trust 4.25% Dec 08, 2021	6,455,352	6,597,715	1,905,000	Johnson & Johnson (Callable) 2.45% Dec 01, 2025	2,498,700	2,452,843
3,525,000	Commonwealth Bank of Australia 2.50% Sep 20, 2018	4,709,701	4,789,564	6,910,000	Keysight Technologies Inc. (Callable) 4.55% Jul 30, 2024	8,641,285	9,231,420
2,700,000	Commonwealth Bank of Australia 5.13% Aug 01, 2019	2,562,100	2,601,750	2,990,000	Level 3 Financing Inc. (Callable) 5.38% Jan 15, 2019	4,136,880	4,082,038
3,725,000	Commonwealth Bank of Australia 5.15% Apr 09, 2020	4,170,500	4,090,426	6,340,000	Loblaws Cos Ltd. 3.75% Mar 12, 2019	6,808,267	6,622,356
3,475,000	Co-operators Financial Services Ltd. 5.78% Mar 10, 2020	3,873,195	3,747,046	5,870,000	Manufacturers Life Insurance Company, The (Callable) 2.81% Feb 21, 2019	5,974,755	5,967,155
1,110,000	Daimler Canada Finance Inc. 1.91% Jul 08, 2021	1,112,187	1,097,012	6,150,000	Metro Inc. (Callable) 3.20% Nov 01, 2021	6,250,290	6,394,736
				11,985,000	Molson Coors International LP 2.75% Sep 18, 2020	12,072,927	12,186,326

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

Scotia Total Return Bond LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)	Face Value (\$)	Issuer	Average Cost (\$)	Carrying Value (\$)
Corporate Bonds (cont'd)				Federal Bonds (cont'd)			
8,380,000	National Bank of Canada 2.11% Mar 18, 2022	8,326,131	8,359,075	14,300,000	United States Treasury Inflation Indexed Bonds 1.00% Feb 15, 2046	20,512,853	19,725,403
5,515,000	NBC Asset Trust 7.24% Jun 30, 2018	6,385,569	5,938,771	71,200,000	United States Treasury Notes 2.00% Nov 15, 2026	91,277,457	92,055,542
2,017,378	North Battleford Power LP 4.96% Dec 31, 2032	2,114,079	2,224,712			<u>224,435,928</u>	<u>216,857,047</u>
3,290,000	Pembina Pipeline Corporation (Callable) 3.54% Nov 03, 2024	3,277,922	3,348,037	Mortgage-Backed Securities – 2.1%			
1,270,000	Quebecor Media Inc. 6.63% Jan 15, 2023	1,298,915	1,337,733	9,490,000	Canadian Credit Card Trust II 1.83% Mar 24, 2020	9,488,520	9,510,403
4,210,000	QVC Inc. 4.38% Mar 15, 2023	5,769,221	5,607,866	6,400,000	Canadian Mortgage Pools 3.34% Nov 01, 2023	5,999,220	6,013,645
1,440,000	QVC Inc. 4.85% Apr 01, 2024	1,913,680	1,940,967	52,900,000	Institutional Mortgage Securities Canada Inc. 1.11% Nov 12, 2023	2,962,399	1,787,227
1,570,000	Reliance Steel & Aluminum Company (Callable) 4.50% Jan 15, 2023	2,020,264	2,119,409	37,200,000	Institutional Mortgage Securities Canada Inc. 1.28% Feb 12, 2023	2,120,400	1,115,814
5,990,000	Rogers Communications Inc. 4.70% Sep 29, 2020	6,608,943	6,568,260			<u>20,570,539</u>	<u>18,427,089</u>
10,445,000	Royal Bank of Canada 2.86% Mar 04, 2021	10,971,149	10,826,787	Provincial Bonds – 19.4%			
1,665,000	Sensata Technologies UK Financing Co. PLC (Callable) 6.25% Feb 15, 2021	2,235,038	2,335,928	19,500,000	Province of Alberta 2.35% Jun 01, 2025	19,586,968	19,383,482
2,900,000	ServiceMaster Company LLC, The 7.45% Aug 15, 2027	3,795,292	4,081,030	3,000,000	Province of Ontario 1.88% May 21, 2020	3,910,181	4,013,900
5,035,000	Sobeys Inc. (Callable) 4.70% May 08, 2023	5,476,469	5,018,104	33,000,000	Province of Ontario 2.40% Jun 02, 2026	34,306,760	32,761,605
4,500,000	TELUS Corporation (Callable) 3.75% Oct 17, 2024	4,696,963	4,709,342	18,400,000	Province of Ontario 3.50% Jun 02, 2024	20,199,151	19,983,511
1,930,000	TELUS Corporation 5.05% Dec 04, 2019	2,180,364	2,107,775	3,200,000	Province of Ontario 4.25% Aug 22, 2024	3,220,736	3,248,979
1,125,000	Tenneco Inc. (Callable) 5.00% Jul 15, 2021	1,508,859	1,485,345	35,350,000	Province of Quebec 3.00% Sep 01, 2023	38,586,608	37,357,057
6,745,000	Toronto-Dominion Bank, The 2.56% Jun 24, 2020	6,966,755	6,933,464	46,000,000	Province of Quebec 4.50% Dec 01, 2019	51,372,500	50,226,647
8,435,000	Toyota Credit Canada Inc. 2.75% Jul 18, 2018	8,675,165	8,608,267	7,000,000	Queensland Treasury Corporation 3.25% Jul 21, 2026	7,538,925	6,827,251
1,205,000	Universal Health Services Inc. (Callable) 4.75% Aug 01, 2017	1,632,087	1,647,992			<u>178,721,829</u>	<u>173,802,432</u>
3,865,000	Universal Health Services Inc. (Callable) 5.00% Jun 01, 2021	5,165,549	5,070,534	TOTAL INVESTMENT PORTFOLIO			
4,840,000	Veresen Inc., 3.95% Mar 14, 2017	5,031,682	4,862,817			<u>837,463,911</u>	<u>824,951,065</u>
2,640,000	Verizon Communications Inc. 5.15% Sep 15, 2023	3,938,303	3,920,988		Unrealized Gain (Loss) on Derivatives – 0.2%		2,071,391
4,410,000	Vulcan Materials Company (Callable) 4.50% Jan 01, 2025	5,573,132	6,224,109		OTHER ASSETS, LESS LIABILITIES – 7.5%		66,670,606
3,400,000	VW Credit Canada Inc. (Floating Rate) 1.25% Apr 03, 2017	3,395,988	3,398,354		NET ASSETS – 100.0%		<u>893,693,062</u>
3,200,000	Wells Fargo & Company 4.00% Aug 08, 2019	3,246,518	3,164,103				
3,580,000	Westpac Banking Corporation 2.00% Mar 03, 2020	4,419,918	4,777,990				
		<u>413,735,615</u>	<u>415,864,497</u>				
Federal Bonds – 24.3%							
15,000,000	Government of Canada 0.50% Aug 01, 2018	14,976,558	14,946,259				
371,750,400	Mexican Bonos 6.50% Jun 10, 2021	29,529,218	23,504,996				
21,000,000	New Zealand Local Government Funding Agency 2.75% Apr 15, 2025	18,463,285	17,606,637				
12,850,000	South Australian Government Financing Authority 1.50% Sep 22, 2022	12,275,746	11,637,299				
21,000,000	United Kingdom Gilt 2.00% Sep 07, 2025	37,400,811	37,380,911				

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

Scotia Total Return Bond LP (Continued)

SCHEDULE OF DERIVATIVE INSTRUMENTS

UNREALIZED GAIN ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Gain (\$)
Toronto-Dominion Bank, The	A-1+	Jan. 11, 2017	Canadian Dollar	66,258,313	US Dollar	49,300,000	0.744	0.745	42,931
Toronto-Dominion Bank, The	A-1+	Jan. 11, 2017	Canadian Dollar	37,567,501	Australian Dollar	36,775,000	0.979	1.033	1,955,930
Bank of Nova Scotia, The	A-1	Jan. 11, 2017	Canadian Dollar	6,187,966	US Dollar	4,600,000	0.743	0.745	9,655
Bank of Nova Scotia, The	A-1	Feb. 15, 2017	Canadian Dollar	37,959,376	British Pound	22,400,000	0.59	0.604	886,173
Toronto-Dominion Bank, The	A-1+	Mar. 15, 2017	Canadian Dollar	32,229,995	New Zealand Dollar	34,300,000	1.064	1.076	346,153
Toronto-Dominion Bank, The	A-1+	Jan. 11, 2017	US Dollar	25,000,000	Canadian Dollar	33,249,625	1.33	1.343	328,196
									<u>3,569,038</u>

UNREALIZED LOSS ON CURRENCY FORWARD CONTRACTS

Counterparty	Credit Rating	Settlement Date	Currency To Be Received	Contractual Amount	Currency To Be Delivered	Contractual Amount	Contract Price	Market Price	Unrealized Loss (\$)
Bank of Nova Scotia, The	A-1	Feb. 15, 2017	British Pound	22,400,000	Canadian Dollar	37,679,712	1.682	1.655	(603,678)
Toronto-Dominion Bank, The	A-1+	Mar. 15, 2017	Canadian Dollar	54,930,720	US Dollar	41,600,000	0.757	0.745	(893,969)
									<u>(1,497,647)</u>

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

Scotia Total Return Bond LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's objective is to provide income and capital gains from an actively managed diversified portfolio of primarily Canadian fixed income securities.

Risks associated with financial instruments (note 4)

Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk by the remaining term to maturity (earlier of maturity date or interest reset date) of the Fund's portfolio, excluding underlying funds, preferred shares, cash and overdrafts, as applicable.

Interest rate exposure	December 31, 2016 (\$)	December 31, 2015 (\$)
Less than 1 year	41,717,078	93,684,171
1-3 years	131,728,879	79,065,898
3-5 years	199,446,585	166,962,286
5-10 years	422,153,693	438,571,308
> 10 years	29,904,830	42,163,309
	824,951,065	820,446,972

As at December 31, 2016, had the prevailing interest rates increased or decreased by 0.25%, assuming a parallel shift in the yield curve and all other variables held constant, net assets attributable to holders of redeemable units would have decreased or increased, respectively, by \$11,913,523 or approximately 1.3% (December 31, 2015 – \$10,469,228 or approximately 1.2%).

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

Currency	December 31, 2016			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	318,973,206	(94,961,581)	224,011,625	25.1
British Pound	37,405,259	634,383	38,039,642	4.3
Mexican Peso	23,504,996	–	23,504,996	2.6
New Zealand Dollar	30,532,777	(31,883,842)	(1,351,065)	(0.2)
Australian Dollar	33,196,436	(35,611,570)	(2,415,134)	(0.3)
	443,612,674	(161,822,610)	281,790,064	31.5

Currency	December 31, 2015			
	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	133,932,765	(1,966,917)	131,965,848	15.5
Mexican Peso	21,151,504	–	21,151,504	2.5
Australian Dollar	15,428,646	(15,303,451)	125,195	0.0
New Zealand Dollar	27,931,437	(29,078,824)	(1,147,387)	(0.1)
	198,444,352	(46,349,192)	152,095,160	17.9

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$28,179,006 or 3.2% of net assets (December 31, 2015 – \$15,209,516 or 1.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

The Fund did not have significant price risk exposure to equities, underlying funds, derivatives or commodities, if applicable, as at December 31, 2016 and December 31, 2015.

Credit risk

The table below summarizes the credit ratings of the bonds and debentures, money market instruments and preferred shares held by the Fund, as applicable.

	December 31, 2016		December 31, 2015	
	Percentage of total credit rated instruments (%)	Percentage of net assets (%)	Percentage of total credit rated instruments (%)	Percentage of net assets (%)
Credit ratings				
AAA	24.7	22.8	7.0	6.7
AA	16.7	15.4	29.7	28.7
A	30.6	28.1	36.5	35.1
BBB	25.0	23.1	23.9	23.0
BB	2.4	2.3	2.2	2.2
B	0.3	0.3	0.4	0.4
CCC	–	–	0.3	0.3
NOT RATED	0.3	0.3	–	–
	100.0	92.3	100.0	96.4

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Corporate Bonds	46.5	55.5
Federal Bonds	24.3	5.9
Mortgage-Backed Securities	2.1	2.3
Provincial Bonds	19.4	32.7

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Bonds and debentures	–	824,951,065	–	824,951,065
Unrealized gain on currency forward contracts	–	3,569,038	–	3,569,038
	–	828,520,103	–	828,520,103
Unrealized loss on currency forward contracts	–	(1,497,647)	–	(1,497,647)
	–	827,022,456	–	827,022,456

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

Scotia Total Return Bond LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

December 31, 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds and debentures	–	820,446,972	–	820,446,972
Unrealized loss on currency forward contracts	–	(2,845,489)	–	(2,845,489)
Unrealized loss on futures contracts	(1,966,917)	–	–	(1,966,917)
	(1,966,917)	817,601,483	–	815,634,566

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts, were to arise. No amounts were offset in the financial statements.

December 31, 2016				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	3,569,038	(1,497,647)	–	2,071,391
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	3,569,038	(1,497,647)	–	2,071,391

December 31, 2016				
Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	1,497,647	(1,497,647)	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	1,497,647	(1,497,647)	–	–

December 31, 2015				
Financial assets – by type	Gross amount of assets (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	–	–	–	–
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	–	–	–	–

December 31, 2015				
Financial liabilities – by type	Gross amount of liabilities (\$)	Master netting offset (\$)	Collateral pledged/received (\$)	Net Amount (\$)
Currency forward contracts	2,845,489	–	–	2,845,489
Options contracts – OTC	–	–	–	–
Swap contracts – OTC	–	–	–	–
	2,845,489	–	–	2,845,489

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2016 or December 31, 2015.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

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

Scotia U.S. Dividend Growers LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	541,736,554	490,227,164
Cash	585,991	197,908
Subscriptions receivable	–	65,100
Accrued investment income and other	572,840	235,049
	<u>542,895,385</u>	<u>490,725,221</u>
LIABILITIES		
Current liabilities		
Accrued expenses	1,173	–
	<u>1,173</u>	<u>–</u>
Net assets attributable to holders of redeemable units	<u>542,894,212</u>	<u>490,725,221</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	542,894,212	490,725,221
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	14.99	15.08

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	7,734,136	4,707,516
Interest for distribution purposes	76,336	2,912
Net realized gain (loss) on non-derivative financial assets	16,285,078	15,650,101
Change in unrealized gain (loss) on non-derivative financial assets	(17,201,789)	58,512,760
Net gain (loss) on investments	6,893,761	78,873,289
Net realized and unrealized foreign currency translation gain (loss)	(3,817,208)	1,352,650
Total income (loss), net	<u>3,076,553</u>	<u>80,225,939</u>
EXPENSES		
Fixed administration fees (note 6)	348,668	248,413
Independent Review Committee fees	1,184	832
Interest expense and bank overdraft charges	1,110	8,556
Foreign withholding taxes/tax reclaims	1,117,722	690,948
Other fund costs	82	614
Harmonized Sales Tax/Goods and Services Tax	45,492	32,438
Transaction costs	103,834	91,142
Total expenses	<u>1,618,092</u>	<u>1,072,943</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>1,458,461</u>	<u>79,152,996</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	1,458,461	79,152,996
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	0.04	3.08
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	34,898,150	25,658,814

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	490,725,221	137,207,476
	<u>490,725,221</u>	<u>137,207,476</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	1,458,461	79,152,996
	<u>1,458,461</u>	<u>79,152,996</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	69,365,639	367,569,448
Payments on redemption		
Series I	(18,655,109)	(93,204,699)
	<u>50,710,530</u>	<u>274,364,749</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	52,168,991	353,517,745
	<u>52,168,991</u>	<u>353,517,745</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	542,894,212	490,725,221
	<u>542,894,212</u>	<u>490,725,221</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	1,458,461	79,152,996
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(16,285,078)	(15,650,101)
Unrealized foreign currency translation (gain) loss	32,000	(2,252,768)
Change in unrealized (gain) loss on non-derivative financial assets	17,201,789	(58,512,760)
Purchases of portfolio investments	(371,778,852)	(491,421,972)
Proceeds from sale of portfolio investments	319,352,751	205,525,165
Accrued investment income and other receivables	(337,791)	(66,085)
Accrued expenses and other payables	1,173	–
Net cash provided by (used in) operating activities	<u>(46,868,245)</u>	<u>(283,225,525)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	69,430,739	367,583,462
Amounts paid on redemption of redeemable units	(18,655,109)	(93,204,699)
Net cash provided by (used in) financing activities	50,775,630	274,378,763
Unrealized foreign currency translation gain (loss)	(32,000)	2,252,768
Net increase (decrease) in cash	420,083	(8,846,762)
Cash (bank overdraft), beginning of period	197,908	6,791,902
CASH (BANK OVERDRAFT), END OF PERIOD	<u>585,991</u>	<u>197,908</u>
Interest paid ⁽¹⁾	1,110	8,556
Interest received ⁽¹⁾	72,599	3,207
Dividends received, net of withholding taxes ⁽¹⁾	6,282,361	3,950,187

⁽¹⁾ Classified as operating items.

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

Scotia U.S. Dividend Growers LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
EQUITIES – 99.8%			
Consumer Discretionary – 22.1%			
139,042	Home Depot Inc., The	18,692,265	25,055,877
269,872	Ross Stores, Inc.	15,593,244	23,783,018
313,504	Starbucks Corporation	21,395,163	23,382,872
589,512	Twenty-First Century Fox Inc.	22,169,513	22,206,288
180,620	Walt Disney Company, The	22,089,961	25,304,222
		<u>99,940,146</u>	<u>119,732,277</u>
Consumer Staples – 14.1%			
543,768	Hormel Foods Corporation	21,748,660	25,428,631
547,649	Kroger Company, The	28,484,417	25,400,443
313,184	Tyson Foods, Inc.	23,537,723	25,950,709
		<u>73,770,800</u>	<u>76,779,783</u>
Financials – 4.4%			
158,839	Aon PLC	19,023,650	23,801,951
Health Care – 14.0%			
409,367	Agilent Technologies, Inc.	24,176,886	25,055,429
162,026	Stryker Corporation	24,639,563	26,088,323
115,567	UnitedHealth Group Incorporated	15,716,469	24,860,614
		<u>64,532,918</u>	<u>76,004,366</u>
Industrials – 31.5%			
153,040	Cintas Corporation	18,009,998	23,758,433
239,281	Danaher Corporation	24,762,096	25,039,353
158,076	Honeywell International Inc.	24,174,538	24,607,131
236,173	Ingersoll-Rand PLC	24,468,319	23,808,299
100,385	Roper Technologies Inc.	25,482,109	24,693,027
106,521	Snap-on Incorporated	21,717,606	24,512,366
369,538	Southwest Airlines Company	16,721,428	24,742,435
		<u>155,336,094</u>	<u>171,161,044</u>
Information Technology – 9.1%			
615,075	Cisco Systems, Inc.	22,758,005	24,991,192
232,221	Visa Inc.	22,503,850	24,384,796
		<u>45,261,855</u>	<u>49,375,988</u>
Materials – 4.6%			
323,681	Dow Chemical Company, The	22,229,661	24,881,145
	TOTAL EQUITIES	<u>480,095,124</u>	<u>541,736,554</u>
	TOTAL INVESTMENT PORTFOLIO	<u>480,095,124</u>	<u>541,736,554</u>
	OTHER ASSETS, LESS LIABILITIES – 0.2%		1,157,658
	NET ASSETS – 100.0%		<u>542,894,212</u>

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

Scotia U.S. Dividend Growers LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to maximize total investment return by investing primarily in equity securities of U.S. companies listed on U.S. exchanges that have exhibited strong dividend growth and have the potential for long term capital growth.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2016 and December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	541,825,777	–	541,825,777	99.8
	541,825,777	–	541,825,777	99.8

December 31, 2015				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	490,425,072	–	490,425,072	99.9
	490,425,072	–	490,425,072	99.9

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$54,182,578 or 10.0% of net assets (December 31, 2015 – \$49,042,507 or 10.0%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 99.8% (December 31, 2015 – 99.9%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$54,173,655 (December 31, 2015 – \$49,022,716). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2016 or December 31, 2015.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Consumer Discretionary	22.1	26.7
Consumer Staples	14.1	18.7
Financials	4.4	8.8
Health Care	14.0	14.1
Industrials	31.5	22.7
Information Technology	9.1	8.9
Materials	4.6	–

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	541,736,554	–	–	541,736,554
	541,736,554	–	–	541,736,554

December 31, 2015	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	490,227,164	–	–	490,227,164
	490,227,164	–	–	490,227,164

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2016 and December 31, 2015, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2016 or December 31, 2015.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

Scotia U.S. Low Volatility Equity LP

STATEMENTS OF FINANCIAL POSITION

As at

(in dollars)	December 31, 2016	December 31, 2015
ASSETS		
Current assets		
Investments		
Non-derivative financial assets	945,841,888	865,848,707
Cash	2,264,370	6,357,705
Receivable for securities sold	365,154	–
Subscriptions receivable	–	36,800
Accrued investment income and other	1,636,364	1,654,632
	<u>950,107,776</u>	<u>873,897,844</u>
LIABILITIES		
Current liabilities		
Payable for securities purchased	1,083,701	177,753
Redemptions payable	130,000	1,120,000
Accrued expenses	2,051	–
	<u>1,215,752</u>	<u>1,297,753</u>
Net assets attributable to holders of redeemable units	<u>948,892,024</u>	<u>872,600,091</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER SERIES		
Series I	948,892,024	872,600,091
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series I	14.21	12.75

STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended December 31 (note 1),

(in dollars except average units)	2016	2015
INCOME		
Net gain (loss) on investments		
Dividends	27,215,294	11,769,856
Interest for distribution purposes	36,920	9,916
Net realized gain (loss) on non-derivative financial assets	16,897,179	93,662,770
Change in unrealized gain (loss) on non-derivative financial assets	59,415,038	(28,167,664)
Net gain (loss) on investments	103,564,431	77,274,878
Securities lending	22,395	12,356
Net realized and unrealized foreign currency translation gain (loss)	(46,729)	15,158,289
Total income (loss), net	<u>103,540,097</u>	<u>92,445,523</u>
EXPENSES		
Fixed administration fees (note 6)	616,549	610,182
Independent Review Committee fees	1,184	1,153
Interest expense and bank overdraft charges	12,021	987
Foreign withholding taxes/tax reclaims	3,805,273	1,661,269
Other fund costs	146	1,074
Harmonized Sales Tax/Goods and Services Tax	80,324	79,538
Transaction costs	45,336	442,266
Total expenses	<u>4,560,833</u>	<u>2,796,469</u>
Increase (decrease) in net assets attributable to holders of redeemable units from operations	<u>98,979,264</u>	<u>89,649,054</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER SERIES		
Series I	98,979,264	89,649,054
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS PER UNIT[†]		
Series I	1.48	1.23
WEIGHTED AVERAGE NUMBER OF UNITS PER SERIES		
Series I	66,912,320	72,606,006

[†] The increase (decrease) in net assets attributable to holders of redeemable units from operations per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units from operations per series by the weighted average number of units per series.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, BEGINNING OF PERIOD		
Series I	872,600,091	910,559,535
	<u>872,600,091</u>	<u>910,559,535</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS FROM OPERATIONS		
Series I	98,979,264	89,649,054
	<u>98,979,264</u>	<u>89,649,054</u>
REDEEMABLE UNIT TRANSACTIONS		
Proceeds from issue		
Series I	41,257,725	88,265,809
Payments on redemption		
Series I	(63,945,056)	(215,874,307)
	<u>(22,687,331)</u>	<u>(127,608,498)</u>
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series I	76,291,933	(37,959,444)
	<u>76,291,933</u>	<u>(37,959,444)</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS, END OF PERIOD		
Series I	948,892,024	872,600,091
	<u>948,892,024</u>	<u>872,600,091</u>

STATEMENTS OF CASH FLOWS

For the periods ended December 31 (note 1),

(in dollars)	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	98,979,264	89,649,054
Adjustments for:		
Net realized (gain) loss on non-derivative financial assets	(16,897,179)	(93,662,770)
Unrealized foreign currency translation (gain) loss	152,283	(2,625,693)
Change in unrealized (gain) loss on non-derivative financial assets	(59,415,038)	28,167,664
Non-cash transactions	–	(50,634)
Purchases of portfolio investments	(199,900,224)	(2,331,245,911)
Proceeds from sale of portfolio investments	196,760,054	2,205,659,597
Accrued investment income and other receivables	18,268	(1,654,542)
Accrued expenses and other payables	2,051	–
Net cash provided by (used in) operating activities	19,699,479	(105,763,235)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of redeemable units	41,294,525	88,333,759
Amounts paid on redemption of redeemable units	(64,935,056)	(214,754,307)
Net cash provided by (used in) financing activities	(23,640,531)	(126,420,548)
Unrealized foreign currency translation gain (loss)	(152,283)	2,625,693
Net increase (decrease) in cash	(3,941,052)	(232,183,783)
Cash (bank overdraft), beginning of period	6,357,705	235,915,795
CASH (BANK OVERDRAFT), END OF PERIOD	<u>2,264,370</u>	<u>6,357,705</u>
Interest paid ⁽¹⁾	12,021	987
Interest received ⁽¹⁾	37,672	7,290
Dividends received, net of withholding taxes ⁽¹⁾	23,427,537	8,456,671

⁽¹⁾ Classified as operating items.

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

Scotia U.S. Low Volatility Equity LP (Continued)

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2016

Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)	Number of Shares	Issuer	Average Cost (\$)	Carrying Value (\$)
Consumer Discretionary – 9.3%				Health Care (cont'd)			
59,600	Bed Bath & Beyond Inc.	5,039,015	3,253,908	35,200	UnitedHealth Group Incorporated	5,727,792	7,572,176
35,200	Brinker International, Inc.	2,766,758	2,342,159			148,353,574	148,499,805
71,500	Cheesecake Factory Inc., The	5,200,594	5,751,659	Industrials – 8.6%			
37,100	Children's Place Inc., The	5,180,157	5,031,362	46,300	Boeing Company, The	8,862,588	9,689,114
86,500	Comcast Corporation, Class A	6,898,445	8,034,932	62,300	Deere & Company	7,360,905	8,623,810
84,800	Darden Restaurants, Inc.	7,567,245	8,284,285	12,600	Kaman Corporation	706,835	829,330
59,700	Dick's Sporting Goods, Inc.	4,095,933	4,258,672	22,200	Northrop Grumman Corporation	5,085,897	6,939,178
31,700	Dollar General Corporation	2,985,826	3,154,328	41,700	Raytheon Company	6,592,332	7,957,329
43,200	Foot Locker, Inc.	4,127,142	4,114,092	214,000	Republic Services, Inc.	12,086,296	16,401,166
70,200	Kohl's Corporation	5,662,983	4,656,863	54,300	United Parcel Service, Inc., Class B	7,139,211	8,370,259
70,500	Macy's, Inc.	6,424,615	3,391,554	60,300	United Technologies Corporation	7,889,311	8,894,165
36,000	Murphy USA Inc.	3,404,084	2,972,836	148,500	Waste Management, Inc.	11,554,227	14,153,164
104,500	Sally Beauty Holdings, Inc.	4,123,140	3,708,979			67,277,602	81,857,515
62,600	Scripps Networks Interactive	4,793,393	6,001,991	Information Technology – 13.2%			
205,000	Target Corporation	20,906,942	19,901,564	178,200	Amdocs Ltd.	13,740,165	13,944,692
64,600	Viacom Inc., Class B	4,474,089	3,047,407	86,500	Apple Inc.	13,073,357	13,462,825
		93,650,361	87,906,591	111,000	CA, Inc.	4,697,509	4,737,459
Consumer Staples – 12.0%				279,400	Cisco Systems, Inc.	10,449,760	11,352,338
166,600	Altria Group, Inc.	12,122,288	15,137,418	184,400	Convergys Corporation	6,293,456	6,084,075
118,700	Bunge Limited	11,501,136	11,519,503	35,789	Dell Technologies Inc.	2,078,514	2,642,899
118,000	CVS Health Corporation	15,126,711	12,514,455	253,600	Intel Corporation	9,760,143	12,365,206
123,400	Dr. Pepper Snapple Group, Inc.	13,688,071	15,030,869	74,600	International Business Machines Corporation	15,713,420	16,635,125
103,200	Fresh Del Monte Produce Inc.	8,064,871	8,405,675	88,900	Motorola Solutions, Inc.	8,584,053	9,902,393
230,000	Kroger Company, The	11,218,806	10,667,603	129,900	Oracle Corporation	6,817,883	6,709,819
151,700	Tyson Foods, Inc.	8,285,975	12,569,999	134,500	QUALCOMM, Inc.	11,267,000	11,786,231
54,300	Universal Corporation VA	4,183,323	4,650,347	97,200	Tyco Electronics Ltd.	8,024,415	9,046,476
250,500	Wal-Mart Stores, Inc.	23,579,069	23,265,426	212,200	Western Union Company	5,714,045	6,191,709
		107,770,250	113,761,295			116,213,720	124,861,247
Energy – 2.0%				Materials – 3.9%			
114,000	Exxon Mobil Corporation	12,162,074	13,823,101	54,600	Avery Dennison Corporation	4,736,076	5,150,611
53,400	Valero Energy Corporation	4,596,720	4,902,903	113,900	Bemis Company, Inc.	6,585,747	7,319,389
		16,758,794	18,726,004	63,100	Clearwater Paper Corporation	4,761,727	5,565,054
Financials – 18.1%				81,000	International Paper Company	5,106,191	5,773,745
71,700	Aflac, Inc.	6,085,784	6,703,995	42,600	Kaiser Aluminum Corporation	4,620,900	4,446,108
48,300	Allstate Corporation, The	4,684,316	4,809,366	52,700	Schweitzer-Mauduit International Inc.	2,415,738	3,225,165
55,500	American Financial Group Inc.	5,143,089	6,574,586	76,700	SonoCompany Products Company	4,201,162	5,431,689
396,300	Annaly Capital Management Inc.	4,816,801	5,307,922			32,427,541	36,911,761
106,400	Aspen Insurance Holdings Ltd.	6,777,064	7,861,576	Real Estate – 2.2%			
119,600	Berkshire Hathaway Inc., Class B	22,529,005	26,195,739	154,500	Brixmor Property Group Inc.	5,136,280	5,068,500
57,500	Capital One Financial Corporation	6,202,212	6,738,897	34,300	Mid-America Apartment Communities, Inc.	4,316,901	4,512,018
46,100	CNA Financial Corporation	2,365,749	2,572,912	210,100	Piedmont Office Realty Trust Inc.	5,018,294	5,901,812
50,500	Everest Re Group Ltd.	12,162,653	14,688,066	160,200	Select Income REIT	4,152,031	5,423,359
30,400	Hanover Insurance Group Inc., The	3,138,427	3,717,402			18,623,506	20,905,689
561,400	MFA Financial Inc.	5,375,611	5,754,429	Telecommunication Services – 7.2%			
59,600	National Health Investors Inc.	5,701,984	5,938,542	378,300	AT&T Inc.	17,914,968	21,621,717
62,000	PNC Financial Services Group, Inc., The	8,080,159	9,741,691	219,200	Nippon Telegraph & Telephone Corporation – ADR	11,337,590	12,388,490
44,200	Reinsurance Group of America	5,613,188	7,471,568	222,600	NTT DoCoMo Inc. – ADR	5,096,177	6,803,178
347,000	Starwood Property Trust Inc.	9,926,759	10,225,214	161,700	SK Telecom Co., Ltd. – ADR	4,964,515	4,540,060
134,400	Travelers Companies, Inc., The	18,687,226	22,107,805	322,400	Verizon Communications Inc.	19,912,549	23,126,022
105,700	Validus Holdings Ltd.	6,509,252	7,811,275			59,225,799	68,479,467
91,600	Washington Federal Inc.	2,829,222	4,226,954	Utilities – 7.6%			
54,000	Welltower Inc.	4,484,247	4,855,343	178,000	Ameren Corporation	9,707,130	12,544,507
161,000	XL Group Ltd.	8,261,429	8,058,868	136,400	American Electric Power Company, Inc.	10,191,262	11,536,774
		149,374,177	171,362,150	123,800	Entergy Corporation	11,046,957	12,219,009
Health Care – 15.6%				238,100	Exelon Corporation	10,013,297	11,351,956
108,300	AbbVie Inc.	10,053,034	9,110,597	199,300	FirstEnergy Corporation	8,855,217	8,291,895
25,800	Amgen Inc.	6,007,678	5,069,157	107,200	Korea Electric Power Corporation	3,476,641	2,661,350
104,200	Cardinal Health, Inc.	11,397,763	10,074,524	236,900	Public Service Enterprise Group Incorporated	12,855,301	13,964,873
54,600	Express Scripts, Inc.	5,954,865	5,045,721			66,145,805	72,570,364
134,000	GlaxoSmithKline PLC – ADR	7,792,580	6,932,400	TOTAL INVESTMENT PORTFOLIO			
224,200	Johnson & Johnson	29,735,736	34,715,188			875,821,129	945,841,888
316,100	Merck & Co., Inc.	24,616,656	24,999,069	OTHER ASSETS, LESS LIABILITIES – 0.3%			
618,400	Pfizer Inc.	29,085,252	26,995,496				3,050,136
93,300	Quest Diagnostics Incorporated	9,425,779	11,520,553	NET ASSETS – 100.0%			
119,000	Sanofi – ADR	8,556,439	6,464,924				948,892,024

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

Scotia U.S. Low Volatility Equity LP (Continued)

FUND SPECIFIC NOTES

For the periods indicated in Note 1

The Fund (note 1)

The Fund's investment objective is to generate long term capital growth. It may invest directly in, or provide exposure to, investments including, but not limited to, exchange-traded funds ("ETFs") reflecting the primary sectors of the S&P 500, as well as cash and cash equivalents.

Risks associated with financial instruments (note 4)

Interest rate risk

The majority of the Fund's financial instruments were non-interest bearing as at December 31, 2016 and December 31, 2015. Accordingly, the Fund is not directly subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

Currency risk

The Fund's exposure to currency risk is summarized in the tables below. Amounts shown are based on the carrying value of monetary and non-monetary assets and liabilities of the Fund net of currency hedging contracts, as applicable.

December 31, 2016				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	948,524,087	–	948,524,087	99.9
	948,524,087	–	948,524,087	99.9

December 31, 2015				
Currency	Gross currency exposure (\$)	Currency hedging contracts (\$)	Net exposure (\$)	Percentage of net assets (%)
US Dollar	867,693,750	–	867,693,750	99.4
	867,693,750	–	867,693,750	99.4

If the Canadian dollar strengthened or weakened by 10% in relation to all other currencies, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by \$94,852,409 or 9.9% of net assets (December 31, 2015 – \$86,769,375 or 9.9%). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Price risk

Price risk is the risk that the carrying value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, underlying funds, derivatives and commodities, as applicable. As at December 31, 2016, approximately 99.7% (December 31, 2015 – 99.2%) of the Fund's net assets were exposed to price risk. If prices of these instruments had decreased or increased by 10%, with all other variables held constant, net assets of the Fund would have decreased or increased, respectively, by approximately \$94,584,189 (December 31, 2015 – \$86,584,871). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk

The Fund had no significant exposure to bonds and debentures, money market instruments or preferred shares as at December 31, 2016 or December 31, 2015.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, geographical location, asset type or industry sector, as applicable. The table below is a summary of the Fund's concentration risk:

	Percentage of net assets (%)	
	December 31, 2016	December 31, 2015
Consumer Discretionary	9.3	7.3
Consumer Staples	12.0	12.1
Energy	2.0	2.6
Financials	18.1	16.5
Health Care	15.6	17.1
Industrials	8.6	6.4
Information Technology	13.2	11.5
Materials	3.9	5.2
Real Estate	2.2	–
Telecommunication Services	7.2	7.3
Utilities	7.6	13.2

Fair Value Classification (note 2)

The tables below illustrate the classification of the Fund's financial instruments within the fair value hierarchy.

December 31, 2016	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	945,841,888	–	–	945,841,888
	945,841,888	–	–	945,841,888

December 31, 2015	Level 1	Level 2	Level 3	Total
	(\$)	(\$)	(\$)	(\$)
Equities	865,848,707	–	–	865,848,707
	865,848,707	–	–	865,848,707

Transfers between levels

During the periods ended December 31, 2016 and December 31, 2015, there were no significant transfers between Level 1 and Level 2.

Offsetting of financial assets and liabilities (note 2)

As at December 31, 2016 and December 31, 2015, the Fund did not enter into any agreement whereby the financial instruments were eligible for offset.

Interest in Underlying Funds (note 2)

The Fund did not hold any interest in Underlying Funds as at December 31, 2016 or December 31, 2015.

Comparison of net asset value per unit and net assets per unit (note 2)

As at December 31, 2016 or December 31, 2015, there were no differences between the net asset value per unit and the net assets per unit for any series of the Fund.

NOTES TO THE FINANCIAL STATEMENTS

For the periods indicated in Note 1.

1. The Funds

1832 Asset Management L.P., a wholly owned subsidiary of The Bank of Nova Scotia (“Scotiabank”), is the manager of the funds. In this document, “we”, “us”, “our”, the “Manager”, and “1832 Asset Management” refer to 1832 Asset Management L.P. The registered office of the Funds is Dynamic Funds Tower, 1 Adelaide St. E, 28th Floor, Toronto, Ontario, M5C 2V9.

The funds presented in these financial statements are Limited Partnerships. We refer to a Limited Partnership individually as a “Fund” and collectively, as the “Funds”.

The Funds are each an open-ended mutual fund organized as a limited partnership governed by the laws of Ontario pursuant to separate limited partnership agreements. Each Fund is divided into one general partner unit, representing the interest in the relevant fund held by its General Partner, and Series I units (“units”) representing interests in each Fund held by its limited partner unitholder(s). ScotiaFunds GP Inc., a wholly owned subsidiary of Scotiabank, is the “General Partner” and the initial limited partner of each Fund.

The Statements of Financial Position are as at December 31, 2016 and December 31, 2015, and the Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows are for the years ended December 31, 2016 and 2015. For Funds that started during either period, the information presented is for the period from the Fund’s commencement date to December 31, 2016 and or 2015, as applicable. The Schedule of Investment Portfolio for each of the Funds is as at December 31, 2016. Throughout this document, reference to the periods refers to the reporting periods described above.

These financial statements were approved and authorized for issue on March 10, 2017 by the Board of Directors of the General Partner of the Fund and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., in its capacity as the Manager of the Funds.

The investment objectives for each of the Funds are provided in the respective Fund’s “Fund Specific Notes”. The commencement date for each Fund is as follows:

Limited Partnerships	Commencement Date
1832 AM Canadian Dividend LP	April 6, 2015
1832 AM Canadian Growth LP	April 6, 2015
1832 AM Canadian Preferred Share LP	January 27, 2014
1832 AM Global Completion LP	January 27, 2014
1832 AM North American Preferred Share LP	January 27, 2014
1832 AM Tactical Asset Allocation LP	April 6, 2015
Scotia Global Low Volatility Equity LP	January 27, 2014
Scotia Total Return Bond LP	January 27, 2014
Scotia U.S. Dividend Growers LP	May 26, 2014
Scotia U.S. Low Volatility Equity LP	January 27, 2014

The Funds may offer an unlimited number of units of Series I. Series I units are only available for sale to other Scotia Funds.

2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of preparation

These annual financial statements of the Funds have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as published by the International Accounting Standards Board (IASB), in accordance with the Canadian securities legislation.

The preparation of these financial statements in accordance with IFRS requires the use of judgment in applying its accounting policies and to make estimates and assumptions concerning the future. Significant accounting judgments and estimates made by the management are disclosed in Note 3.

(b) Financial instruments

Classification

The Funds classify investments, including derivatives as financial assets or financial liabilities at fair value through profit and loss (FVTPL). This category has two sub categories: financial assets and financial liabilities are either held for trading or designated at fair value through profit or loss at inception.

Financial assets or financial liabilities held for trading are those acquired principally for the purpose of selling or repurchasing in the near future or on initial recognition as part of an identical portfolio of financial instruments that are managed together for which there is evidence of actual short-term profit taking. Derivatives and any short positions are included in this category.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the respective Funds’ investment strategy.

The Funds’ obligations for net assets attributable to holders of redeemable units are presented at the redemption amount.

Recognition and measurement

Regular purchases and sales of investments are recognized on the date on which the Funds commit to purchase or sell their investments at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income. Subsequent to initial recognition, financial assets and liabilities at FVTPL are measured at fair value as presented below. Gains and losses arising from changes in their fair value are included in the Statements of Comprehensive Income for the periods in which they arise.

(c) Fair value measurement and hierarchy of financial instruments

Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs.

IFRS 13, *Fair value measurement*, requires the use and disclosure of a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value of financial instruments. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets and the lowest priority to unobservable inputs. The three level hierarchy based on inputs levels are defined as follows:

- Level 1: Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair value is based on inputs other than unadjusted quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- Level 3: Fair value is based on at least one significant non-observable input that is not supported by market data for the financial assets or liabilities.

Changes in valuation methodology may result in transfer in and out of a level. The Funds' policy is to recognize these transfers as of the date of the event or circumstance giving rise to the transfer. The three level fair value hierarchy, transfers between levels and a reconciliation of level 3 financial instruments, as applicable, are disclosed in the respective Fund's "Fund Specific Notes".

The Manager is responsible for performing the fair value measurements included in the financial statements of the Funds, including level 3 measurements. The Manager obtains pricing from a third party pricing vendor, which is monitored and reviewed by the valuation team daily. At each financial reporting date, the Manager reviews and approves all level 3 fair value measurements. The Funds also have a Valuation Committee

which includes the Chief Financial Officer, members of the finance team, as well as members of the investment council and compliance teams. The committee meets quarterly to perform detailed reviews of the valuations of investments held by the Funds.

Financial instruments are valued at their fair value as summarized below:

- (i) North American equities are valued at the closing market price recorded by the security exchange on which the security is principally traded. Non-North American equities are valued at fair value based on information provided by an independent pricing source.
- (ii) Fixed income securities, including bonds and mortgage-backed securities, are valued using quotations received from an independent pricing source.
- (iii) Short-term debt instruments are carried at amortized cost, which approximates fair value.
- (iv) Investments in Underlying Funds are valued based on the Net Asset Value per unit provided by the Underlying Fund's manager at the end of each valuation date.
- (v) Unlisted warrants are valued using the Black-Scholes option valuation model. The model factors in the time value of money and the volatility inputs significant to such valuation. For purposes of determining Net Asset Value as defined below, warrants are valued at their intrinsic value.
- (vi) Options contracts are valued at their mid-price as reported by the principal exchange or the over-the-counter market on which the contract is traded. All transactions in over-the-counter options are executed using approved brokers with an approved credit rating.
- (vii) Futures contracts are valued at their close prices on each valuation date.
- (viii) Open forward currency contracts are valued at the gain or loss that would arise as a result of closing the position on the valuation date.

(d) Net Assets versus Net Asset Value

The Funds' accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring their net asset value for transactions with unitholders in accordance with Part 14 of National Instrument 81-106 Investment Funds for Continuous Disclosure ("NI 81-106"), except where the last traded market price for financial assets and liabilities are not within the bid-ask spread or the Fund holds non-traded warrants as described above. A comparison of the net assets per unit in accordance to IFRS ("Net Assets per unit") and the net assets per unit calculated in accordance to NI 81-106 ("Net Asset Value per unit") are presented in the "Fund Specific Notes" for each Fund, as applicable.

(e) Income recognition

Gains and losses arising from changes in fair value of financial instruments, other than derivatives, are shown in the Statements

of Comprehensive Income as “Change in unrealized gain (loss) on non-derivative financial assets” and as “Net realized gain (loss) on non-derivative financial assets” when the positions are closed out. The premium received or paid on options purchased or written are included in the cost of the options. Any difference resulting from revaluation at the reporting date is treated as “Change in unrealized gain (loss) on options contracts”, while the gains and losses realized when the position is closed is included in the Statements of Comprehensive Income as “Net realized gain (loss) on options contracts”.

Gains and losses arising from changes in fair value of spots, forwards, and futures contracts are shown in the Statements of Comprehensive Income as “Change in unrealized gain (loss)” of the respective derivative contract and in the Statements of Financial Position as “Unrealized Gain” or “Unrealized Loss” of the respective derivative contract until the contracts are closed out or expire. Once the contracts are closed out or have expired, the resulting realized gains and losses of forwards, and futures contracts are shown in the Statements of Comprehensive Income as “Net Realized gain (loss)” of the respective derivative contract.

Dividend income and distributions from Underlying Funds are recognized on the ex-dividend date. Distributions received from income trusts are recognized based on the nature of the underlying components such as dividend income, interest income, capital gains, and return of capital by applying previous year characterizations reported by the trust as current year characterizations are not available until the following year. The interest income component of the distributions received from Underlying Funds are included as part of “Interest for distribution purposes” in the Statements of Comprehensive Income.

Interest for distribution purposes includes the coupon interest received by the Fund, recognized on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. Realized gain or loss on the sale of short-term debt instruments are recorded as an adjustment to interest for distribution purposes.

(f) **Functional and presentation currency and foreign exchange translation**

The functional and presentation currency of the Funds is the Canadian dollar. The Canadian dollar is the functional currency, the currency of the primary economic environment in which the Funds operate or where mixed indicators exist in the primary environment, and the currency in which they primarily raise capital. Any other currency other than functional currency represents foreign currency to the Funds. Amounts denominated in foreign currencies are converted into the functional currency as follows:

- (i) Fair value of investments, derivative contracts and monetary and non-monetary assets and liabilities at the rates of exchange prevailing as at the valuation date;
- (ii) Foreign income and expenses are translated into Canadian dollars at the rates of exchange applicable on the respective date of such transaction; and

- (iii) Purchase or sale of investments and investment income at the rates of exchange prevailing on the respective dates of such transactions.

Gains and losses on foreign exchange incurred in the Funds from monetary or non-monetary assets and liabilities other than investments and derivatives, are shown in the Statements of Comprehensive Income as “Net realized and unrealized foreign currency translation gain (loss)”.

(g) **Investments in unconsolidated structured entities**

Certain Funds invest in mutual funds, exchange-traded funds, or closed-end funds managed by the Manager or by third party investment managers. The relevant Funds consider all investments in such instruments (“Underlying Funds”) to be investments in unconsolidated structured entities based on the fact that the decisions made by these Underlying Funds are not governed by voting rights or any other similar rights held by the Funds. The Funds account for these unconsolidated structured entities at fair value.

The Underlying Funds’ each have their own objectives and investment strategies which assist the Funds in achieving their investment objectives. The Underlying Funds primarily finance their operations by issuing redeemable units or shares which are puttable at the holder’s option in the case of mutual funds and exchange-traded funds or through issuing non-redeemable units or partnership interests in the case of closed end funds. The Underlying Funds entitle the holder to a proportional stake in the respective fund’s net assets. The Funds hold units, shares or partnership interests in each of their Underlying Funds. These investments are included in “Non derivative financial assets” in the Statements of Financial Position. The change in fair value of each Underlying Fund is included in the Statements of Comprehensive Income in ‘Change in unrealized gain (loss) of non-derivative financial assets’. The exposure to investments in Underlying Funds at fair value is disclosed in the Fund’s “Fund Specific Notes”. The Funds’ maximum exposure to loss from their interests in Underlying Funds is equal to the total carrying value of their investments in Underlying Funds.

Mortgage-backed securities or asset-backed securities are also considered to be unconsolidated structured entities. Mortgage-backed securities are formed by pooling various types of mortgages while asset-backed securities are formed by pooling assets such as auto loans, credit card receivables or student loans. An interest or claim to this future cash flow (interest and principal) is then sold in the form of debt or equity securities, which could be held by the Funds. The Funds account for these unconsolidated structured entities at fair value. The fair value of such securities, as disclosed in the Schedule of Investments, if applicable, represents the maximum exposure to losses at that date.

(h) **Redeemable Units Issued by the Funds**

The Funds’ outstanding redeemable units qualify as “puttable instruments” as per by the International Accounting Standard 32: Financial Instruments: *Presentation* (“IAS 32”) which states that units or shares of an entity that include a contractual obligation

for the issuer to repurchase or redeem them for cash or another financial asset should be classified as financial liabilities.

Each Limited Partnership issues two types of units (general partner unit and Series I unit) that are equally subordinated but have different features. This violates one of the criteria that are required in order for the redeemable units to be presented as equity under IAS 32. Consequently, the Funds' outstanding redeemable units are classified as financial liabilities in these financial statements.

(i) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is presented in the Statements of Financial Position only if there is a legal right to offset the amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund's "Fund Specific Notes".

(j) Other financial assets and liabilities

Other financial assets and liabilities other than investment securities are valued at amortized cost. These balances are short-term in nature; therefore, their carrying values approximate fair values.

(k) Increase (decrease) in net assets attributable to holders of redeemable units per unit

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" is disclosed in the Statements of Comprehensive Income and represents, for each Series of units, the increase or decrease in net assets attributable to holders of redeemable units from operations for the period attributable to each Series divided by the weighted average number of units outstanding for the corresponding Series during the period.

(l) Accounting standards issued but not yet effective

The final version of IFRS 9, Financial Instruments was issued by the International Accounting Standards Board ("IASB") in July 2014 and will replace IAS 39, Financial Instruments: Recognition and Measurement, related to the classification and measurement of financial assets and financial liabilities.

IFRS 9 relates to the classification and measurement of financial assets and financial liabilities in the Funds. The new standard is effective for the Funds for their fiscal year beginning January 1, 2018. The Funds are evaluating the impact of this standard on its financial statements and will amend disclosures if required in the financial statements following the effective date.

(m) Comparatives

Certain comparative figures on the Statements of Cash Flows were reclassified to conform to the presentation for the period

ended December 31, 2016. Amounts related to reinvested distributions from Underlying Funds have been reclassified from Purchase of portfolio investments to Other non-cash transactions.

3. Significant accounting judgments and estimates

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are made based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

Investment Entities

In accordance with IFRS 10: *Consolidated Financial Statements*, the Manager has determined that the Funds meet the definition of an Investment Entity which requires that the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at FVTPL, as required by the accounting standard.

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments about whether or not the business of the Funds is to invest on a total return basis for the purpose of applying the fair value option for financial assets under IAS 39: *Financial Instruments – Recognition and Measurement*. The most significant judgments made include the determination that certain financial instruments are held-for-trading and that the fair value option can be applied to those which are not.

Fair value measurement of derivatives and securities not quoted in an active market

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments and derivatives that are not quoted in an active market. The use of valuation techniques for financial instruments and derivatives that are not quoted in an active market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments and derivatives.

4. Discussion of Financial Instrument Risk

Each Fund's investment activities expose it to a variety of financial risks: market risk (including interest rate risk, currency risk, and other price risk), credit risk and liquidity risk. Each Fund's investment practices include portfolio monitoring to ensure compliance with stated investment guidelines. The Manager seeks to minimize potential adverse effects of risks on each Fund's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor each Fund's securities and financial market developments. The risks are measured using a method that reflects the expected impact on the results and net assets attributable to unitholders of the Funds from reasonably possible changes in the relevant risk variables.

The Manager maintains a risk management practice that includes monitoring compliance with investment restrictions to ensure that the Funds are being managed in accordance with the Funds' stated investment objectives, strategies and securities regulations.

Some Funds invest in Underlying Funds. These Funds are indirectly exposed to market risk, credit risk, and liquidity risk in the event that the Underlying Funds invest in financial instruments that are subject to those risks.

A Fund's exposure to market risk, credit risk and liquidity risk, where applicable, is disclosed in the respective Fund's "Fund Specific Notes".

(a) Market risk

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair values of interest-bearing financial instruments. Each Fund's exposure to interest rate risk is concentrated in its investments in debt instruments (such as bonds and debentures) and interest rate sensitive derivative instruments, if any.

(ii) Currency risk

The Funds may invest in monetary and non-monetary assets denominated in currencies other than their functional currency. Currency risk is the risk that the value of foreign investments will fluctuate due to changes in the foreign exchange rates of those currencies in relation to the Funds' functional currency. Funds may enter into foreign currency forward contracts, currency futures contracts and/or foreign currency option contracts for hedging purposes to reduce their foreign currency risk exposure.

(iii) Price risk

Price risk is the risk that the fair value of a Fund's financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to price risk is mainly in equities, derivatives, underlying funds and commodities. The maximum risk resulting from these financial instruments is equivalent to their fair value, except for written options, short sales and short futures contracts, where possible losses can be unlimited.

(b) Credit risk

Credit risk is the risk that the issuer of a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Funds. A Fund's investment in financial instruments such as bonds, debentures, money market instruments, preferred shares and derivatives represents the main concentration of credit risk. The fair value of financial instruments includes consideration of the creditworthiness of the issuer, and accordingly, represents the maximum credit risk exposure to the Funds. All the transactions in listed securities and derivatives are settled or paid upon delivery using approved brokers with an approved credit rating. The risk of default with the counterparty is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is only made on a purchase once the securities have been received by the broker.

The Trade Management Oversight Committee ("Management Committee") responsible for regulatory evaluation and improvement of trade management policies and procedures, when applicable, is also responsible for counterparty selection and oversight. The Management Committee review counterparties regularly to ensure they still meet preapproved credit standards established by the Management Committee. The counterparty policies and procedures established by the Management Committee have been reviewed and approved by the Board of Directors of the Manager.

The Funds enter into transactions with approved counterparties with a designated rating in accordance with securities regulations. The credit ratings reported in the financial statements for issuers of debt instruments, counterparties of derivative transactions, prime brokers and custodians, where applicable, are S&P Global Ratings' credit rating or S&P Global Ratings equivalent for credit ratings from other approved rating agencies. In instances where the credit rating was to fall below the designated rating, the Manager would take appropriate action.

The Funds can also be exposed to credit risk to the extent that the Funds' custodian may not be able to settle trades for cash. Canadian securities regulations require that the Funds employ a custodian that meets certain capital requirements. These regulations state that, among other things, a fund's custodian be either a bank listed in Schedule I, II, or III of the Bank Act (Canada), or a company incorporated in Canada affiliated with a bank with shareholders' equity of not less than \$10,000,000. The Bank of Nova Scotia, which is custodian for all the Funds, meets all Canadian Securities Administrators' requirements to act as custodian.

A Fund may enter into securities lending transactions with counterparties whereby the Fund temporarily exchanges securities for collateral with a commitment by the counterparty to deliver the same securities on a future date. Credit risk associated with these transactions is considered minimal as all counterparties have approved credit rating and the market value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned as at the end of each trading day.

(c) Liquidity risk

The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. The Funds primarily invest in securities that

are traded in active markets and can be readily disposed of. In addition, each Fund aims to retain sufficient cash and cash equivalent positions to maintain liquidity. The Funds may, from time to time, enter into over-the-counter derivative contracts or invest in securities that are not traded in an active market and may be illiquid. Illiquid securities are identified in the respective Fund's Schedule of Investment Portfolio, as applicable.

(d) Concentration risk

Concentrations of risk arise from financial instruments that have similar characteristics and are affected similarly by changes in economic or other conditions. The identification and disclosure of risks concentration is provided in the respective Fund's "Fund Specific Notes".

5. Management Fees

The Manager is not paid a management fee by the Funds in respect of Series I units. The management fee is negotiable and paid by unitholders directly to the Manager.

6. Fixed Administration Fees and Operating Expenses

The Manager pays certain operating expenses of the Funds ("FAF Funds"). These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, transfer agency and recordkeeping, accounting and fund valuation costs, custody fees, audit and legal fees, administration costs, bank charges, costs of preparing and distributing annual and semi-annual reports, prospectuses, annual information forms, Fund Facts and statements, investor communications and continuous disclosure materials. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees. In return, each Series of the Funds pays a Fixed Administration Fee to the Manager (the "Fixed Administration Fee"). Up to December 31, 2016, the Fixed Administration Fee payable by each Series of the Funds is subject to a transitional adjustment payment, details of which are presented in the Funds' simplified prospectus.

In addition to the Fixed Administration Fee, each Series of the Funds pays certain operating expenses directly, referred to as "Other Fund Costs". These include the costs and expenses related to the Independent Review Committee ("IRC") of the Funds, costs associated with the change to IFRS and the ongoing audit costs associated with compliance with IFRS, the cost of any government or regulatory requirements imposed commencing after May 14, 2014, including compliance with Canadian OTC derivatives trade reporting rules, compliance with the Volcker Rule under the *Dodd Frank Wall Street Reform and Consumer Protection Act* and other applicable U.S. regulations, and any new types of costs, expenses or fees not incurred prior to May 14, 2014, including those related to external services that were not commonly charged in the Canadian mutual fund industry as of May 14, 2014, any fee introduced after May 14, 2014 by a securities regulators or other government authority that is based on the assets or other criteria of the Funds, any transaction costs, including all fees and costs related to derivatives, and any borrowing costs, and taxes

(including, but not limited to, GST or HST, as applicable). More details about the Other Fund Costs can be found in the Funds' most recent simplified prospectus. Other Fund Costs will be allocated among the Funds and each Series of the Funds is allocated its own expenses and its proportionate share of these expenses that are common to all Series.

The Manager may, in some years and in certain cases, pay a portion of a Series' Fixed Administration Fee, or Other Fund Costs. The Fixed Administration Fee and Other Fund Costs are included in the management expense ratio of each Series of a Fund.

The Fixed Administration Fee and Other Fund Costs are accrued daily and paid monthly. The maximum annual rates of the Fixed Administration Fee, which are a percentage of the net asset value for each series of units of each Fund, are as follows:

	% of Net Asset Value
	Series I
1832 AM Canadian Dividend LP	0.04
1832 AM Canadian Growth LP	0.04
1832 AM Canadian Preferred Share LP	0.07
1832 AM Global Completion LP	0.07
1832 AM North American Preferred Share LP	0.07
1832 AM Tactical Asset Allocation LP	0.04
Scotia Global Low Volatility Equity LP	0.10
Scotia Total Return Bond LP	0.03
Scotia U.S. Dividend Growers LP	0.07
Scotia U.S. Low Volatility Equity LP	0.07

7. Redeemable Units

Units issued and outstanding represent the capital of each Fund. Each of the Funds may issue an unlimited number of units. Each unit is redeemable at the option of the unitholder in accordance with the limited partnership agreements, ranks *pari passu* with all other units of the Funds and entitles the unitholder to a proportionate undivided interest in the Net Asset Value of the Funds. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies and restrictions, as outlined in the Funds' prospectus. The Funds have no specific restrictions or specific capital requirements on the subscriptions or redemptions of units, other than minimum subscription requirements.

The units of the Funds are issued and redeemed at their Net Asset Value per unit which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The Net Asset Value per unit is calculated by dividing the Net Asset Value by the total number of outstanding units.

One general partner unit was issued to the General Partner for cash consideration of \$10.00 per unit for each of the Funds under the limited partnership agreement between the General Partner and the limited partners of each Fund. The General Partner is entitled to 0.01% of the net income of each Fund and 0.01% of the net loss of each Fund.

For the periods ended December 31, 2016 and 2015, the following number of units were issued, reinvested and redeemed:

LP Funds	December 2016					December 2015				
	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units	Opening Units	Units Issued	Units Reinvested	Units Redeemed	Ending Units
1832 AM Canadian Dividend LP										
Series I Units	55,496,839	3,471,112	–	3,106,098	55,861,853	–	55,850,223	–	353,384	55,496,839
1832 AM Canadian Growth LP										
Series I Units	19,693,369	4,971,415	–	792,008	23,872,776	–	19,718,648	–	25,279	19,693,369
1832 AM Canadian Preferred Share LP										
Series I Units	13,785,254	2,120,529	–	1,790,861	14,114,922	15,080,430	5,503,176	–	6,798,352	13,785,254
1832 AM Global Completion LP										
Series I Units	30,749,956	1,613,215	–	1,035,943	31,327,228	25,476,723	7,072,796	–	1,799,563	30,749,956
1832 AM North American Preferred Share LP										
Series I Units	21,900,677	3,611,109	–	1,701,876	23,809,910	34,870,877	7,190,261	–	20,160,461	21,900,677
1832 AM Tactical Asset Allocation LP										
Series I Units	16,336,330	894,155	–	820,678	16,409,807	–	16,766,461	–	430,131	16,336,330
Scotia Global Low Volatility Equity LP										
Series I Units	62,447,826	4,282,717	–	2,433,850	64,296,693	50,697,662	17,296,103	–	5,545,939	62,447,826
Scotia Total Return Bond LP										
Series I Units	74,890,662	3,672,241	–	1,891,306	76,671,597	33,363,350	43,193,300	–	1,665,988	74,890,662
Scotia U.S. Dividend Growers LP										
Series I Units	32,537,643	4,940,304	–	1,269,447	36,208,500	11,357,375	28,077,649	–	6,897,381	32,537,643
Scotia U.S. Low Volatility Equity LP										
Series I Units	68,414,665	3,213,780	–	4,863,254	66,765,191	79,451,548	7,433,253	–	18,470,136	68,414,665

8. Income Taxes

No provision for income taxes has been recorded in these financial statements as the earnings or loss of a Fund is allocated to the limited partners and the General Partner, who are responsible for any income taxes applicable thereto.

Withholding Taxes

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. In addition, certain countries may require capital gains taxes to be determined on a self-assessment basis; therefore, such taxes may not be deducted by the Fund's broker on a "withholding" basis. Accordingly, any uncertain taxes would represent liabilities of the limited partners and General Partner of the Fund. As at December 31, 2016 and 2015, the Fund has estimated that such liabilities with respect to foreign capital gains taxes are nil.

Such income and capital gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

9. Client Brokerage Commissions

Client brokerage commissions are arrangements pursuant to which products or services, other than the execution of portfolio securities transactions, are obtained by a portfolio adviser from or through a broker-dealer in exchange for directing client securities transactions to the broker-dealer. The ascertainable client brokerage commissions

paid in connection with investment portfolio transactions for the periods ended December 31, 2016 and 2015 are set out below.

Fund	2016	2015
1832 AM Canadian Dividend LP	\$95,447	\$121,902
1832 AM Canadian Growth LP	45,811	87,175
1832 AM Canadian Preferred Share LP	2,495	7,247
1832 AM Global Completion LP	–	710
1832 AM North American Preferred Share LP	3,603	13,357
1832 AM Tactical Asset Allocation LP	–	112
Scotia U.S. Low Volatility Equity LP	–	7,510

10. Related Party Transactions

The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc., HollisWealth Advisory Services Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc., (which includes HollisWealth, ScotiaMcLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain other companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- The Manager receives a Fixed Administration Fee in exchange for paying certain operating expenses of the Funds as detailed in note 6. In addition, Scotiabank as the custodian for all the Funds earns a fee for providing custody and related services. The fixed administration fees are disclosed in separate line in the Statements of Comprehensive Income and Statements of Financial Position. The custodian fee charged to the Funds is paid by the Manager, in exchange for the Fixed Administration Fee received from these Funds.

- (b) Decision about the purchase and sale of the Funds' portfolio securities are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds, by a related party to the Funds. In such cases, the related party will receive commissions from the Funds. Brokerage fees paid to related parties for the periods ended December 31, 2016 and 2015 are as follows:

Fund	December 31, 2016	December 31, 2015
1832 AM Canadian Dividend LP	\$ 68,422	\$51,658
1832 AM Canadian Growth LP	14,566	28,813
1832 AM Canadian Preferred Share LP	9,454	21,620
1832 AM North American Preferred Share LP	20,650	35,442
Scotia Global Low Volatility Equity LP	—	—
Scotia U.S. Dividend Growers LP	103,834	—

- (c) The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.
- (d) The Funds may invest in investment funds managed by the Manager or a related party, which are disclosed in the Schedule of Investment Portfolio for the respective Funds. These include Scotia Funds, Scotia Private Pools, Pinnacle Portfolios, Dynamic Funds, Marquis Funds and Dynamic Private Investment Pools.
- (e) Units held by the Manager in the Funds as at December 31, 2016 and December 31, 2015, were nil.
- (f) The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties.

Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds.

- (g) Distributions received from related party funds are included in "Interest for distribution purposes", "Dividends", or "Net realized gain (loss) on non-derivative financial assets", as applicable, in the Statements of Comprehensive Income.

11. Securities Lending

Some of the Funds may enter into securities lending transactions under a securities lending program with their custodian, The Bank of Nova Scotia. These transactions involve the temporary exchange of securities for collateral with a commitment to return the same securities to the Fund on a future date. In accordance with security regulations, the Funds receive minimum collateral of 102%. Collateral is received in the form of debt obligations of the Government of Canada, a Canadian provincial government, the government of the United States of America, certain financial institutions or other qualified securities, and is not included in the Schedule of Investment Portfolio. The Funds do not receive cash collateral from any securities lending transactions. The aggregate market value of all securities loaned by a Fund cannot exceed 50% of the Net Assets of the Fund. The fair value of the securities lent and collateral held is determined on a daily basis. The securities lending arrangement can be terminated by the borrower, the securities lending agent or the Fund at any time.

The income earned from these securities lending transactions is recorded in the Statements of Comprehensive Income.

The securities lending agent earns 30% of the gross income generated through any securities lending transactions in the Funds.

The aggregate market value of the securities on loan and the collateral received by the Funds as at December 31, 2016 and December 31, 2015 are presented below along with the income earned for the periods ended December 31, 2016 and 2015:

Trust Funds	As at December 31, 2016		For the period ended December 31, 2016		
	Market value of securities on loan (\$)	Market value of collateral received (\$)	Net amount received by the Fund (\$)	Amount earned by lending agent (\$)	Gross securities lending revenue earned (\$)
1832 AM Canadian Preferred Share LP	134,990	142,456	4,556	1,957	6,513
1832 AM Global Completion LP	126,906,058	134,039,026	296,628	127,140	423,768
1832 AM North American Preferred Share LP	1,852,312	1,956,914	16,486	7,086	23,572
Scotia Global Low Volatility Equity LP	15,481,757	16,358,941	64,497	27,649	92,146
Scotia Total Return Bond LP	82,747,311	87,114,923	64,394	27,610	92,004
Scotia U.S. Low Volatility Equity LP	30,228,243	31,934,551	22,395	9,606	32,001

Trust Funds	As at December 31, 2015		For the period ended December 31, 2015		
	Market value of securities on loan (\$)	Market value of collateral received (\$)	Net amount received by the Fund (\$)	Amount earned by lending agent (\$)	Gross securities lending revenue earned (\$)
1832 AM Canadian Preferred Share LP	2,194,687	2,319,656	8,438	3,621	12,059
1832 AM Global Completion LP	70,485,440	74,553,360	1,028,470	440,782	1,469,252
1832 AM North American Preferred Share LP	2,911,606	3,075,251	16,320	7,015	23,335
Scotia Global Low Volatility Equity LP	25,279,802	26,715,556	122,278	52,411	174,689
Scotia Total Return Bond LP	40,730,572	42,833,022	28,140	12,068	40,208
Scotia U.S. Low Volatility Equity LP	7,320,525	7,768,260	12,356	5,295	17,651

Management's Responsibility For Financial Reporting

The accompanying financial statements of the Funds (as defined in Note 1) have been prepared by 1832 Asset Management L.P., in its capacity as manager (the "Manager") of the Funds, and have been approved by the Board of Directors of the general partner of the Funds and by the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P. The Board of Directors of the general partner of the Funds and the Board of Directors of 1832 Asset Management G.P. Inc., as general partner for and on behalf of 1832 Asset Management L.P., are responsible for the information and representations contained in these financial statements and the management report of fund performance.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and include certain amounts that are based on estimates and judgments made by the Manager. The significant accounting policies which the Manager believes are appropriate for the Funds are described in Note 2 to the financial statements.

The Finance Committee of the Board of Directors of 1832 Asset Management G.P. Inc. is responsible for reviewing the financial statements and the management report of fund performance and recommending them to the Boards of Directors of the general partner of the Funds and 1832 Asset Management G.P. Inc. for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

PricewaterhouseCoopers LLP is the external auditor of the Funds, appointed by the general partner of the Funds. The auditor of the Funds has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. The auditor's report is set out herein.



Glen Gowland
President
1832 Asset Management L.P.

March 10, 2017



Abdurrehman Muhammadi
Chief Financial Officer
1832 Asset Management L.P.

Independent Auditor's Report

To the Partners of
1832 AM Canadian Dividend LP
1832 AM Canadian Growth LP
1832 AM Canadian Preferred Share LP
1832 AM Global Completion LP
1832 AM North American Preferred Share LP
1832 AM Tactical Asset Allocation LP
Scotia Global Low Volatility Equity LP
Scotia Total Return Bond LP
Scotia U.S. Dividend Growers LP
Scotia U.S. Low Volatility Equity LP
(collectively the Funds)

We have audited the accompanying financial statements of each of the Funds, which comprise the statements of financial position, comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows as at and for the periods indicated in note 1, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in each of our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position, financial performance and cash flows of each of the Funds as at and for the periods indicated in note 1, in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants,
Licensed Public Accountants
Toronto, Ontario
March 10, 2017

HEAD OFFICE – 1832 ASSET MANAGEMENT L.P.
1 Adelaide Street East, 28th Floor
Toronto, Ontario M5C 2V9

© Registered trademarks of The Bank of Nova Scotia, used under licence.

